The appraisal of South African Public-Private Partnership strategy towards service delivery: a case of the experiences of families affected by poverty in Bhambayi informal settlement within eThekwini Municipality

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Abstract

This paper is intended to contribute to the poverty alleviation discourse and also give a scrutiny to the relevance of some of the poverty alleviation strategy such as Public-Private Partnership that has been adopted by the government.

Introduction

Since the advent of democracy in South Africa, the notion of service delivery especially to the previously disadvantaged black majority has been on top of the agenda of the new regime under the leadership of the African National Congress (ANC). This has led the government to adopt a series of policies and strategies that include Public-Private Partnership in attempting to make the poverty alleviation programme a reality in the poverty stricken communities (McLennan, 2008).

Background literature on South African government Public-Private Partnership strategy

For one to have a better understanding of the rationale behind the adoption of public-private partnership strategy as part of meeting some of the challenges that affected mostly previously disadvantaged black majority in the country. It will be vital to start by looking at some of the key terms and debated that relate to this strategy geared towards addressing some of the injustices of the apartheid era.

‘Partnership’ is defined as a voluntary agreement between stakeholders (international organisations, governments, businesses, NGOs, research institutes) who work towards a common goal and therefore share the risks, responsibilities, resources, competencies and benefits (Capacity, 2007:2). There is a lot of rhetoric around the issue of partnerships. In the development context, the term is often used as a synonym for the wish to maintain equitable relationships between donors and recipients, concealing the very real power differences between them. Partnerships can lead to more effective and efficient use of financial resources that may otherwise be spread over different organisations with little coordination and minimal effect. At the local level, such organisations include local governments, deconcentrated line ministries, NGOs, faith based organisations and grassroots self-help groups (Ubels, 2007).

- Public-Private Partnership
Public-private partnership agreement is defined as follows in Regulation 16:

“public-private partnership agreement means an agreement between an institution and a private party in terms of which-

(a) a private party undertakes to perform an institutional function on behalf of the institution for a specified or indefinite time;

(b) the private party receives a benefit for performing the function, either by way of:

(i) compensation form revenue fund;
(ii) charges or fees collected by a private party from users or customers of a service provided to them; or
(iii) a combination of such compensation and such charges or fees;

(c) the private party is generally liable for the risks arising from the performance of the function, subject to paragraph 16.13.1; and

(d) depending on the specifics of the agreement, state facilities, equipment or other state resources may be transferred or made available to the private party (LRC and NPP, 2003.8).

- Institutional Function

An institutional function is defined in Regulation 16 as follows:

“Institutional function means –

(a) a service, task, assignment or other function that an institution performs-

(i) in the public interest; or
(ii) on behalf of the public service generally; or

(b) any part or component of, or in support of, such a service, task, assignment or other function;

(c) but excludes a service, task, assignment or other function that is not of an ongoing nature”.

- Private party

A private party is defined (also in regulation 16) as follows:

“private party, in relation to a PPP agreement, means a party to a PPP agreement other than-
(a) an institution to which the Act applies;

(b) a municipality or an enterprise or other entity controlled by one or more municipalities; or

(c) the accounting officer, accounting authority or other person or body acting on behalf of an institution, municipality, enterprise entity referred to in paragraph (a) or (b)” (LRC and NPP, 2003:7).

Public service delivery is commonly understood to mean the provision of public goods or social (education, health), economic (grants) or infrastructural (water, electricity) services to those who need (or demand) them. In South Africa, given apartheid, the provision of services by government is linked to the larger task of redistribution, social justice, poverty alleviation and economic growth. In this way, the delivery process is strongly associated with development and the notion of the developmental state is associated with the capacity to provide social justice (Mc Lennan, 2008). Since delivery is associated with redistribution, the stakes of non-delivery are politically high. Most state-driven delivery processes, while apparently technical or managerial, are political, as they define a power relationship between the state, its citizens and the economy. They are essentially about who gets what, when, in what ways and for what reasons. In South Africa, defining access denied by apartheid is central to this process, given that apartheid was explicitly about limiting public services and economic opportunities to a select group (Mc Lennan, 2008: 4). In South Africa where service delivery is so highly politicised because it represents some of the contradictions of the transition from apartheid to democracy in a global context.

- Historically Disadvantaged Entities (HDEs)

1. HDEs are defined in the standardised provisions as follows:

   Historically Disadvantaged Entity means: “a sole proprietorship, partnership, company, close corporation or entity which is registered with the South African Revenue Services and which conducts an enterprise for profit capable of providing a commercially viable function; and

   (i) which enterprise is at least 50% beneficially owned and controlled (directly and indirectly) by one or more HDIs; and

   (ii) whose management and daily business operations are in the control of one or more HDIs” (LRC and NPP, 2003).

-Affermage contract - a private company is paid a fee (referred to as the “operator’s water supply rate” or sometimes the “operator’s tariff”), which is the price (usually expressed per m3) for the volume of water produced and sold that the operator requires to cover all his costs for
running the system. This price is the parameter that the bidders compete on. The operator’s payment is calculated according to a formula set out in the affermage contract, which may contain factors designed to reward performance in certain areas. The operator collects revenue from consumers on behalf of the government, according to the tariffs set by the state, retains the amount of his fee, and remits the difference to the government, who uses the balance to pay for the investments that the public authority has made (Brocklehurst and Janssens, 2004:7).

- **Purpose of public private partnership strategy**

The Department of Social Development posted the following information, on their website, in respect of public-private partnerships:

The Directorate’s main purpose is to ‘promote a partnership between government and civil society, implement the Nonprofit Organisations Act and build capacity of NGOs’.

One of its functions is to ‘develop, implement and monitor systems and procedures in line with the Non-Profit Organisation Act (LRC and NPP, 2003.12)’.

**Options for Reform through Public-Private Partnerships**

As governments struggle with rising health care costs, public-private partnerships in constructing and managing public hospitals can Private Sector Advisory provide innovative ways on how to control costs and improve service. Experience shows that such partnerships offer significant benefits as long as policymakers structure the transactions carefully and create in sound regulatory arrangements to ensure universal access, quality care, and improvements in efficiency (Taylor and Blair, 2002:1). For example, Chile has provided a model for providing government support while still exploiting entrepreneurial talent and also introduced a system of auctioning subsidies to pay for rural telecommunications rollout (Taylor and Blair, 2002).

