



THABA CHWEU

1. Executive Summary

Due to maladministration, Thaba Chweu municipality was under administration in 2005 and was placed again under administration in 2009. It is a legacy problem that has compromised on the effectiveness and integrity of the municipality, of which the current caretaker administrator is keen to change. The overall aim of the administrator is to restore the confidence and professional integrity of the municipality across its varied stakeholders ranging from service providers/private sector, communities and government. A recurrent theme that emerged in these discussions is the need to “institutionalize sustainable reforms” that would ensure effective service delivery to the community as part of its renewed vision and purpose. One key problem the municipality faced was its flawed financial governance systems which partly led to loss of income due to inability to collect rates. As a result of the institutional reforms implemented thus far, the municipality has achieved notable outcomes which are slowly changing the perception of its stakeholders with regard to its operational integrity. Stakeholder confidence has increased overtime and this is largely due to the consultative nature of the reforms implemented in the municipality. Stakeholders such as the mining sector have volunteered to assist where needed and this level of support is notable across community formations such as the youth groups. Tangible changes such as the refurbishment of the Hydro Electric Power Unit, improvement in water quality programmes and the establishment of a town planning section were hailed as a huge achievement of the municipality. One key change that was proposed with regard to institutional reforms is the need to deplore both financial resources as well as human resources in instances where municipalities are placed under administration. The reform agenda undertaken by the key personnel tasked with reforming the ailing municipality is achievable if accompanied by financial resources. A municipality that is on the brink of bankruptcy can hardly fund any of its much needed reforms despite having the personnel resources to do so. This was cited as an over arching limitation with regard to the pace of reforms expected in municipalities that are placed under administration.

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

The Provincial Executive Council on the 22nd October 2009 convened a Special meeting to consider the reports on the status of municipality. The Provincial Executive considered the reports and decided to place the municipality under administration as provided for by Section 139(1)(b) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) as amended. The Executive functions and powers allocated to the Executive Mayors in terms of the Local Government: Municipal Structures Act No. 117 of 1998 as well as the responsibilities assigned to the Municipal Managers in terms of Section 55 of the Municipal Systems Act No. 32 of 2000 have been assumed by the Provincial Executive Council. The appointment of the administrative manager Mr. Terrance Mokale in Thaba Chweu Local Municipality was with effect from 26 October 2009. The Administrator has been assigned to turn around the municipality with regard to restoring basic service delivery, improve financial systems, enhance revenue collection, and improve institutional capacity and performance including the implementation of the findings and recommendations of the section 106 reports. The Administrator will be subjected to performance contracts aligned with the recovery plan for the municipality. The duration of the intervention will be for a period of 6 months or can even be extended pending on the result.¹ Worth noting, is that this municipality was under administration in 2005 clearly indicating that it has a legacy problem pertaining to maladministration. The discussions held in this municipality mostly centered on the prognosis officials made of the current "administrative status" of the municipality, and within this, the core achievements and reforms that are currently engendered by officials brought to institutionalize sustainable reforms.

The Administrator has a clear mandate of bringing service to citizens as part of the developmental role a municipal must perform. Discussions held with the administrator clearly acknowledged that his principal mission is to rehabilitate the municipality and bring back the confidence of the community and stakeholders with regard to the operational integrity of the municipality which lacked a clear vision and purpose:

My mandate is to come up with a Recovery Plan to address the institutional problem. There was lack of Political leadership in the Council from the Mayor's side, he has stepped down, and the Speaker had to resign, the Manager also resigned after being placed on suspension. I am trying to restore the community's confidence in the Municipality. The Municipality Manager privatized 96% of the Finance Department to a service provider. There was lack of leadership and as a result money was stolen. I am supervising and controlling the Section 57 Managers (Interview discussions held with the administrator).

One of the glaring challenges the municipality faced leading to its current "administrative status" was based in its flawed financial governance systems. With regard to rates, the

¹ <http://www.thabachweu.org.za/>

municipality was unable to issue statements for seven months and this compromised its already fledging financial status. As a result, the municipality struggled to manage its account with Eskom due to non-payments from residents. Development services such as roads maintenance, water disposal site management were also compromised and this dented the image of the municipality to its constituencies – community members and business (Interview discussions held with the administrator).

