THE NON-PAYMENT FOR MUNICIPAL SERVICES IN THE VHEMBE DISTRICT MUNICIPALITY

by

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DECLARATION

I, Mavhungu Tshamano Catherine, student number 3840 5490 declare that the work hereby submitted in partial fulfilment of the requirements of the degree of Master of Public Administration and Management at the University of South Africa, is mine, original and has never been submitted to this or any other University for a degree. All reference materials have been acknowledged.

Signature........................................... Date............................................
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ABSTRACT

The aim of this study was to investigate reasons for non-payment by residents for services rendered by the Vhembe District Municipality. The municipalities are responsible for delivering such services as water supply, electricity, road maintenance, refuse collection and sanitation. Multistage sampling techniques were employed. The subjects in the study were grouped into clusters and a sample was taken from each cluster. In this case the municipalities that took part in the study were selected first, followed by wards, villages and households. Households in the selected villages were selected randomly to participate in the study. The results showed that although the municipalities were making an effort to raise and send bills to the residents, the residents were not forthcoming with payments. The reasons advanced for the unwillingness to pay services by residents include ignorance, poverty and simple unwillingness to pay.

Key terms
Municipal services; Non-payment; Residents; Water supply; Road maintenance; Refuse collection; Sanitation; District Municipality; Clusters; Wards.
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CHAPTER 1
INTRODUCTION

1.1 PREAMBLE

The culture of non-payment of municipal services by community members is prevalent in South Africa. Municipal cost recovery efforts in South Africa have spawned civil unrest, especially among poorer people desperate for services they can no longer afford. The issue is so big that in August 2001, some four million workers went on a three-day strike to protest cost recovery and related privatisation (McDonald, 2002:17-20).

1.2 BACKGROUND OF THE STUDY

Service delivery is one of the key mandates of South African government. The Constitution of the Republic of South Africa, 1996 (hereafter called the Constitution) clearly states that every citizen is entitled to a better service. South Africa has focused on the effective and efficient delivery of services to the majority, particularly rural African inhabitants, who have historically been deprived of basic essential services such as water and sanitation, housing, electricity and health facilities. Scientific research towards understanding and explaining the dominant trends in service delivery provision for human development is critical, as is analysing and generating practical solutions to problems of planning and administration.

Local government [municipality] is the sphere of government closest to the people. Local government councillors are elected by citizens to represent them and are responsible for ensuring that services are delivered to the community. The Constitution states that municipalities have the responsibility to make sure that all citizens are provided with services to satisfy their basic needs. Municipalities provide the service themselves through the use of their own resources - finance, equipment and
employees. A municipality may also outsource the provision of a service, that is, it may choose to hire someone else to deliver the service. Municipalities must make sure that people in their areas have at least the basic services they need. There are a large number of services that they provide, the most important of which being:

- Water supply;
- Sewage collection and disposal;
- Refuse removal;
- Electricity and gas supply;
- Municipal health services;
- Municipal roads and storm water drainage;
- Street lighting;
- Municipal parks and recreation;

These services have a direct and immediate effect on the quality of lives of the people in that community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, unhealthy and unsafe living environments would be created. Poor services can also make it difficult to attract business or industry to an area and can limit job opportunities for residents.

Many municipalities, however, are unable to deliver services to residents. This might be because of lack of finances or lack of capacity to provide a good service at an affordable price. Such municipalities should find other ways to ensure that services are improved and that they reach the people most in need of them. Some options that they could consider are explained below:

- **Capacity Building**

  It is possible for a municipality to improve and expand the delivery of its services by improving its own ability to do so. By improving a number of skills, municipalities may improve their ability to deliver services effectively and efficiently from inside. Better communication between the municipality and citizens could also help council determine
the needs of the community and whether these are being met. Improved financial planning could help the municipality find the best possible ways of using available funds. Better technical skills could improve the delivery of a particular municipal service (Fjeldstad & Semboja, 2001:59).

- **Corporatisation**

In some cases, a municipality can improve the delivery of a service by corporatising it. This involves creating a municipal company that would provide the service. The company belongs to and is accountable for its performance to the municipal council. The municipal council usually appoints a board to oversee the work of the company management. The company is able to function more independently than a municipal department whilst acting under the overall control and supervision of the municipal council. Municipalities have to deliver so many different services that it is not possible to focus on the best way to deliver certain specialised services. By allowing the company some independence they are free to experiment with new techniques and technology and also able to provide better services at lower costs (Mattes, Davids & Africa, 2000:25).

- **Municipal Service Partnerships [MSPs]**

There are instances where a municipality might feel that instead of providing the service directly, it would be better to hire someone else (service provider) to do it. Reasons why a municipality would choose this route include the fact that other municipalities, Non-Governmental Organisations (NGOs) or Community-Based Organisations (CBOs) or private companies might have better resources and management skills to provide the service than the municipality itself.