- **Rationale behind the public-private partnership**

The government’s ability to grow the economy, compete globally and meet local demands. On the other hand, it is a redistributive route to development for those previously denied the rights of citizenship, education and employment. How then does the state improve the delivery of services given this paradox?

The approaches introduced by the democratic South African government to expand and improve service delivery combine global ‘good practice’ trends with local context and practice. Three approaches to improving delivery emerged at different periods, but continue to co-exist. Sometimes, these approaches are self-contradictory, as global best practice is introduced without due consideration for established norms, institutions and capacity. These tend to disrupt delivery processes and undermine policy intentions. Each of these approaches redefines the state-society relationship in achieving delivery. In the first approach – reconstruction through expanded access - the state plays the role of provider and citizens are recipients. In the second - delivery through modernisation - the state limits its role to oversight, enabling the
market to provide and creating customers and clients. The third approach – development through state protection – attempts to protect citizens through partnership and regulation in the name of social justice. Each of these approaches utilise particular public administration tools and techniques. All approaches contain within them the contradictions of delivery in unequal contexts and the ever-constant tension between the institutionalised inequalities of apartheid and the promises of democracy (Mc Lennan, 2008:6).

Partnerships between the public and private sectors had always been recognised as "important development drivers" for the delivery of a wide variety of services in South Africa. The strategy, an initiative of the South African Government that is aimed at turning underdeveloped rural South Africa into economically viable and socially stable areas (Makaringe, 2003). The renewal of a joint venture that was initiated 1994 and was implemented in 1996 and is intended to unlock agricultural production and economic development—through which the two parties provide extension services to more than 45 000 small-scale sugarcane growers in rural KwaZulu-Natal, South Africa and this tends to endorse the effectiveness and impact public-private partnerships that can have on service delivery, i.e. the South African Sugar Association (SASA) has renewed its joint venture agreement with the KwaZulu-Natal Department of Agriculture and Environmental Affairs, to continue unlocking agricultural production and economic development potential in the province (Makaringe, 2003). Additionally, it is of crucial importance that effective, economically viable and sustainable agricultural projects are implemented to tackle the challenges of poverty. To this end, the joint venture is regarded as an important catalyst. Although it was not based on any proven model, the joint venture between the two established institutions with different backgrounds and missions has made remarkable strides in building an effective and well co-ordinated extension service in areas such as KwaZulu-Natal's impoverished rural areas. In spite of the fact that no such public-private partnership model existed before, the joint venture went on to win international acclaim in later years. In a topical independent evaluation, the United Nations' Food and Agriculture Programme (FAO) highlighted the "great strides" that the joint venture had taken in "meeting the objective of delivering effective extension services to the small-scale rural farmers over a relatively short space of time"(Makaringe, 2003).

Globally, health expenditures rose from an average of 3 percent of GDP in 1950 to- (US$3 trillion) in 1999 (WHO 2000). The increase in spending has been driven by rising income, changing demographic and epidemic logical trends, and costly new pharmaceuticals and technology. Although technology is allowing a shift to outpatient care, hospitals still account for 30-50 percent of health expenditures. Public funding has not kept pace with the growth in spending. Much of the increase has been financed from private sources (out-of-pocket payments and private insurance), while the share funded publicly (by tax revenue and national insurance) declined by 6 percent between 1977 and 1997. Constraints on public funding, combined with rising costs, have forced public hospitals to cut costs wherever possible while still endeavoring to guarantee universal (and often free) access to public patients.
- Different strategies

The first strategy of the newly elected government post 1994 was building a new society (ANC, 1994). With the principles and policies of the Reconstruction and Development Programme (RDP) in mind, almost every aspect of public and social service delivery was subjected to review and revision (Mc Lennan, 2008:7).

The post-independence Africa introduced large scale development programmes to establish new democracies and generate economic growth (Muthahaba, Baguma and Halfani, 1993). These programmes, like Roosevelt’s New Deal, were administered through large bureaucratic systems which provided jobs, but also universal access to all franchised citizens. Democratic South Africa was no different from other newly independent states in asserting the promise of services for all as a commitment to future development and a means of improving the legitimacy of the new government (ANC, 1994). Service delivery was expanded and improved by rebuilding and reorienting the established apartheid bureaucracy to facilitate an expansion in the delivery of services. The attempt to improve education (and other social services) delivery combined two strategies. The first focused on expanded access and was addressed through a strategic political policy process in which the broader aims of a just education system were formally established in legislation and departmental policy at all levels of the new system. On this level, all people were guaranteed equal access to and participation in basic education (‘free’ and compulsory) regardless of their race, age, gender or creed (Department of Education, 1995 and 1996a). The second strategy improved delivery process through institutional change. This involved the formation of one national and nine provincial education departments from the 21 apartheid education departments which cut across the new provincial boundaries. Systems were rationalised, personnel from old departments absorbed into new and assets and physical resources were transferred.

Prior to and following the 1999 elections, the government introduced new strategies to improve delivery drawn largely from the New Public Management (NPM) toolbox. These were phased in just as developed countries were beginning to deal with some of the negative consequences of this approach (Peters and Savoie, 1998). New Public Management globally represented a new delivery orthodoxy focused on limiting state expenditure while improving provision, following the global economic crisis in the late 1970s. There was a growing recognition that state-led development in its various forms had failed. New approaches were adopted to address the apparent failure of states to sustain welfare or expanded access. Many of these strategies were premised on a general faith in markets and business or management leadership. In developed countries, this was evident in the rise of large scale public sector reform programmes (Osborne and Gaebler, 1993; Peters and Savoie, 1998). In many African countries it took the form of structural adjustment programmes (Muthahaba, Baguma and Halfani, 1993),