Despite the fact that the municipality is under administration, the following was noted as some of the current achievements made in the wake of the difficult environment the municipality is embedded in:

1. The municipality lacked confidence from its stakeholder community – local citizens and the business community. Stakeholder’s consultation that has been undertaken by the municipal administrator has dramatically changed this and there is a willingness within the stakeholder community to be involved in the granting support to the municipality. In other words, confidence levels and goodwill have been restored and the prospects of community protests dampened completely as a result. The municipal manager has been able to meet with all the relevant stakeholders ranging from sector departments, youth formations, churches, business chambers, mining companies, local business community, and community groups. Council meetings have been held and in the previous past, these meetings were infrequent. The Council was unable to function properly because of the Political dynamics and therefore unable to elect the Mayor, Chief Whip and the Speaker. These interactions have galvanized fruitful relationships across the stakeholder community which was not the case previously. As a result of these relationships, the mining sector has offered to build an additional sub-station to stabilize electricity supply in the municipality. The building costs incurred by the mines will then be deducted from their monthly payments of rates. This agreement has already been signed. Community projects have been started by the municipality to assist in creating livelihoods opportunities (Interview Discussions with the Municipal Administrator).
2. Refurbishment of the Hydro Electric Power Unit was hailed as a huge achievement of the municipality. As a result, the municipality started to produce electricity from the plant in 2008. The hydro electric power unit is continuously upgraded to ensure it runs effectively. By utilizing this plant, the municipality is saving on the electricity about hundred thousand a month on its electricity bill. Currently, there are plans to build more of these plants in the municipality and the scoping exercise has been registered with the National Department of Treasury as a possible Public Private Partnership Project (PPP). so we are hoping to get funding from that to complete the feasibility study on that. If the scoping exercise proves feasible the municipality will invite tenders to have more plants installed.

3. There was very little monitoring of the quality of water in the past, not only the quality, but the chemical used, however the municipality has now upgraded its plants to function properly, and they are able to monitor monitoring water quality on a monthly basis and these results are submitted to the Department of Water Affairs. In between, the municipality conducts tests on a weekly basis to ensure that water quality is good. The municipality is also taking part in the blue and green drops programmes of the Water Affairs (Interview Discussion held with the Divisional Head, technical Services).
4. Previously, the municipality did not have a Town Planning section but this has been initiated and staff appointed as aptly noted:

I must say I feel satisfied with what we have achieved as far as that is concerned. The other thing is our Project Management unit which was non-existent is now fully functional under my auspices. One of the first things we had to do was to deal with projects of the MIG, before I came here all capital implementation projects were done by the district municipality. Our standing on MIG has been 100 percent for the past four years. We received an award for the best improved municipality as far as management of funding is concerned. We also received the Vundla award from the Provincial for the best infrastructure implementation in the Province and I feel proud of that (Interview Discussions with Divisional Head, Technical Services)

Nature of Relationships with Sector Departments, Officials and Role of Private Sector

As noted, the municipality is under administration and the Municipality Manager, Chief Financial Officer, Mayor and Speaker has been suspended. Consequently, discussions pertaining to the relationship between the administrative and political leaders from the suspended officials within the municipality were not possible in this case study. A general overview of relationships with sector departments at provincial and national and other stakeholders was inferred from discussion held with the divisional heads.

Discussions held with the Technical Divisions Head noted that relationships with the Provincial Sector Departments were good:

From my perspective I think we have a good relationship, especially with CoGTA and Provincial departments, we have regular meetings with them on all sorts of aspects. They are willing to assist us broadly on quite a number of things, it includes from the IDP, water plans as well as implementation, and as far as services are concerned making funds available for housing and services. They do assists a lot. For instance, we did a project two years ago and the Department of Human settlements availed funds for

the development of four hundred stands, and they also assisted us to get an agreement between the municipality and the Mpumalanga Housing Company. The Department of Human Settlement did all the developments of that project. Unfortunately it seems the funds dried up at some stage, because the idea was that they will service these stands and then sell them to deserving clients. Part of the agreement that we had with them was that they will also provide the bulk services. We are in discussion with the Department of Human Settlements to try and find a solution, they seem willing to assist us. CoGTA has assisted us with the drafting of our IDP (2010/11) and we are dealing with the Department of Water Affairs, they have made money available for development of some borrows, also replacing and repairing some of the pipes (Interview discussions held with Divisional Head, Technical Services).