Whatever method a municipality chooses, it must always be in line with the overall goals of improving the quality of services, extending services to residents who do not have them and providing services at an affordable cost. It is important to provide services that are affordable, but municipalities must do so without compromising on their ability to operate and maintain existing services (Ajam, 2001:102).
There are many factors to be considered before deciding on service delivery options and these include the following:

- **Service levels**
  The most important factor to consider is the level [or standard] at which the service is provided. The choice of the level of a particular service is influenced by affordability as well as community needs. When municipalities make decisions about the level of services, they should seriously consider the long-term viability of providing a service at that level. If a municipality provides a service at a higher level, the costs to provide the service will increase and so will the price that the municipality charges its customers. Since municipalities rely heavily on income received from users, if the costs are too high and people are unable to pay, the municipality will lose money and will also not be able to continue providing the service. The following table lists the different service levels for the most important services:

<table>
<thead>
<tr>
<th>Service Type</th>
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<th>Level 2 Intermediate</th>
<th>Level 3 Full</th>
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<tr>
<td>Water</td>
<td>Communal standpipes</td>
<td>Yard taps, yard tanks</td>
<td>In house water</td>
</tr>
<tr>
<td>Sanitation</td>
<td>(Sewage collection/disposal)</td>
<td>VIP Latrine Septic tanks</td>
<td>Full water borne</td>
</tr>
<tr>
<td>Electricity</td>
<td>5-8 Amp or non-grid electricity</td>
<td>20 Amps</td>
<td>60 Amps</td>
</tr>
<tr>
<td>Roads</td>
<td>Graded</td>
<td>Gravel</td>
<td>Paved/tarred &amp; kerbs</td>
</tr>
<tr>
<td>Stormwater drainage</td>
<td>Earth lined open channel</td>
<td>Open channel lined</td>
<td>Piped systems</td>
</tr>
<tr>
<td>Solid Waste disposal</td>
<td>Communal (Residents)</td>
<td>Communal (Contractors)</td>
<td>Kerbside</td>
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Source: (Republic of South Africa, 1998(a))
Provision of free basic municipal services

As part of its overall strategy to alleviate poverty in South Africa the government has put in place a policy for the provision of a free basic level of municipal services. In his address at the inauguration of the Executive Mayor of the City of Tshwane Metropolitan Municipality on 10 February 2001, the then President of South Africa, Thabo Mbeki said: "The provision of free basic amounts of electricity and water to our people will alleviate the plight of the poorest among us while plans for the stimulation of the local economy should lead to the creation of new jobs and the reduction of poverty." (Republic of South Africa, 1998(a).

From this statement it is clear that water and electricity have been prioritised for free basic services for the poor. However, in their recent submission the Financial and Fiscal Commission (FFC, 1997:16) argues that other services certainly also fit the definition of "basic services". For example, low-income residents in rural areas generally do not see electricity as critical as they can access other sources of energy such as wood or paraffin. Roads, or rather the lack of accessible roads negatively affects their daily and economic activities, mobility and safety. This implies that some flexibility should be allowed for municipalities to determine which services they will define as "basic services".

Municipalities in South Africa generate, in aggregate, about 92% of their own revenues (Republic of South Africa, 2001:146). The remaining revenues are transfers from the national and provincial governments. However, huge differences exist between municipalities. For instance, metropolitan councils mobilise, on average, 97% of the revenues themselves. In contrast, some smaller municipalities only raise 65% of their revenues from their own sources. Revenue sources also differ between municipalities depending on local circumstances. These are largely similar to the former apartheid tax regime for local government (FFC, 1997: 16). The most important sources are (1) user charges on services (electricity, water and sanitation); (2) property rates in urban areas; and (3) the Regional Service Council Service Charges in South Africa (RSC) levy.
charged by district and metropolitan councils on staff or labour. Utility fees from trading services comprised 32% of the revenue base of municipalities in 1999/2000, with electricity charges making up the largest share followed by water. Property rates contributed 21% of the aggregate municipal revenues, intergovernmental transfers 8%, RSC levies 7%, and other revenues 32.3%.

The Municipalities need to recover the costs for providing services so they can remain viable. Cost recovery refers to the process by which the service provider (state or private company) recoups all, or the majority of the costs associated with supplying a service (including the operating costs, maintenance costs and infrastructure costs). The difference between public and private service providers is that private companies expect to generate a surplus amount above the actual costs of supplying a service that is profit for their shareholders. In comparison, public owned companies are not usually under pressure to generate a profit (McDonald, 2002:18). The effective operation of any cost recovery model is dependent on three factors, without which any programme would be rendered ineffective. First, the ability to measure consumption at household level “regularly and accurately” is a fundamental component of any cost recovery model. Meters can be used for water services to record the number of kilolitres consumed (electricity: number of kilowatt hours). Without meters it is virtually impossible to apply marginal cost pricing. Second, the operation of a payment collection system (postal/payment system) is equally important, and this requires an effective administrative system. Third, where consumers do not pay their bills, there is need for mechanisms to force payment for example, credit control measures. Consumers can be threatened with the insertion of restrictors in the pipes or even be cut off for a temporary period, which, with repeat ‘offenders’, could result in the permanent removal of infrastructure to prevent illegal reconnections. The most drastic measure in the arsenal could be legal action which could result in eviction from one’s home for non-payment (McDonald, 2002:19).