The intention was to redirect governments away from a concept of universal service delivery, provided by bureaucratic forms of administration, to a concept of demand-driven delivery, facilitated by management. Delivery strategies drawn from business practice became more technical and performance oriented. Techniques include customer service orientation,
decentralisation, letting managers manage, contracting out, privatisation, partnerships and resource management. Peters and Savoie (1998) noted that corporatist type structures, agencies or public managers, make decisions about delivery on the basis of politically neutral technical, professional or efficiency criteria (Mc Lennan, 2008). This approach is linked to attempts to “modernise” public administration practices to make delivery more efficient and effective. It is weighted towards economic and internal efficiency considerations, but also emphasises responsiveness to citizens. NPM redefines the state-society relationship in two ways. Firstly, essentially political decisions about the distribution of resources are recast as technical management decisions. Secondly, defining citizens as customers changes the nature of engagement from state provision to user-based market principles. However, Albo, Langille and Panatich (1993) argue that impoverished or marginalised communities have little leverage and find it difficult to negotiate access to government services (Mc Lennan, 2008:11). A shift away from the RDP to a combination of strategies aimed at building the economy rapidly, improving productivity, creating jobs, redistributing income and opportunities, providing social services and securing working and living environments outlined in the Growth, Employment and Redistribution Policy (GEAR) (Department of Finance, 1996). Delivery strategies reflected a growing emphasis on decentralisation, performance contracts and professionalism. They were linked, as part of GEAR, to attempts to minimise state expenditure and limit state administration (Mc Lennan, 2008:11).

The overall result of these changes was the decentralisation of organisational structuring and human resource practices to departments and provinces. This led to the widespread adoption of different practices to the organisation of work, the structuring of departments and the management of human resources. In addition to providing the space for managers to manage their departments and for Executive Authorities to exercise a level of control over the implementation process, the changes were directed towards enhancing the level of responsiveness of the administration to policy changes and to the public in general. Citizens were increasingly referred to as customers and clients and engaged with on these terms. An example is the Batho Pele (People First) programme that sought to introduce a new framework for delivery, which treated citizens as customers and enabled citizens to hold public servants accountable. In an attempt to further influence performance and service delivery, the DPSA reintroduced Batho Pele in a simpler and more accessible form in 2003. One of the challenges confronting Batho Pele is that many managers continue to operate within a rule-based culture which disregards Batho Pele (Levin, 2004). Another is that citizens struggle to access services with the unintended consequence that class and patronage rather than citizenship are often the defining routes to services (Mc Lennan, 2008:12).

Another strategy that has been considered by governments to meet service, is the shifting of financial obligations from general tax revenue to payroll-financed national health insurance, narrowing the basic package of services available to all citizens, linking hospital funding to outputs and efficiency, autonomy and incentives for management, governments have also turned to public-private partnership to bring private sector efficiency Public funding has not kept pace with the i.e. - In Australia federal and state governments have introduced private participation in more than 50 hospitals through several different mechanisms (Mc Lennan,
Build-own-leaseback arrangements (in which a private firm builds, owns, and operates a public hospital), 4 concessions (in which a hospital is sold to a private operator as a going concern), 4 transactions involving private management of a public hospital that the government continues to own, 3 within or beside a public hospital). These initiatives were driven by a need for new capital, a perceived need to transfer operational risk, and a desire to increase efficiency (Taylor and Blair, 2002:2).

Since governments in many countries are failing to provide adequate public services, particularly for poor communities. Some may recognise the importance of non-state providers to fill the gaps, and the need to collaborate in order to improve services, but are governments creating a supportive environment in which partnerships can succeed (Batley, 2007).

Concessions, where the government retains ownership of assets, have remained the most common form of private participation in airport infrastructure in developing countries. They accounted for more than 40 percent of airport contracts and 60 percent of investment commitments in 1990–2005. Developed in Latin America and Sub-Saharan Africa in the 1990s, the concession model is increasingly used in Eastern Europe and Central Asia and in South Asia. The transactions in Hungary and Turkey in 2005 and in India in 2006 all used this model (Andrew and Dochia, 2006:3).

Table 1: Options for public partnership in health sector - hospitals
Vigilant attention to policy design, regulatory issues, and management of concessions will continue to be important in ensuring that private participation delivers efficient and effective relevant infrastructural services. For example, the private sector has played a growing role in airport infrastructure over the past two decades, i.e. the United Kingdom launched the trend with the privatisation of BAA in 1987. Australia, Austria (Vienna), Denmark (Copenhagen), Germany (Frankfurt, Hamburg), Italy (Naples, Rome), and New Zealand followed. France’s Aeroports de Paris will soon join the group of partially privatised airports. Developing countries have also been active, for example in 1990–2005, 38 low- and middle-income countries entered into more than 100 airport contracts ranging from short-term management contracts to long-term build-operate-transfer (BOT) arrangements, concessions and divestitures (Andrew and Dochia, 2006).

Whilst micro loans is provided for phone shops or other retailers can support retail services extension as part of encouraging network utilization and existing operators can set up schemes to help finance diverse retail activities. The prerequisite, however, is that the regulatory regime
must not prohibit reselling of services. The traditional approach is to franchise a telephone line to private individuals or small businesses and to pay a certain percentage of commission to the franchisee. This way, operators can often secure higher revenues than from a public phone because the private incentive tends to keep lines working well. Small loans may be granted to set up operation or to enhance services to include fax or Internet service, for instance (World Bank, 2005:24).

**Challenges facing public-private partnership**

The utilization of public-private partnership resulted in applying fiscal responsible mechanisms in health care reforms – effectively, economically and equitable (4Es) and trends in the new public management (NPM) movement inspired a shift towards business-like reforms and saw PPP as a mechanism that improved efficiency and effectiveness in service delivery (Schoeman, 2007).

The importance of basic standards for governance, efficiency, and viability of the power sector was highlighted at the roundtable. This working group was intended to develop a practical set of minimum standards to gauge the evolution of the sector. The main objectives of the first Working Group Designing Strategies and Instruments to address Power Projects Stress were to:

- Understand what economical, political or contractual events affecting power projects in a region or a specific country led to project distress;
- Establish how they affected the various private power projects;
- Design alternative workout strategies and specific financial and institutional instruments to address the most frequent causes of stress. For each typical case of stress, propose a “stress relief” package suggesting how the governments and the private sector partners may jointly work out an equitable exit to the crisis (World Bank, 2005b).

Relations between governments and non-state providers tended to have gone through similar stages:

- During the colonial period Christian missions set up hospitals and schools for the indigenous population, while the colonial administration provided health and other services for the elite.

- After independence, many new governments took over public water supply and sanitation systems. They also expropriated private and faith-based schools, i.e. Bangladesh, Nigeria, Pakistan or incorporated them through state funding, i.e. Malawi.