However, assistance requested in the form of financial bail outs which (estimated at 15 million) from the Provincial Government (Premier's office) and CoGTA has not been forthcoming despite appeals to this end. With the Province, the following was noted with regard to working relationships:

.....we only receive the technical support, not financial to pay for the legal costs of the disciplinary proceedings, and paying of the Administrators. On National level we received assistance with the development of Technical Services (CoGTA) which the municipality has customized itself. With the DBSA, their officials are in the finance department under the auspices of the Siyenza Manje and other technical staff who are assisting us in the reform initiatives which are currently underway (Interview Discussions with Municipal Administrator).

Discussions held with the administrator confirmed that relationships held with the district municipality were very good as they have rendered financial support to them which they have used to purchase chemicals and equipment and in addition appointed contractors to repair waste management sites. In sum, with the exception of financial assistance which has not been forthcoming, technical assistance received from other sector departments at the provincial and national level was hailed as good with the exception of the Human Resource Sector who noted the non-productive nature of their working relations with their provincial counterparts:

We are always called to attend workshops, which if we fail to attend then they make it an issue. The reason for not attending workshops for me is that they lack information of what is happening at the municipalities. There was a workshop organized in Cape Town, which was cancelled three days before it was to start, we incurred loss for bookings we had made, we have never heard from them until to date, they simply said until further notice. These are challenges we are having with the province, we are not coordinating the Presidential Hotline, we have appointed Public Liaison Officer per the instruction of the Province, but there is no assistance in place from them. We need to improve on the relationships among various stake holders, there must be clear

communication, for instance the Province have adopted the Human Resource strategies, but we are not informed about that, yet we are expected to complement that. We are using different Human Resource strategies from the Province, for instance the Skills Development Plan, is only known by those in the Provincial office not by municipalities (Interview Discussions held with Divisional Head, Human Resources).

Technical Perspectives (Water, Sanitation, Electricity, Refuse Removal, Roads)

Overall, the challenges of service delivery are aggravated by the fact that the municipality is predominantly rural with only two major urban centres, that is, Sabie and Lydenburg. A greater section of the municipal region is comprised of farm and rural areas. Due to limited resources and a very low revenue-base, the municipality cannot meet all the service delivery expectations from the community. It is fundamental for the municipality to direct its focus of service delivery to rural and farm areas in order to address spatial distortions of development. Most of the community needs within the municipality centre on basic services which included water, electricity, waste removal, roads, storm-water drainage, transport, cemeteries and recreational facilities.² Despite this state of under development, the lack of effective political leadership has stymied the operations of the municipality. The council lacked an understanding of the Local Government's issues. Wrong political leaders seconded with no concept of leadership or governance has failed municipalities:

If you employ the wrong officials because they have influence, that then paralyses the municipality and adversely impact on service Delivery and spatial development. This municipality needs both political and administration leadership, to ensure that proper service delivery and economic development is achieved. This is a tourist region, and this sector could be developed through investors (Interview Discussions with Municipal Administrator).

One glaring challenge that has accompanied poor leadership is the financial bankruptcy status the municipality finds itself in:

.....the most frustrating is the issue of cash, there is nothing compared to that, we virtually cannot do our work because there is no money. The inability to keep staff motivated impacts on service delivery. In some areas we find councilors who are not assisting us when it comes to community issues. If the cash flow situation could be turned around, it will make a huge change. To motivate staff, the salary and the grading system of the municipality should be changed and made more market related. If this is done it will make it possible for all critical vacancies to be filled and if the money is there

² Municipal IDP, 2009/2010, pp. 66

we could have equipment and vehicles to do more work (Interview Discussions with Technical Services Divisional Head).

Despite the lack of financial resources and staff capacity, a view is expressed with regard to service delivery which reflects a reality often not accounted for in analyzing service delivery backlogs:

I often say that backlogs are something that you can never get rid of. The reason is that when you have a town that is growing, there will be backlogs. But in case of already settled communities who do not have services, then you have a serious problem. For the past five years we have come a long way in terms of that, we did a survey to determine what backlogs were. From the survey we then realized that we have considerably closed the backlogs. In the past year our biggest challenge was finances (Interview Discussions with Technical Services Divisional Head).