The pricing structure is fundamental to any cost recovery policy. The first important consideration is whether usage can be measured accurately. In the case of water and
waterborne sewage and electricity, usage can be measured volumetrically. Providers are able to recoup costs by charging the end user the “(full) short-term marginal cost of production plus a proportion of long-term operating and maintenance costs” of the bulk infrastructure required to produce the water and distribute it.

These costs can be determined in a number of ways, the most common being the orthodox model based on a downward sloping marginal cost curve. Based on economies of scale, users who consume high levels of water are charged less per unit than those whose usage is low (McDonald, 2002:18). Whilst in economic terms this model makes sense, it is not an equitable system because lower end users, typically low income households, are in effect being “penalised”. In effect, water for essential uses such as drinking, cooking and washing is priced more highly than water for non-essentials or luxury use. This system also does not encourage water conservation, an important consideration in a water scarce country like South Africa.

Progressive block tariffs are another model on which a pricing structure can be based. This model is the inverse of the previous model because unit costs increase with consumption levels. In theory this makes low levels of consumption (blocks) “more affordable” or even free. This model is more equitable because low end users/low income households are not penalised to the same extent. Progressive block tariffs also provide an incentive to curb non-essential water consumption; it encourages water conservation (Republic of South Africa 2001:146).

A major financial problem in many municipalities in South Africa is the inadequate collection of service charges due to widespread non-payment. The prevailing view is that non-compliance is caused by poverty. However, huge variations in compliance exist both within poor communities and between communities with similar socio-economic characteristics. How can these differences be explained? Moreover, what factors determine citizens’ compliance? This study argues that non-payment is related not only to the inability to pay or “a culture of entitlement”, but also to whether citizens perceive the local government to be acting in their interests. In particular, three
dimensions of trust may affect citizens’ compliance: (1) trust in the local government to use revenues to provide expected services; (2) trust in the authorities to establish fair procedures for revenue collection and distribution of services; and (3) trust in other citizens to pay their share (Cashdan, 2002:159).

The non-payment of rates and service charges, particularly in African and coloured areas, is not, however, a new phenomenon in South Africa (Bond, 2000:200; McDonald, 2002:59). During the apartheid era, boycotts of rents and user charges became the chief weapons against what was considered an illegitimate regime. In the late 1980s, many townships and rural areas in the homelands were already effectively ungovernable. With the passing of the apartheid system, such boycotts were expected to cease, but they did not. Non-compliance with respect to service charges seems to have become an established “norm” in many areas, creating major constraints to attempt to develop a viable new local government system in South Africa (Timm & Jadwat, 1998:121). Moreover, the phenomenon of non-payment, which until recently has been an African one, is likely to spread to other ethnic groups in accordance with growing dissatisfaction with government performance (Mattes et al, 2000:69).

Different arguments are used to explain the extensive and increasing non-compliance. A recent study by the Centre for Development Support (CDS, 2001:10) at the University of the Free State concluded that non-payment is primarily an issue of the inability to pay. It argued that the poverty of many households made them unable rather than unwilling to pay, hence the need for free basic services to the poorer segments of the population and/or a lowering of the rates. This argument is supported by, for instance, Fiil-Flynn (2001:109); McDonald (2002:57). Other studies, however, claim that widespread unwillingness to pay exist due to an “entitlement culture”, and the “culture of non-payment” inherited from the apartheid era (Ajam, 2001: 85; Johnson, 1999:69). It is assumed that an understanding of the relationship between payment and the provision of services is a critical factor for compliance. Consequently, the prescription is education and the political mobilisation of ratepayers, combined with the restoration of law and order.
To heighten citizens’ awareness of issues associated with local government finances and service provision, the Masakhane campaign was launched by the South African government in February 1995 (Timm & Jadwat, 1998:123). The overall aim of the Masakhane campaign which means “let us build together”, was to normalise governance and the provision of basic services at the local government sphere. The campaign has a broad set of objectives, including (i) accelerating the delivery of basic services and housing; (ii) stimulating economic development in both urban and rural areas; (iii) promoting the resumption of rent, service charge and bond payments; and (iv) creating conditions for large scale investments in housing and service infrastructures and local economic development.

However, the Masakhane campaign has been seen as a general and narrowly focused programme to “get people to pay for services”, and yet the importance of delivery has not received adequate attention (Timm & Jadwat, 1998:124). Although the campaign has had a substantial budget and administrative structure, the general view of a cross-section of people at national, provincial and local spheres is that it has not been successful (Cashdan, 2002:159). On the positive side, it may have contributed to increasing the awareness of issues associated with local government and service provision. But with respect to improving payment of service charges, the results are dubious. A general picture is that the Masakhane campaign contributed to increased payments for either a short period of time only or not at all (Johnson, 1999:65). In some communities non-payment even worsened after the launching of the campaign.