- In the 1980s public services deteriorated as state funding declined, forcing users to look elsewhere. A new sector of private, community or NGO providers emerged to fill the gaps.

- Since the 1990s many governments have at least formally recognised the case for partnerships’ with NGOs and the private sector, backed by donors. In Nigeria and Malawi...
churches may re-adopt and fund schools and hospitals. Whilst in Pakistan, some schools have been handed back to their former owners and faith-based organisations are being encouraged to take on new roles as service providers (Batley, 2007).

**Types of contract systems related to public private partnership**

In all countries, the types of contracts or agreements that are relevant to all service sectors tend to range from loose to tight, from hierarchical to collaborative, in which the non-state provider may be financially autonomous or dependent although the positive experiences are rather scarce.

- **Loose but hierarchical arrangements**, where the government contracts a non-state provider under unclear terms. These have sometimes led to cheaper, improved services, but without adequate oversight.

- **Loose, collaborative agreements**, where the roles of the government and non-state providers are supposedly complementary, but their obligations are unclear. These tend to engender mistrust and instability in service provision.

- **Tight contractual agreements**, which formalise the obligations and responsibilities of government and other providers. These can work if there is mutual trust between the partners, and sufficient monitoring capacity.

- **Collaborative partnerships**, where the government and non-state providers are equal partners, with clearly assigned roles, and make separately funded contributions to service provision. These may take the form of joint ventures, based on formal agreements (a memorandum of understanding or contract) between organisations, or coproduction arrangements, based on informal agreements between service providers and communities. Such partnerships are most likely to be sustainable, since they can be scaled up and replicated by additional collaborative partnerships, rather than creating new organisations (Batley, 2007:5).

**Troubled contracts**

The concern about the troubled contracts has impacted differently in various economic sectors and airport sector has seen less contract cancellation and distress (international arbitration or formal request for cancellation) than other infrastructure sectors (Andrew and Dochia, 2006:3).

Therefore, this has brought reforms that involves the redefining the role of the state in the economy through public enterprises. For example, in 1995, the Government of Senegal launched wide-reaching reforms in the urban water sector. Such reforms consisted of dissolving the state-run water company and creating a new asset-holding company that owned all the fixed assets in the government’s name and had a mandate to manage the sector. The
distribution and production was delegated to a separate entity, and a private operator was engaged to run the system (Brocklehurst and Janssens, 2004).

The consultants likened the relationship between the operator and the asset-holding company to the “prisoner’s dilemma”, a well-known problem in game theory (Brocklehurst and Janssens, 2004). In the prisoner’s dilemma, each of two prisoners suspected of a crime, who are not allowed to communicate with each other, are offered freedom if one implicates the other; in this case the other will be sentenced to three years. If neither implicates the other, both will receive a 1-year sentence. However, if the prisoners implicate each other, then both are sentenced to 2 years. The dilemma arises as neither knows whether the other will choose opportunism or cooperation.

The consultant analysed the relationship between the two parties to the contract, the State Asset Holding Company (SHC) and the private firm, as also being a choice between opportunism and cooperation. (The analogy differs in that the SHC and the firm have the opportunity to communicate and therefore cooperate – the true prisoner’s dilemma has no optimized solution.) If the private operator behaves opportunistically and the SHC decides to be cooperative, the firm will maximize profit at the expense of the public. If the firm is cooperative and the SHC opportunistic, the firm will lose money, possibly introducing instability. If both actors behave opportunistically, there is potential for endless haggling, disputes, and litigation, making excessive regulation of the sector necessary, and leading to higher costs and lower efficiency. However, if both partners cooperate, the outcome will be optimized. The dilemma is that each actor has the potential for highest gain if he is opportunistic and the other is cooperative. (Brocklehurst and Janssens, 2004:9). Despite the fact that government policy was oriented towards improving service to the poor, and that this was backed with funds for both consumption and connection subsidies, there are certain flaws in the way the government targets and delivers these subsidies. However, the constraints and inequities are prevalent more than before (World Bank, 2005).

RESEARCH METHODS

In this study a descriptive approach was adopted in collection of data at Bhambayi area with a view to ascertain new conditions that describe the status of the community.

In ----2008, the local structure and various school representatives in-depth and focus group interviews were conducted to ascertain the present status of the community in relation to development of the area.

Geographical context

The area of Bhambayi informal settlement is regarded as the poorest community based at Inanda area that is situated on the north bound of about 35 Km from Durban city centre. According to Bhambayi Reconstruction and Development Committee (BRDC), this area consists
of more than 10000 l households (Simpson & Raniga, 2010:150). The area serves as the melting pot of various ethical groupings of South Africa and neighbouring countries such as Mozambique and Zimbabwe that converge in the area due to in migration. The area is highly affected by the high rate of unemployment, overcrowding, no proper sanitation system and high HIV/AIDS infection rate (Raniga & Simpson, 2011).

Research process

A study that is conducted within the descriptive context is significant especially when attempting to provide knowledge about which populations or subgroups that are most or least affected by a situation. This approach also help in identifying descriptive characteristics which frequently constitutes an important first step in the search for determinants or risk factors that can be altered or eliminated to reduce or prevent a situation (Descriptive study). Additionally, a case series are collections of individual case reports which may occur within a fairly short period of time and aggregated into one publication.

Interviewing participants in their respective environment helped in observation of their concerns such as challenges in meeting in speeding up service delivery to their community. This observation helped in gaining more understanding of the participants’ experiences in this regard.

Interviews took about one and half hour and two hours began with a visit of different stakeholders to discuss their various inputs towards the development in the community. This type of approach is referred to as “grand tour”, as it help in obtaining broader information regarding the involvement of the participants in the development (Simpson, 2007:66).

Findings of the study

Active organisations in alleviating poverty in the area

The study revealed that the active organisation in alleviating poverty in the area is the Bhambayi Reconstruction and Development Forum (BRDF), Chairperson of this organisation in his interview highlighted that community initiated this organisation of which was active in bringing about peace and stability in the area especially in times of political violence in the late 1980s to early 1990s. This organisation was transformed later from being a Peace Facilitation entity to BRDF to focus on issues of reconstruction and development in the area (Interview: 18 February 2009).