Other notable developmental challenges the municipality is facing are with regard to land reform and housing which constitutes as one of the most urgent needs of the residents in the municipality. Although the Provincial Department of Local Government and Housing had commenced with the provision of a substantial number of subsidy houses in most municipal settlements, there is still a huge backlog for houses, especially in Lydenburg, Sabie and Graskop. This backlog in houses is mainly due to the high influx of people from the rural and farming areas as well as people from other parts of the country seeking job opportunities in the mines and other growing economic sectors in the municipal area. The provision of housing is also largely constrained by lack of land, the mountainous topography and the dolomite geological conditions that characterises most parts of the eastern portion of the municipality. Most of the land in the municipality is privately owned. The tribal areas are also experiencing a growing demand for residential sites and there is no proper planning and systems of making land available for residential purpose. The municipality should consider entering into negotiations with the traditional leaders in order to ensure that township establishments and proper tenure rights are issued to the residents. The slow pace of the land reform programme is affecting the establishment of townships in rural farm areas. Tenure upgrading is further exacerbated by inadequate funds and poor coordination between departments, which delay the transfer of land from "current" owners to land restitution beneficiaries³.

Municipal Finance

The Acting Chief Financial Officer was deployed from DBSA in January 2010 as part of the Siyenza Manje programme. His main task given the financial state of the municipality is to assist the municipality to appoint the right people, and enforcement because it is not happening at the moment, especially at smaller municipalities. The municipality did not have a viable and

³ This observation was noted in the Municipality IDP, 2009/10, pp. 33

accurate financial system. This was partly attributable to lack of capacity of the personnel, which has resulted in the nonfunctioning of the municipality. Revenue collection was not collected for a period of seven months because there was no billing taking place and this hugely compromised the financial status of the municipality. As a result, the municipality owes creditors about 16 million rands and plans are under way from the Provincial and National Government to assist the municipality in funds to the municipality to assist in its credit payments (Interview Discussions held with the Acting Chief Financial Officer).

Linked to the financial crisis, the personnel structure of the municipality is bloated and inappropriate to allow it effectively execute its developmental mandate. This coupled with a weak and politicized management system essentially paralyzed the operations of the municipality:

...the whole issue has to do with adherence, we have people who do not have experience, and sometimes it's the issue of wrong qualifications. At this municipality the other problem is the salary match, degrading is not correct. Another issue is that municipality it's a very complex institution, with lot of regulations that make it difficult to be in par with private sector (Interview Discussions held with the Acting Chief Financial Officer).

Financial maladministration such as non-compliance with submission of financial reports to treasury was the norm in this municipality (Interview Discussions held with the Acting Chief Financial Officer). In reforming the financial system, the acting CFO has aligned these reforms in tandem with the requirements of the Turnaround Strategy. The next important step in his mandate is to communicate with the broader community in particular the creditors on the steps been undertaken to pay off the debts (Interview Discussions held with the Acting Chief Financial Officer).

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 Financial Recovery plan was a critical focus of the municipality IDP process. The lack of senior and qualified staff and the impact this has on service delivery such as IDP strategy development was aptly noted in the following remarks:

.....the main challenge is with the Human Resource's capacity to manage. The IDP unit is only staffed with juniors. The same problem we experience in the LED section, we used to have an LED manager who resigned, presumably from the Municipality's problems. Revenue collection has been a challenge, while others were paying a flat rate since March this year (2010). The municipality can meet all its commitments and have adequate resources. Housing is only facilitated by the municipality as opposed to

provision thereof. A small unit is being paid for by the municipality in terms of the officials, the functions are to be transferred to the Local Government (Interview Discussions held with the Municipal Administrator).