Municipalities have responded to the non payment crisis by implementing a harsh policy of disconnecting municipal services. Research which has recently been undertaken estimates that at least 3.25 million people have experienced either a water or electricity disconnection since 1994. As these harsh measures are being implemented, the poor are responding through new social movements, for example, in the form of the Anti Privatisation Forum or the Soweto Electricity Crisis Committee. These movements are, for the first time in South Africa’s new democracy, beginning to challenge the state in its free market and privatisation stance on the provision of basic services.
In recognition of the inability of poor households to pay for municipal services, government introduced the Free Basic Services policy, which provides some free water and electricity to all households. The implementation of the programme has been uneven, with municipalities implementing what is affordable to their councils. In most cases the greatest progress has been made by South Africa’s largest metropolitan councils, especially those having budgets of around R10 billion per annum, such as Johannesburg, Cape Town and eThekwini.

National government has made available resources (for support of the Free Basic Services policy in the form of the Equitable Share Grant). It attempted to increase the size of the equitable share grant from R1,9 billion in 1998/99 to R6,3 billion in 2003/04 and to distribute in ways that effectively target municipalities having a large numbers of poor people. The grant, however, remains insufficient for the needs of municipalities. For example during 2002/2003, total municipal revenue was estimated at R74,5 billion, with the Equitable Share Grant comprising 6% of this total. Moreover, the grant is unconditional, allowing local government to spend it as it deems fit. The Share Grant is also just one component (out of six) which comprises the Equitable Share Grant. In December 2009, Cabinet approved a turnaround strategy for local government which was expected to ensure that local government has the correct management, administrative and technical skills. The turnaround strategy for local government came up with a 10-point plan, which included:

- improving the quantity and quality of basic services for all people in terms of water, sanitation, electricity, waste management, roads and disaster management
- enhancing the municipal contribution to job creation and sustainable livelihoods through Local Economic Development (LEDs), and utilising cooperatives in every ward
- deepening democracy through a refined ward committee system that will be based on the will of the people
- ensuring that municipalities have and implement reliable and credible integrated development plans (IDPs)
• building and strengthening the administrative, institutional and financial capabilities of municipalities
• creating a single window of coordination, support, monitoring and intervention to deal with uncoordinated interaction by other spheres of government with municipalities, including unfunded mandates
• rooting out corruption, nepotism and maladministration in the system of local government
• developing a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system
• developing and strengthening a stable system of municipalities
• restoring the institutional integrity of municipalities.

1.3 PROBLEM STATEMENT

Broadly, the challenges facing local government include the following: delivering basic services; expanding and maintaining infrastructure; and managing the physical environment. The wider socio-economic context of these challenges include: rapid urbanisation; rising unemployment and limited economic growth which constrains growth in municipal revenue. At the micro-level, municipalities must address the needs of poor households by delivering on the promise of free basic services. Seen from another perspective, poor households must balance their household budgets in a way that addresses the primary needs of their families and also pay for the municipal services they consume or face not receiving such services.

As of 2002, municipalities were owed some R22 billion for rates and service charges. There has been a steady rise in consumer debt for municipal services. Some 63% of the consumer debt is owed to the six Metropolitan Councils. Category B municipalities also have significant consumer debt. However it appears as if the wealthier municipal areas, located in Gauteng and the Western Cape, more than the poorer ones have the biggest challenges. Gauteng municipalities owed more than 50% of this amount with KwaZulu Natal and Western Cape municipalities owing more than 10% each. Of great
concern was the fact that in the Northern Cape, the municipal debt owed was 116% of the total service delivery revenue generated in the 2001/2002 fiscal year, whilst in the Free State the debt amounted to 91% of the revenue collected from all Free State municipalities for service charges. Pietermaritzburg is a large Category B municipality which had a total budget in 2002/2003 of R1, 176 billion making it South Africa’s 9th wealthiest municipality. However, Pietermaritzburg faces growing municipal debt. In the last five years alone it is estimated that municipal debt has increased on average by 20% per annum. For the year ended 30th June 2001, Pietermaritzburg was owed an amount of R243 million in service charges. This on-going increase in debtors has negatively affected the municipalities’ ability to funds capital from internal funds resulting in the need to acquire external loans. For example in the 2000/2001 financial year loans of R180 million were obtained (Yorke, 2003:120).