Another key player in the poverty alleviation programme in the area is the Gandhi Trust and this was highlight by Ndaba in his interview when he said that: “our organisation provides service of supporting communities on various issues such as land provision for housing and trade (as currently the present informal settlements are build on the land of the Trust and small area to conduct informal trade). People come individually if they have a problem to highlight their
concern and then after the Board of the trust consider that concern and give that individual a response. I can say people come to seek in various ways to our organisation at least one person a week” (Interview: ).

Another service that our organisation provides to the community is the training such as teaching people about democratic values through workshops. These workshops are conducted as part of the awareness raising amongst the community members.

Our organisation also work with other stakeholders such as Participatory Development Initiative – PDI in conducting workshops that take place normally five days in the community. However, these workshops are characterised by the poor attendance of the community members despite the fact that the workshop was free of charge.

Other services to the community include the donation of land by the Trust where school – (Kasturba Gandhi junior primary) is built for the community; hiring of premises to the local community churches i.e. Wesley, Methodist and Zionist churches to conduct their services on Sundays at free of charge.

Other income proposed generation strategies that our Trust is embarking on is the opening of the Durban Tourism Reception with Art and Craft Garden in conjunction with Gandhi/Luthuli Trust. Another proposed initiative is the opening of business and tourism education school to help children in the area for free of charge. This initiative has members that include: Inanda, Newtown and KwaMashu – INK which is the eThekwini Municipality, Shembe village, Dube village, Ebuhleni village, Inanda Seminary, Gandhi and Waterfall. INK project such as the September month as it serves as the culture and traditional month where tourists are brought to the community.

Other service to the community include conducting Sunday Music School that conducts Indian dance classes that was stared in 2007 of which is directed by Ustad Foundation for Classical Indian Music to local youth at free of charge. Class attendance is good as about four youth come from the community jointly with other youths that come from the Indian community.

The Trust do presentations to the community and invite various stakeholders from the community such as the Bhambayi Development and Reconstruction Forum – BDRF and other organisation and encourage them to come up with programmes such as Mazaziwe Anti-crime Campaign within the Bhambayi community. This campaign helps police as they get advice from the community policing forum.

Another organisation that is active in the area is the intervention from the government through its Health Department via Community Clinic based in the area under study. The Community Clinic gets support from Health Department of which is - the government entity and renders
various services to the community it serves and some of those activities include: HIV Counseling Services, Home Based Care Services to HIV infected people, Soup Kitchen to HIV orphans, vulnerable community members, and lower primary school pupil.

Another government oriented organisations such as the University of KwaZulu-Natal(UKZN) through department such as Social Work Department of which is regarded as the long standing partner for its involvement and working towards the poverty alleviation programmed in this area for some time.

Some of the challenges encountered by service providers in the area

-Community Clinic services

Some of the challenges that face the Community Clinic are the fears of people (old and young alike) as they tend to be shy when it comes to collection of their ration and one of the major reason that was forwarded is the stigma that is associated with HIV infection. Another challenge that faces the clinic is low income that is given to volunteers who work as Home Care Givers as it equals to R500.00 monthly.

-Participation in the decision making

Another challenge that was highlighted by the Project Manager in her interview was the unhappiness of the community because of the fact that government refused the idea of accommodating orphans to Care Centre as the government cited the rationale that suggest that those youth need to be given a chance with their family member in order for them they can learn their respective cultural norms (Interview: 18 February 2009).

Land and housing ownership in the area

The study revealed that despite the land has been ‘formally’ dedicated to the Mahatma Gandhi family but the issues ownership remain debatable especially as the government of the day adopted various policies that were intended to redress the past injustices including the land redistribution.

This was manifested itself when the delivery of the housing reached the area, as Mr Ndaba highlighted that the land that was used to build the first Phase of the construction of RDP houses as they are normally referred to in the township, belongs to Gandhi Trust of which is managed by his granddaughters(Interview: 18 February 2009).

The lack of houses in the area has been exacerbated by the land (belonged to Phoenix Settlement Trust which bought it from the colonialist Marshal family) invasion by the community members in 1985 during violence in the country. This violence led to the establishment of Bhambayi consolidation of the informal settlement in the Gandhi settlement
that was started in 1903 and got destroyed after premises were left into ruins and more people came into the area after the doing away of legislations that controlled the movement of the people from the rural to the urban. This happen as people came in their huge numbers to the city to seek employment and they did not have shelters and this area helped them to get open area to build their temporal shelter or others renting a room to the early occupiers.

Additionally, Ndaba highlighted further that: “this has led to the lack of land to develop the area as the Trust has plans to bring some development in the area, as there is no solution to land occupation by the residence. This also led to some enmity amongst the residents especially those who work for the Trust and community members in 2001, as one of the employees of the Trust was banned from being part of the community as he was seen to be siding or defending the Trust that bought land from the ‘thieves’- Marshal family. However, this was resolved through the intervention of the local Councilor who helped in reinstating the banished Trust employees and also by the visits of the former President Thabo Mbeki and Mr Jacob Zuma who came to explain the importance of the settlement” (Ndaba interview: ).

Another concern is that local community members don’t know the Phoenix Settlement Trust that consists of Working Committee that is composed of the eThekwini Municipality Councilor – Mr Obed Mlaba, Mr Kunene from Pietermaritzburg and other members and no single local community member. Except that some of the Trust meeting attended by BDRF which get invited and some of the reason why there is no local community member is that they (community members) they never submit application. Another reason for lacking direct community participation is that the Trust doesn’t go around advertising since it’s a private institution and not governmental organisation.

The Trust evaluates its activities in every six months through a performance of its workers – the Tourist Guide and Security Officer through interaction and Interval reports to local government parliament since tourist project in this area belong to government.

Challenges are that government should provide services to the communities without charge as most community members are unemployed and don’t have to pay for those services. The land ‘invasion’ by the local community members remain a challenge as the Trust don’t want to use violence and other community members are renting or out letting some of the rooms in the area to other people. The type of set up has created a wrong impression to tourists.

Although the Phase 1 for housing is finished and the next challenge for the next programme for land allocation for community needs such as the children play ground and church remain which (land) is scarce. The area mostly accommodates working people from the category of blue collar workers such as painters, security officers and others partake in illegal activities such as selling of drugs.