Local Economic Development (LED)

Thaba Chweu Local Municipality (TCLM) produces 19% of the Ehlanzeni GGP and accommodates 7% of the population of Ehlanzeni District Municipality (EDM). The economy is driven by agricultural and forestry production and 44% of the total production in this sector within EDM comes from TCLM. The contribution of agriculture (33%), manufacturing (22%), community services (16%) and trade and catering (11%) to the TCLM GGP, provides the economic base for future development. Mining is playing an increasing role in the TCLM economy and makes up 32% of the total GGP in this sector within EDM.⁴ The municipality is currently on the periphery of the province's main activity area that is located along the N4 corridor, around Mbombela and the less developed areas west of the Kruger National Park and located in Nkomazi.⁵ TCLM makes up 7% of the total area of EDM. Mashishing (Lydenburg)/Marambane is the major activity centre within the area. The tourism and forestry centres include Sabie, Graskop, and Pilgrim's Rest. The urban/rural ratio of the population is 68.1%: 31.9% compared to 40.5%: 59.5% for Mpumalanga as a whole. This indicates a higher degree of urbanisation for the municipal area that is expected to increase in future.⁶ Despite the economic potential the municipality is endowed with, the interview discussions held in this municipality were an acknowledgment that the comparative economic advantages the municipality has have not been fully grappled with and actualized by the administrative and political leadership in the municipality. Indeed, the municipality is current under administration as was enunciated in the earlier section of the paper.

The economic potential of the municipality is determined by its natural resource base which consists of forests and a natural environment of unique beauty and its human resource base. The new Lydenburg Platinum Development initiative also provides substantial economic potential for the region. The tables above show that 53.9% of the adult population has had access to secondary schooling or above. This bodes well for creating jobs in the tourism industry where much of the job creating potential is reliant on a semi-skilled population which could be employed as tour guides, front office staff such as receptionists and back office staff such as accountants, chefs and filing clerks and in support industries such as bus driving.⁷ The LED Unit of the municipality is in a process to capacitate the youth to be able to deal with the challenges related to the economic development in the area. There is a low active involvement of the previously disadvantaged communities in commercial agriculture and tourism

⁴ Thaba Chweu IDP, 2009/2010, pp 21

⁵ *Ibid.* pp 25

⁶ *Ibid.* pp 30

⁷ This observation was noted in the Municipality IDP, 2009/10, pp. 44

development except through the selling of curio products along the main roads and as workers in the hotels and lodges within the area.⁸

There is a challenge to effective coordination and alignment of efforts, initiatives and resources to market the industry within the municipality. This is due to lack of financial resources. Tourism is affected by lack of entrepreneurship and skills of historically disadvantaged groups to develop and implement cutting-edge marketing strategies or network with other organisations with the same objective. The current situation with regards to local economic development has a number of implications. Thaba Chweu has two distinctive economies – the urbanised economy which is taking place mainly around the areas of Lydenburg, and semi-urban economies in Sabie and Graskop. There are very minimal economic activities in the rural areas – Mathibidi, Leroro and Moremela. The socio-economic analysis provides essential information for decision making on how the LED strategy should address the existing constraints on economic growth in a systematic and integrated manner for the area. The increasing population is putting pressure on not only improving employability of the potentially and economically active labour force but also a negative effect on disposable income of the households.⁹

Despite the problems and opportunities highlighted for LED in the municipality it was inferred from the discussions that the municipality has not performed well in this sector. The discussion held with the official in charge of LED corroborated the view that LED lacks political support and championing. It is perceived as marginal and not a strategic unit to augment for the development of the municipality:

Apart from lack of Political support another challenge is the inability by the municipality to appoint personnel with experience, and with right qualifications to the job. That causes people to learn for a very long time (people with lack of experience). Another problem is when the person has been trained and then is shifted to another department and someone new is brought in with no knowledge of LED, this compromises the potential of the programme. Another challenge is the issue of procurement it has not been taken as something that could add value as far as LED is concerned. We were not informed and involved in the process. For instance, the recession has spawned unemployment rates to go up and LED should be at forefront as a growth and labor absorbing sector (Interview discussions held with official in charge of LED in the municipality).

In terms of strategic planning, the municipality is focusing in its key economic drivers namely tourism, agriculture and mining. In 2006, the municipality realized they were not progressing

⁸ This observation was noted in the Municipality IDP, 2009/10, pp. 46

⁹ This observation was noted in the Municipality IDP, 2009/10, pp. 46

with their LED plans and they held an LED summit. At this summit, it was resolved that the municipality requires an economic vehicle agency and the idea of an LED agency was conceived and CoGTA has offered to assist in this regard. The LED agency is conceived of as an independent institution that will be able to interact with the private sector and extend economic opportunities for investment in the municipality (Interview discussions held with official in charge of LED in the municipality). Some of the current achievements that LED has made despite the challenges of lack of funding, land and political championing were noted as follows:

.....the business community is doing its part in the municipality in that they have built schools as part of their social responsibility. Hawker's stalls have also been established by the business community. They may be at times frustrated by lack of land, when wanting to assist (Interview discussions held with official in charge of LED in the municipality).