The trend towards an increase in municipal debt is a disturbing national phenomenon in some municipalities. Some 31% of the municipalities’ service debt is growing at a rate of less than 5% per year, while in others 37% of municipalities’ services debt is growing at a rate greater than 10% per year. In some 32% of municipalities’ services debt is growing at a rate greater than 20% per year. Reasons for the rising consumer debt for services are many and complex and these include:

- Interest payments on long outstanding debts for services, thus increasing the total amount owed to municipalities. This interest further diminishes the residents’ willingness to pay for services and decreases the possibility of arrears being affordable;
- Unreliable and corrupt consumer data, which is attributed to the amalgamated municipalities’ failure to adequately verify and clean data following municipal amalgamation during the demarcation processes of 1995 and 2000. Such factors have been linked to the worsening billing, metering and revenue administration processes;
- Poverty resulting in inability to pay for services;
- Inadequate policies and procedures to collect consumer debt;
• A lack of adequate capacity within municipal finance departments necessary to design innovative processes to collect consumer debt;
• A lack of political will to support debt collection actions;
• Inadequate and inappropriate policies and procedures to recover consumer debt. These are often seen as confrontational and are not understood by households and consumers;
• Municipalities with low cost housing developments often experience high levels of non-payment amongst beneficiaries of these housing developments. Recipients are often not in a position to pay for such services;
• A culture of non-payment (linked to the belief that there will be no follow-up procedures);
• Dissatisfaction with the level of service and also perceptions that accounts are wrong;
• Dissatisfaction with the rates policy and the actions of the municipality;
• A lack of automation of processes and integration of databases onto the mainframe, for example between the debtors system and satellite offices;
• The phenomenon of “free-riding”;
• Problems with the identification of indigent households;
• Problems which still need to be resolved in respect of the implementation of free basic services;
• Unreliable postal service - non delivery of bills;
• Inaccessible payment points; and
• Lack of clarity around responsibility for revenue administration (Yorke, 2003:119).

1.4 HYPOTHESIS

A hypothesis is a preliminary or tentative explanation or postulate by the researcher of what the researcher considers the outcome of an investigation will be. It is an informed/educated guess (McMillan & Schumacher, 2001:389). It indicates the expectations of the researcher regarding certain variables. It is the most specific way in which an answer to a problem can be stated.
There is a significant relationship between non-payment of municipal rates and municipal service delivery.

1.5 DELIMITATION OF THE STUDY

According to Leedy (1997: 59), demarcating the research aims to make the research topic manageable from a researcher’s point of view. In so doing, however, it does not imply that research on the same topic is not needed in other areas. Moreover the omission of certain topics does not imply that there is no need to research them. This study has been demarcated as follows:

The empirical component of the study is limited to two of the local municipalities in the Vhembe District Municipality:

- Thulamela Local Municipality
- Mutale Local Municipality

Although relevant cases from elsewhere are considered, the study is mainly limited to an investigation of circumstances surrounding the non-payment of municipal rates and service charges in the Vhembe District Municipality. In this regard, particular attention is paid to rates and consumer services from 2001 to 2002.

1.6 THE STUDY AREA

Vhembe District Municipality with its headquarters in Thohoyandou was established in 2000 through the process of the transformation of Local Government. It was established in terms of the Municipal Structures Act 117 of 1998 as a demarcated sphere of governance. It is composed of four local municipalities, namely: Makhado, Musina, Thulamela and Mutale. It covers 21 407 km² and has a population of over 1,1 million living in 274 480 households.
The four local municipalities cover four portions of the former Transitional Local Council disestablished with the December 2000 elections. The amalgamated entities are the former Mutale, Masisi, Vhutswema, Elim/Hlanganani/Tshitale and Thohoyandou/Malamulele. The amalgamation was finalised by the issuing of Notice 308 of 2000. In terms of section 12 of the Local Government Municipal Structures Act 117 of 1998, the then existing municipalities were disestablished to make way for four new municipalities. The area of jurisdiction of Vhembe District Municipality is predominantly rural with a critical basic services backlog.

Vhembe District Municipality is one of Limpopo’s six district municipalities established in 2000. These are Mopani, Capricorn, Waterberg, Bohlabela, Sekhukhune and Vhembe. Bohlabela has since been incorporated into Mpumalanga.

Vhembe is situated in the northern part of the Limpopo Province and shares borders with Zimbabwe in the north, Mozambique through Kruger National Park in the east and Botswana in the North West.

Table 1.2: The District Municipality contains the following local municipalities:

<table>
<thead>
<tr>
<th>Local Municipality</th>
<th>Population</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thulamela</td>
<td>584 568</td>
<td>48.72%</td>
</tr>
<tr>
<td>Makhado</td>
<td>497 093</td>
<td>41.43%</td>
</tr>
<tr>
<td>Mutale</td>
<td>78 917</td>
<td>6.58%</td>
</tr>
<tr>
<td>Musina</td>
<td>39 308</td>
<td>3.28%</td>
</tr>
</tbody>
</table>

The main towns in Vhembe District are:

- Thohoyandou;
- Louis Trichardt;
- Musina;
- Malamulele;
- Tshilamba;
- Sibasa;
- Dzanani; and
- Elim.
1.7 THEORY SEARCH

A literature survey has been conducted in order to obtain and utilise relevant information. Sources consulted in this survey include relevant books, journals and other publications.

1.8 EMPIRICAL SURVEY

Interviews with selected municipal officials and inhabitants have been conducted in order to get relevant information, with due consideration of the ethical code in this regard.

1.9 AIM OF THE STUDY

The primary aim of this study is to investigate non-payment for municipal services by communities in the Vhembe District Municipality.