1) Another challenge is that the area does not have educated people such as social worker, doctor and teacher from the area and no joint programme to offer bursaries to poor children to further their education with institutions of higher learning such as the University of KwaZulu-Natal. Despite the long period of intervention to the community by the institution of higher learning
i.e. UKZN, as it has been intervening in this community since 1998. Although this area has acted as the training site to ‘thousand’ of graduates or scholars who gained their academic achievements through studies conducted in the area and they – graduates they never plough back where they studied or organising youth or old age programme intended to assist them to deal with problems they encounter in meeting their daily livelihoods. Although institutions such as UKZN attempted to close this gap but its impact remain far to be realized by the community members. Currently, some Bhambayi community members are sick in their homes and there is a need to establish centres that will be helpful to the community at large. Mr Bongani Ndaba [Phoenix Settlement Trust] – Interview: 20 March 2009

This experience was also confirmed by the Secretary and Chairperson of Bhambayi Reconstruction and Development Forum (BRDF), as they noted that the First Phase of the housing project is finished and preparing to launch a second phase. New houses in the first phase were provided with metered tap and currently communities are not paying for water. Stand pipe taps are still visible as some members of the community where they have not yet build up their houses (Chairperson and the Secretary Interview, 18 February 2009).

The second phase of the building project is experiencing some problems such as private land ownership and the lack of relevant documents i.e. title deeds despite the fact that the owners of those plots really own those plots. Debates concerning eviction of the occupants of the land continue remains high. Another problem that affect these phase is the land shortage to build houses for all community members.

-Criteria for allocation houses between the old and new community members

The development into the area was brought about and facilitated by the involvement of community organisations such as BRDF and other organisations in the area. So, the housing development was initially suggested by the BRDF and then later the government- Housing Department was approached to assist with building materials. Then houses are built by the construction company that has a proven track record and has gone firstly through a tender process through the Housing Department. Then after community members participate through sub-letting subcontracting within the construction company that won the tender process.

To ensure equal benefits to the community in terms of time frame that each family has occupied in the area and fair housing allocation to broader community. A criterion for allocation had to be discussed first by the relevant stakeholders and then allocation takes place. The criteria used in allocation of houses to the members of the community was based “on the own unwritten records history [oral history of the community]”. When BRDF Secretary was asked to explain what she meant by this – she said “we use our knowledge of knowing community members in terms of who was the original members that were in the area based on the chronological occupation of individual family in the area”(Secretary Interview, 18 February 2009).
For example, community leaders used special criteria in selecting community members who were going to occupy the about 1800 newly built houses near Verulam a town that is situated about 25Km north of the Bhambayi area.

Whilst the criterion for selecting new members in the area and those who did not fall in the category were transferred to their respective locations after a collective community discussion and after consensus has been reached.

**Challenges faced by the community**

*Access to the social benefits*

Although community attempts to address some of the challenges they encounter but some of the challenges they seems to be beyond capabilities of the community in general. For example, some of the challenges faced by the community is the number of students who complete their Matric studies but they could go further on their education and some of the reasons that are cited include lack of the proper guidance in case when one needs to further his/her studies. This is also seen as the contributory factor that normally leads the youth to end up going astray in terms of doing wrong things that they were not suppose to be doing, i.e. in some cases girls get pregnant and boys engage in criminal activities. Community highlighted their plight and seeks some help in this regard (Focus group interview: 18 February 2009).

In some instances community request assistance from other social partner such as the UKZN - Social Work Department to deal with BDRF request on the assistance on the ways of using research findings of the study that was conducted in the area to advance their developmental programme such as getting identity cards for its members and accessing social grants benefits to old age pensioners.

*Different approach in bringing services to the community*

*operation of feed scheme programme*

Although there is a feeding scheme facilitated by the Community Clinic in the area but there is a view that suggest the need for the opening of another one in the same area but this should school based. This was highlighted in the interview of the teacher - Mrs Mpanza who noted that: “there was a need to establish feeding scheme/soup kitchen for pupil that are based in the school, since there is a low number of students who attend soup kitchen that is organized by the clinic. In addition, due to some of the complains that are brought forward by a number of the pupil, as some of them end up not collecting their rations to fear of stigma that is associated with HIV/AIDS, since the soup kitchen in the Community Clinic is organised for the vulnerable community members such as the sickly and orphans” (Interview: 18 February 2009).
*Provision of food parcels*

The school had to take some initiatives as some of its pupils were getting food from their respective homes before they come to school and their performance in their studies was affected somehow and that led the need to respond to this challenge. In responding to this failure (that is associated with HIV/AIDS stigma) of collection ration from the Community Clinic that led the school to start organising food parcels for pupil. Additionally, Mrs Mpanza highlighted also in her interview that: “the response from pupil was enormous as almost all of them came to collect their food parcels”.

-Lack of career guidance in local schools

The teacher also highlighted there was a need to organise career guidance for the children as most children end up not furthering their studies due to lack of relevant information. This will assist children to decide their future based on the informed position (Mrs Mpanza interview). Again this concern was also raised in the interview of another teacher-Mrs Mazibuko from the surrounding school, when she highlighted that: “there is the need to convene a career guidance event especially for the high school students and they needed to consult various stakeholders such as the Department of Education, UKZN and other relevant parties to partake in the proposed event. This event will assist students to start making up their minds on what they wish to do in studying further as their career” (Interview: 18 February 2009).

-Unemployment, crime and neglect of aged and the young

Major problems experienced by communities in Bhambayi: family violence(its rife), alcohol and drug abuse(its high), child not going to school(it high), HIV/AIDS, unemployment, teenage pregnancy, TB, hunger(too much), mental illness(very few cases), physical disability, neglect/abuse of elderly people, not identity document to some people, illiteracy(high rate), behavior problems among the youth (is high especially from 21h00 when parents are sleeping) and the other problem is the child rape. The rape of young children is often get hidden especially by the ‘educated’ people and it happens mostly amongst the children in the junior primary levels.

Other problems in Bhambayi are the lack of transport, lack of police security and poor policing forum as people get robbed and sometimes get killed.

All above problems are prevalent in the area under study (Ndaba interview: 20 March 2009)
2) Ms Adelaide Msomi [Bhambayi Settlement Clinic Project]

This clinic is the governmental project that was started in 2001 as part of dealing poverty and bringing development to the vulnerable communities. The centre is managed by the retired nurse who is employed by the Health Department and was recalled back to work in this centre because of her performance prior to her retirement.