Human Resources

One of the major challenges with regard to personnel is the *modus operandi* we use in recruiting people. This is in many ways is a blatant disregard of the formal procedures one should be following as noted in the following remarks:

....we do have a recruitment policy, but the adherence is a challenge. I don't think anyone is misinterpreting the policy because everyone is taken through the workshop on that. There is also a problem of managers waving some of the requirements. They introduce their own procedures. The selection committee does the selection process, but the directors tend to ignore the provisions. They do that when political parties want to deploy their favored persons, so they amend the provisions to accommodate them. With regard to that some managers have been charged, according to section 106, they will be appearing before the administrator. At stake is the manner at which appointments were made (Interview Discussions held with Divisional Head, Human Resources).

One of the major problems they face with regard to personnel is retention of staff and budget constraints. It is difficult to motivate staff when their terms and conditions of employment are not good. It is also difficult to compete with other employers when opportunities open up for staff to leave the municipality due to budget constraints (Interview Discussions held with Divisional Head, Human Resources). With respect to job grading is not our competency, it's SALGA's competency and SALGA has introduced what they call a task system, which will be implemented in July 2010. The biggest challenge is the grading of the municipality itself which forms part of the job grading. A suggestion had been put into place by municipalities that each and every municipality should have a remuneration committee, which will outline who should be

paid what in each municipality. But this committee is in conflict with SALGA who are opposing the proposed approach (Interview Discussions held with Divisional Head, Human Resources).

With regard to performance management, the municipality does not have a system, the district municipality has tried to appoint a service provider to come with a performance system, but the roll out of the performance management has been bedeviled with challenges due to the fact they lack the institutional systems to implement the programme. Other initiatives not implemented are the Capacity Assessment Tool (CAT) because the municipality lacks the required IT systems and training for managers and in addition dedicated officials who will deal with individual training noted in CAT (Interview Discussions held with Divisional Head, Human Resources).

Grievance management was also highlighted as a legacy problem in this municipality. Poor performance is a challenge and the lack of policy regarding poor performance accentuates the problem. However, the municipality has a delegated official who deals with labor relations matters and with the amendment of Collective Agreement by SALGA, who have tabled it to the Local Labor Forum and duly adopted, the municipality is obligated conduct a campaign so that employees will be informed of the amendment of Collective Agreement by SALGA (Interview Discussions held with Divisional Head, Human Resources).

As far as capacity is concerned, the municipality is battling to attract qualified people especially on the higher level posts. There is a huge gap between senior management and the lower management in the technical division. This challenge is aptly rooted in within a spatial context in that the municipality is embedded within the mining industries that compete on similar technical skills from a very thin supply of qualified labor within its jurisdiction:

We have a problem of retaining even if we do get staff, one of the problems we face is that we are surrounded by mining companies and they offer far better salaries than us so we have lost quite a number of employees to them. We have the lowest number of employees in our department, we are currently in discussions to see if we cannot move people around from other departments, without having to appoint additional personnel (Interview discussions held with Divisional Head, Technical Services).

3. Conclusion

As noted in the executive summary, Thaba Chweu municipality main focus is on instituting reforms that would augment its administrative system to function effectively. The overall consensus is that maladministration has been a legacy problem and this has severely undermined the operational integrity of the municipality and service delivery functions within its jurisdiction. Conventional problems often cited in other municipalities such as staff capacity, weak financial systems, limited revenue streams and undue political interferences in the

professional management of the municipality were noted as cardinal areas of urgent reforms that were required to advance the municipality out of its current status of "administration".

Overall, the challenges of service delivery are aggravated by the fact that the municipality is predominantly rural and due to limited resources and a very low revenue-base, the municipality cannot meet all the service delivery expectations from the community. In addition, with regard to inter governmental relations, much needed assistance in the form of financial bail outs has not been forthcoming from the provincial and national government despite appeals from the municipality in meeting its reform agenda. This was often cited as severely limiting the pace of the expected change in the municipality. For instance, LED envisaged programmes such as tourism growth are hampered not only by limited financial resources but also lack of effective coordination and alignment of efforts, initiatives and resources to market the industry within the municipality. This is due to lack of financial resources.