1.10 OBJECTIVES OF THE STUDY

The purpose of this study is to explain the reasons for the non-payment for municipal services by communities in the Vhembe District Municipality. The study is directed at the following secondary objectives:

- Identify all the consumers of municipal services in the Vhembe District Municipality and the various categories of services offered by the local municipalities for which communities are supposed to pay;
- Assess the percentage of consumers who are currently paying for services and the possible reasons why some are failing to pay; and
- Evaluate the knowledge, attitudes, practices and perceptions of the communities in the Vhembe District Municipality towards payment for services provided by the municipalities.
1.11 RESEARCH QUESTIONS

In order to achieve the objectives stated, the researcher was guided by the following research questions, relating to the Vhembe District Municipality:

- Why do communities fail to pay for the services rendered?
- How do municipal customers pay for their services?
- Where do the municipal customers pay for the services?
- How often do municipal customers receive their statements?

1.12 DEFINITION OF TERMINOLOGY

Key terminologies are defined as follows:

1.12.1 Local Municipality

It is that municipality which shares its municipal executive and legislative authority in its area with a District Municipality within whose area it falls and which is described in Section 155 (1) (b) of the Constitution. In this study, local municipalities refer to Thulamela, Makhado, Musina and Mutale Municipalities.

1.12.2 District Municipality

District Municipality is referred to in Section 155 (1) (c) of the Constitution as a municipality that has municipal legislative and executive authority in an area that includes more than one municipality. In this study district municipality refers to the Vhembe District Municipality.

1.12.3 Service Delivery

Service delivery refers to the municipality’s activities to meet the basic requirements in the community. This includes, that is the provision of water, electricity and sanitation (Department of Provincial and Local Government (DPLG, 2001:6).
1.12.4 Municipal Authorities
These are authorities who create policy and implement national and provincial legislation in the municipalities. The executive and legislative authority of a municipality is vested in a municipal council (White Paper on Local Government, 1998:84).

1.12.5 Municipal Customers
Municipal Customers are referred to as members of the community who expect affordable services, value for money and a courteous and responsive administration in a municipality (Van Rooyen, 2003:132).

1.12.6 Municipal Councillors
In terms of the Electoral Act 73 of 1998 and the Local Government Transition Act 209 of 1993, municipal councillors are defined as the representatives of municipal residents and they should be loyal to those who voted for them. This may be in their personal capacity and/or because of political affiliation that is as an independent ward councillor or a member of a particular party if elected from a party list. The municipal councillor must at all times act in the best interests of the residents and the municipality as a whole.

1.12.7 Service Charges
Service charges are referred to as sources of revenues consisting of levies for services rendered by the municipalities, for example sewerage fees, rent for municipal halls, fees for removal of refuse and ambulance fees (Cloete & Thornhill, 2005:171).

1.13 DATA COLLECTION METHOD
Data was collected by means of questionnaires which included open-ended questions. A pilot study was also conducted.
1.14 DATA COLLECTION PROCEDURES

For the purpose of this study, the researcher used a multi method strategy that combined quantitative data with qualitative data, in order to add depth to the findings (Swanson & Holton 1997:93).

From the qualitative (interactive) perspective, which could be described as a phenomenological one, the researcher was able to explore the experiences and perceptions of community members (who are the respondents in the study) on the issue of non-payment of municipal services by means of interviews and open-ended questions (McMillan & Schumacher, 2001:36).

From the quantitative (non-experimental) perspective, the mode of enquiry was descriptive because it allowed the assessment of the existing conditions in order to categorise and compare factors (McMillan & Schumacher, 2001:33).

To collect quantitative and qualitative data, the researcher used a questionnaire which had both closed and open-ended questions. The questionnaire was intended to form the basis and initial data source so that further data collection by means of interviews with respondents could be done.

The researcher personally administered the questionnaires. From the questionnaires, the researcher derived frequencies for the different variables being explored, so that they could be described and compared. The closed-option questions served to determine categories, characteristics and preferences associated with the variables determined in advance (literature review) for the target communities. Above all, they are designed to yield frequencies for specified variables.

1.14.1 Data analysis

- Quantitative data analysis
Quantitative data was analysed using the Statistical Package for the Social Science (SPSS), which is a computer programme used for statistical analysis.

- **Qualitative data analysis**
  Qualitative data which was collected by means of document inspections was summarised and analysed, and, together with a summary of the responses to the open-ended questions on the questionnaire, were used to aid in the interpretation of the results.

1.15 QUALITY ASSURANCE TECHNIQUES FOR QUALITATIVE AND QUANTITATIVE DATA ANALYSIS

1.15.1 Qualitative data analysis
The focus of the interpretation of any social phenomenon, which in this case is the qualitative data from both the questionnaire and the interviews, should be viewed as something that can be used for better understanding of the phenomenon. Below are the aspects which were considered to increase trustworthiness of the qualitative aspects of the study:

- **Credibility**
  For the purposes of this study the credibility of the qualitative data was increased by implementing member checking and peer review. Krefting (1991: 65) suggests that member checking, which is where the interviewee plays an active role in being part of the process, in bringing in his/her own meaning or interpretation of the data, is a form of triangulation and thus minimizes researcher bias.