Although the interview was granted but the word of caution was highlighted because normally before the interview is granted, there must be arrangements with the Department of Health to authorize the interview before it takes place. Therefore, the respondent opted to partake in the study but with limited input as she noted that some of the guiding principle is that there is certain information that she is not allowed to divulge to outsiders.

Most important problems that are experienced by communities in Bhambayi: family violence, alcohol and drug abuse, child not going to school, HIV/AIDS, unemployment(high), teenage pregnancy(high), TB, hunger(too much), mental illness, physical disability, neglect/abuse of elderly people, not identity document to some people, illiteracy, behavior problems among the youth. Another problem is the food insecurity and domestic violence it’s high.

My organisation provide cooked food and food parcels to vulnerable community members such as HIV/AIDS infected members, unemployed, orphans and school children. Community accesses the clinic every day and come in their big numbers and that is proven by the attendance of community members who came to the clinic for various needs i.e. counseling, H.I.V. test, collect their medical treatment and home based care.

Challenges that affect our organisation is the involvement of community members to partake in projects that are meant to fundraise programmes i.e. beadwork initiative and people cite reasons such as that the project take a long time to start making money or profit to enable people to get something they can take home for their families. Our organisation provide some employment to some members of the community as they partake in home based care services to the sickly people by paying visit in their respective homes. The home based care providers get some stipend that is not more than R500, 00 per month. Training is offered to home based cared workers and awareness campaign is conducted through pamphlet and advices that are given to people who visit the clinic.

Another way of helping the community members to partake in service delivery and development of their community as they work as the service providers and the organisation employed about 10 of them but that number got reduced as there is no income that goes with it.

The organisation evaluates its programme through monitoring its progress from time to time.
The challenge that our organisation is facing is the lack of funding to sustain our programmes and the lack of sport fields for the children to play.

3) Mrs Mazibuko [Kasturba Gandhi Primary School] – Interview: 25 March 2009

Major problem in the surrounding community is unemployment and poverty of which goes along with lack of food that leads to malnutrition and T.B. to children. Unemployment, poverty, birth rate (especially amongst young girls) and abuse of children are at high level. Another problem in the community is that the youth is idle and that also leads to drug abuse.

Another problem that the school faces is the lack of uniform and this problem is partly resolved by the Learner Teacher Support Material- LTSM a programme that is pioneered by the Department of Education and it helps in providing uniform to pupil that cannot afford. Other organisation such as Telkom and schools i.e. Morningside Primary School help in provision of food as part of dealing with poverty and sport gear. Since school is located in the area that is regarded as part of Phoenix and that helps getting sponsorship from the former white schools such as Morningside as they normally sponsor school with sport gear.

The school also conduct awareness programme to the children and work with other community organisation such as Bhambayi Clinic of which helps in feeding scheme/ soup kitchen which feed about 100 pupils that belongs to the school. There is a smooth relation with community members as there are no problems and community members give sufficient support in all activities. The school also has counseling for children and community member, as sometimes some community members come to seek counseling after they have been referred to by other community member.

Other programme where community members participate is the school includes support structure, sport committee, school governing body, art and music and newsletter. The head of the school normally work with community bodies such as school governing body on the weekends and sometimes attend to community activities when invited. The school reviews its programmes quarterly during the year through various mechanisms such as parent’s visits class and gets briefing from the class teacher about the progress of their children. The parent’s visits are normally conducted four times a year and community members are always positive and this depends on the approach one adopts when dealing with community members. The school also monitor parents participation the schools programme through attendance register of which mostly shows that a good attendance from the parents, as the school registered about 1023 students and the parents attendance always about 90%.

Some of the challenges that our school face is the lack of infrastructure such as the lack of classrooms and sports stadium and that forces the school to take its pupil to nearby school to utilize sport ground. Other challenge is the failure of the government to provide services such
as infrastructure and despite a series of letter written in that regard. Other reasons that are forwarded by the government include that of prioritizing as there are a huge number of schools that have no class room at all when compared with schools that have at least some classroom.

The lack of infrastructure has a negative impact towards progress of the school as there is no administration block and the school has adopted various options such as letter writing as part of putting pressure to the Education Department. Another strategy includes adoption of second option that includes the private sector of which is expected to sponsor other activities such as food security.

*Mrs Mpanza [Inanda Newtown Comprehensive High School]*

Most problems that affect the community of Bhambayi is the poverty, high rates of pregnancy amongst girls since there are many children who are not schooling due to lack of funds. Other problem is the drug abuse although is controlled. Other problems that are related to poverty is the failure to make claim due to some members don’t have identity documents and other children don’t have birth certificate.

Our school provides uniform to vulnerable children especially the orphans and they also get sponsorship and as well as the donations from former students after they left the school. Those students who leave the school are encouraged to donate uniform to the school in order to help other students. The school also provides food parcels and that is made possible by South African Social Security Agency – SASSA donations. Although the food parcel was distributed but that was just like a drop in the ocean because the school has about 500 orphans and only about 30 children that managed to get food parcel each.

Some of the challenges are that there are no sponsors for food parcel/ soup kitchen and the school has planned to talk to other stakeholders in this regard. Another challenge is the lack of children who collect food in the clinic due to fear of stigma that is associated with HIV/AIDS as soup kitchen is normally associated with people affected by the disease. The school received complaints from the parents highlighting that their children are starving. As the attempt to address the fear associated with stigma and complaints from the parents, the school proposed the establishment of separate soup kitchen but that was not welcome by some community members. This unwelcome gesture was seen as a signal from the individuals who head soup kitchen as the protest to protect their bread as the establishment of other soup kitchen in the same area as the duplication of the same programme. This led to exclusion of the school delegation in the following meetings but the relationship with community is well and other community programmes such as Inanda, Ntuzuma and Kwa Mashu- INK.
To highlight what is missing in the community is very hard to say since we come to school and don’t know what is happening in the surroundings community except to say lack of proper housing for the community.