4. Role of SALGA

SALGA role in the municipality was viewed in two contrasting ways. The administrator of the municipality was of the view that SALGA should be pro-active in assisting fledgling municipalities to avoid the experience Thaba Chweu has undergone as averred in his critical remarks:

".....we have never heard from SALGA. It looks more like a Trade Union for Councilors; it is about them and the Government not the municipality. It has lost its focus in terms of the original mandate. SALGA should have identified the explosive situation and informed the MEC, it was largely silent with regard to protests, in the district and elsewhere (Interview Discussions with Municipal Administrator)."

However, in instances where officials have interacted with SALGA indirectly, the view of SALGA was notably different. This was reflected in the discussions held with the Divisional Head, Technical services who claimed that his interactions with SALGA were productive and indeed predated his tenure at Thaba Chweu municipality when he was working with the Water Schemes and was involved in the drive to transfer them to the municipalities. SALGA was proactively involved in this process and was part of a national working committee that was formed, which consisted of Water Affairs, DWARF and the Treasury. SALGA acted on behalf of the municipalities and represented their interests. For instance policy drafting process, there was an intention to wholly transfer the water schemes to the municipalities but SALGA intervened in this regard and a mutual agreement was agreed to. Other interventions by SALGA have been in the area of Energy. It is actively involved in the Mpumalanga Energy Forum where Eskom and SALGA hold meetings along with the Department of Minerals and Energy. SALGA plays a role in terms of co-ordination between the municipalities and other sitting members in assisting with trying to secure funds from the Department of Energy, for electrification, as well as infrastructure.

Direct interactions within the context of technical services seldom occurred as inferred in the following discussions:

But apart from my indirect interactions with SALGA, I don't have any direct dealings with them anyway. I know they are involved with other departments within the municipality, but technically when we have to provide services to our consumers we are basically on our own. The only assistance we get is from the equitable share, I am not quite sure what role is playing in the determination of equitable share. I have got the recommendations as far as that is concerned and I think SALGA could play a role in that. But other than that, I am not aware of any assistance that technical services are getting from SALGA (Interview discussions held with Divisional Head, Technical Services).

In cases where officials (e.g. Human Resource Divisional Head) have had a direct working relationship with SALGA, the efficacy of this relationship was put to question:

I don't think that they are doing enough with regard to support, especially when it comes to when want help with a particular issue and we don't get the assistance , we don't get feedback on time, sometimes we don't get feedback at all. In one scenario, we requested an opinion with regard to the issue of thresh holding overtime as per section of the basic conditions of employment act, they did not have information regarding that, we ended up using our own discretion, we consulted with labor, which should have been provided by SALGA immediately when such a determination is made, which they don't do. They only concentrate on collective bargaining issues. The other issue is the Local Labor forum coordinated by Human Resource, there is a misinterpretation of collective agreement, and SALGA should be playing its role in ensuring that they relate information on the ground to municipalities, they should ensure consistency in implementation of collective agreements entered into. In addition, I am participating in the Human Resource Practitioner Forum of Mpumalanga, which is coordinated by SALGA but what is being discussed there is irrelevant, sometimes we discuss outdated issues. In instances where information is requested, SALGA does not provide enough information about a particular issue, or that some of our questions are not answered, at that particular time (Interview with Human Resource Manager Divisional Head).

Proposals to augment SALGA's visibility and assistance in this municipality centered on SALGA's advocacy role in influencing the national treasury department to rethink its formulae in the computation of the equitable share:

"...the equitable share is based on a formula based on the number of houses in your municipality that you are supposed to service. And those figures are based on Stats SA figures, which we all know are not correct. In our case we have done a study and the number that have come out of that indicated to us that the population figures are much higher than what Stats SA figures are. So just on that basis, if we could get SALGA to

assist us to approach the National Treasury, and influence the outcome, it could be a big benefit for the municipality. In that regard I can see huge assistance from them (Interview discussions held with Divisional Head, Technical Services).