- **Transferability**
  Transferability refers to the degree to which the results of qualitative research can be generalized or transferred to other contexts or settings.

- **Dependability**
  The researcher relied on an independent audit of her research methods by a competent peer. Her auditor is a practicing professional in the field of Public Management.
1.15.2 Quantitative techniques

- **Validity**

  By validity is meant how well the test measures what it sets out to measure (Litwin, 1995:33). This case is distinct from the notion of design validity.

  The designed questionnaire instrument was administered to a group that exhibited the traits that the researcher wanted to measure. Ambiguous items in the instrument were refined while items that are irrelevant were left out.

- **Reliability**

  Reliability is the degree to which an instrument measures what it is supposed to measure (Gay & Airasian, 2003:76). Using an SSPS programme, the Cronbach Alpha will be calculated to determine the reliability of the instrument.

- **Triangulation**

  Triangulation is defined as the use of several different research methods to verify the same finding (Babbie, 1992:109). Baumgartner and Strong (1998:184) maintains that triangulation is the process of cross-validation among researchers, research methods and data sources. Triangulation is critical in establishing data-trustworthiness (McMillan & Schumacher, 2001:418). Validity and reliability were enhanced by including triangulation in the qualitative research. Triangulation reduces the risk of chance association and systematic biases. Triangulation contributes to a study’s validity.

  For the purposes of this study, data and multiple methods of investigation were employed.
1.16 SIGNIFICANCE OF THE STUDY

The significance of this study may be illustrated in a variety of ways. Vhembe District Municipality will benefit from the research as it is envisaged that (after implementation of the recommendations) there will be an improvement in the payment for their services by communities. The communities will also benefit because the municipality will be able to implement other projects for the communities.

1.17 SEQUENCE OF THE STUDY

Chapter 1
This chapter contains an exposition of the background to the research problem, statement of the problem, hypothesis, delimitation of the study, study area, theory search, empirical survey, aim of the study, objectives of the study, research questions, definitions of terminology, data collection methods and procedures, quality assurance techniques, significance of the study, research site and and sampling and sequence of the study.

Chapter 2
Chapter 2 is a review of the research literature relating to payments and non-payment of municipal services.

Chapter 3
In Chapter 3 the methodology rationale for the research design will be discussed.

Chapter 4
Chapter 4 focusses on data presentation and statistical analyses of the results.
Chapter 5
Chapter 5 summarises the research and the conclusions to be drawn. Recommendations for further research are made and, where applicable, future policy on payments of municipal services.

1.18 CONCLUSION

This chapter provides a background of the study. It also includes the problem statement, aim and objectives of the study, research questions and ethical considerations. The chapter also provides information on how data will be collected. The key concepts used in the document are explained. The division of chapters outlines the areas to be covered in each chapter.

The next chapter deals with research literature relating to payments and non-payments of municipal services in the Vhembe District Municipality.
CHAPTER 2
LITERATURE REVIEW

2.1 INTRODUCTION

Non-payment of rates, service charges and other tariffs began in the Black townships in the 1980s as a political strategy to confront the former government and its system of separate development. It was then justified and it was also taken for granted that this would just wane out after the political transition to a democratic country. However, fifteen years after the historic transition to democracy in South Africa, non-payment of services continues to pose a serious financial challenge to municipalities.

Between March and October 1996, the average number of municipalities which had insufficient cash and reserves to pay one month’s electricity bill to Eskom was thirty-eight, while on average ninety-nine municipalities had insufficient cash to pay one month’s personnel bill. The Local Authority Loan Fund (LALF), now under the auspices of the Development Bank of Southern Africa (DBSA), has recently shown unprecedented signs of stress. There were no defaults from 1970 until 1995. Since then there have been five defaults in 1996, forty-six in 1997 and seventy in 1998. Figures from the Project Viability Report of 1998 show that from October 1996 to March 1998, the total debt to all municipalities exceeded R8.5 billion, while the ratio of debtors as a percentage of rates and service charges increased from 25 to 36 per cent. Within a core group of 282 municipalities providing reliable figures, total debt amounted to R309 per head of the population (DBSA Report, 1998:22).

As reflected in Table 2.1 below, there was already an indication of a higher level of non-payment for municipal services across all provinces in South Africa by 1998. An important observation from table 2.1 is the close correlation between urbanisation and non-payment for services. It appears that the more urbanised the province is, the greater the degree of non-payment for municipal services.
By 1999 it was estimated that 50 per cent of the Black population lived in the towns, but that this figure was increasing steadily and would reach 55 per cent by 2005. This accelerated process of urbanisation is changing the entire face of South Africa. In the first place, the physical structure of townships built in the 1950s and 1960s is depreciating under the strain of this increased population.