_Mrs L. Mokoatle [Siyathuthuka Pre-School/ Crèche] – Interview: 14 May 2009_

Mrs Mokoatle heads the preschool that accommodates 75 pupils and noted that problems identified in the list prevail and most disturbing problem is the teenage pregnancy as they are mostly left alone during the day when parents are at work and this has some contribution to the escalation of this problem.

The crèche do help (with the programme that started in 2007) sometimes especially children that come from the poor family who does not have milk powder, napkins and those are identified through lack of necessities. This programme gets assistance from the sponsors such as the church outside from this community of Bhambayi and other organisations such as UKZN-Social Work Department.

**Discussion of findings**

The study revealed the weaknesses and the strength of the public-private partnership strategy when it comes to the service delivery especially to the marginalized communities.

Potential of bringing about instability due to differing interests of varying stakeholders in the development in the community if it so carefully monitored this is seen in the debate between service providers of the soup kitchen to the vulnerable community members.

The strategy is open to abuse by any organisation or individual that happens to be in power at that particular time, as the study revealed that those partnerships are unequal in terms of command of relevant resources such as finance and land in this regard to accomplish their mission. This tends to confirm a dilemma of each actor’s potential for highest gain based on opportunistic and manipulation (Brocklehurst & Janssens, 2004:9).

Although the strategy has been implemented for some time but development remains lagging behind, due to failure or delays in the structural bureaucracy, for example, debate between the land provision between service providers. This study helped in confirming the fact that despite government policies are oriented towards improving service to the poor, backed with funds for both consumption and connection subsidies, but there are certain flaws in the way the government targets and delivers these subsidies. Additionally, the constraints and inequities are prevalent more than before (World Bank, 2005).

This study tended to give clear unfolding of the development scenario within poor community of which happens to subscribe to the submissions of the “prisoner’s dilemma”, a well-known problem in game theory as Brocklehurst and Janssens (2004) argued. For example, the
community occupies a land that is earmarked for development but the ‘owner’ of the land is not willing to give up his land for development on terms that he get his payment first for his land from the government. So, the failure of cooperation amongst the stakeholder put them back in the first place where development is not implemented and everybody suffers to the failure to speed up the required service delivery (Mc Lennan, 2008:12).

Again what was observable in the area under study is the type of infrastructural development in the area tended to be container-based businesses. Although container based business are ‘good’ as the starting point of infrastructural development but time frame of their utilization need to be set at the beginning of the project (Schoeman, 2007). Though, the infrastructural development of this nature tended to be used as the permanent solution to infrastructural shortage such as building but this tends to revive the old apartheid practices such as unequal access to services, proper infrastructure distribution and giving false hope towards the development of the marginalized community (Makaringe, 2003; Mc Lennan, 2008).

The strategy attempt to involve community members in their development and it also help in gaining better understanding about the needs and aspirations of that particular community. It also helped in exposing the power struggle (between capital and Batho Pele principles) for survival and recognition between different stakeholders in the area (Levin, 2004). The study confirms the fact that affected communities define alternative strategies to address the most frequent causes of stress (World Bank, 2005b). For example, service providers for the Soup kitchen formulated an alternative after they realize the failure of school pupil to collect their ration at the clinic due to some reasons associated with HIV/AIDS and TB stigma (World Bank, 2005b).

This study revealed that local different stakeholders such as the community members and faith based organisation have followed the suit in bringing about service delivery in the marginalized communities like in Nigeria and Malawi were they re-adopt and fund schools and hospitals (Batley, 2007; Ubels, 2007). This tended to manifests itself in the manner the community sustained their local crèche when they experience lack of funding.

**Conclusion**

The study revealed that the state policy on development of advantaged communities seems to be following the circular approach, as data shows that tangible or sustainable in the area under study (Welsing, 1991). Therefore, the following are recommended:

- The need to conduct a further study on the role that can be played by service providers such as Vodacom and MTN to be bring about sustainable development besides the expired container development approach(Reck and Wood, 2003);

- A need to consider the adoption of going beyond the Afrocentric approach (to enable the Batho pele policy to become a reality not a paper slogan/just political rhetoric to settle scores) by government, as a strategy of meeting its poverty eradication programme and redressing the past injustices;
- To formulate a strategy that will facilitate the usage of all stakeholders as the means to fight poverty, for land redistribution policies, unemployment and crime by creating activities that will enable vulnerable communities to gain income and become beneficiaries of the business venture;

- To revisit of the container development when it comes to development of the building infrastructure, as the container approach tends to creates more hardship to the vulnerable populace instead of being a relief;

- A need to revisit neo liberal agenda, related policies and its obstacles in decolonising South Africa by government;

- The need to revisit the total destruction of labour reserves (labour reserves, township and informal settlement) and land redistribution, as a the means to foster self reliance, fight against poverty, diseases, unemployment and crime;

7 A beyond Afrocentric approach also better known as Ethiopianism that emanates from the term Ethiopia that refers to Kush or Cush the ancient name of African continent and also enhanced the ancient independent faith Kingdom of ancient Ethiopia defeated the Italy at Battle of Adwa in 1896. The word therefore represents Africa’s dignity and place in the divine dispensation and provided a platform for free African churches and nations of the future (Doniger, 1999).

- The need to start considering the introduction of same developmental patterns to all communities without partiality towards any race as part of guaranteeing equality within the country.

There is a need for a government to create and ensure favourable environment to enable the proletarised Black majority to be in a position to fight vicious and inhuman cycles of poverty, reach self revitalisation and to experience the highly celebrated social change in the country. Finally, the continuous adoption of neo-liberal policies will tantamount to nothing more than what Welsing (1991) defines as the circular approach to problem solution instead of reaching out to linear approach that guarantees the clear pattern of change from bad situation (in this case the land dispossession and forced selling of labour power) to healthier environment (return of the land to rightful owners - indigenes of the land to achieve self-reliance/revitalisation).

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**Interviews conducted:**

1. **Focus group of stakeholders – 18 February 2009**

2. **Meeting with Bhambayi Clinic Project Manager - MaMsomi**

3. **Meeting Tour Guide of the Gandhi Memorial tourist junction – Mr Ndaba**

4. **Bhambayi Reconstruction and Development Forum (BRDF) - The Chairperson and the Secretary**

5. **Mrs Mpanza [Inanda Newtown Comprehensive High School]**
6. Kasturba Gandhi Primary School visit: Mrs Mazibuko