Table 2.1: Urbanisation rate, access to services and bad debts per province (1998/99)

<table>
<thead>
<tr>
<th>Province</th>
<th>Urbanisation rate</th>
<th>Percentage of Households with services</th>
<th>Expected income from services (R billions)</th>
<th>1998/99 Bad Debts (R millions)</th>
<th>Outstanding debts in January 1998 (R millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Sanitation</td>
<td>Tap water</td>
<td>Electricity</td>
<td></td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>37.3</td>
<td>80.1</td>
<td>16.0</td>
<td>16.0</td>
<td>2.3</td>
</tr>
<tr>
<td>Free State</td>
<td>69.6</td>
<td>88.1</td>
<td>26.6</td>
<td>45.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Gauteng</td>
<td>94.4</td>
<td>98.8</td>
<td>64.2</td>
<td>84.1</td>
<td>8.8</td>
</tr>
<tr>
<td>Kwazulu Natal</td>
<td>43.5</td>
<td>84.3</td>
<td>26.6</td>
<td>37.2</td>
<td>1.8</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>38.3</td>
<td>88.6</td>
<td>41.2</td>
<td>31.0</td>
<td>0.3</td>
</tr>
<tr>
<td>North West</td>
<td>34.8</td>
<td>94.5</td>
<td>27.0</td>
<td>36.0</td>
<td>0.2</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>71.1</td>
<td>88.5</td>
<td>27.0</td>
<td>48.0</td>
<td>0.3</td>
</tr>
<tr>
<td>Limpopo</td>
<td>11.9</td>
<td>85.3</td>
<td>16.6</td>
<td>21.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Western Cape</td>
<td>89.9</td>
<td>89.1</td>
<td>36.9</td>
<td>53.9</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Source: Masheane (1999: 7)

Johnson (1999:98) mentions that attempts to provide housing and other services for this mushrooming population had inevitably fallen far behind demand, with the result that urban settlements were increasingly informal, uncontrolled and unregulated. The more the authorities do manage to supply housing and services, the more those urban settlements attract other rural dwellers (for whom no one provides houses) and
immigrants from the surrounding countries who are unlikely to make the payment of rents, rates or service charges a high priority. The net result of these pressures is that an enormously greater demand is placed on the urban infrastructure and services at the same time as the ability to pay is diminishing.

South Africa is also going through the process of de-industrialisation witnessed in many other countries. This involves a run down in manufacturing; mining and agriculture; growth is only limited to the service sector. This has had an extremely depressive effect on the formal sector job market because the unemployed masses being absorbed onto it usually lack the skills required in the growth areas of the service sector such as information technology, software and financial services. There is a general decline in per capita incomes with relative growing inequality within groups. The number of poor white people is increasing too. Thus it is be expected that more and more of them will react, as have the white community of Carletonville by becoming non-payers themselves on a very significant scale. Thus, the phenomenon of non-payment for municipal services, predominantly an African one to date, is likely to spread to other racial groups (Johnson, 1999:100).

In terms of section 153 of the Constitution (http://www.GOV.za/constitution), the developmental duties of municipalities include, amongst others, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community. This compels municipalities to carry the responsibility of providing residents in its jurisdiction with water, sanitation, transportation facilities, electricity, municipal health services and security. In order for municipalities to carry out their constitutional responsibilities, they have to mobilise resources locally. One way of doing this is through the collection of rates and tariffs.

The money collected from ratepayers covers the costs of certain development projects that local councils initiate, for example, the provision of basic services needed by the community.
This developmental role of municipalities is emphasised in the Reconstruction and Development Programme (RDP) (1994:130), which states that all municipalities should embark on programmes to restore, maintain, upgrade and extend networks of services. Within a municipality, all consumers should be responsible for the costs of the services, including capital improvements, thus allowing for cross-subsidisation of new consumers. Tariff structures should be structured on a progressive basis to address problems of affordability. Even though the RDP stresses that “all consumers should pay for services consumed”, the culture of non-payment for municipal services in South Africa continues to frustrate the efforts of local government to provide these essential services.

According to Johnson (1999: 1), the phenomenon of non-payment clearly undermines not only local government structures, but the entire capacity of national government to deliver change at the local sphere. All development programmes ultimately rely on the support and co-ordination that only local government structures and officials can provide. In the words of the former President of South Africa, Nelson Mandela, “non-payment today hurts those who have nothing and who are waiting for houses, electricity and sewerage. It hurts neighbours who must carry the unfair burden” (Kromberg, 1995:31).

Greatly concerned by this phenomenon of non-payment and desperately seeking to find a solution to reverse the culture of non-payment, the government launched the Masakhane campaign in 1995. The aim of this campaign was to accelerate the delivery of basic services and mainly to promote the resumption of payment of rent. According to Johnson (1999:101), the approach of the Masakhane campaign appeared to be based on the assumption (or belief) that non-payment is simply a cultural issue. As a result, it was argued then that the strength of this campaign lay in its attempts to tackle these cultural phenomena head on and to install a strong sense of community consciousness in its place.

Given the limited success that the Masakhane campaigns have enjoyed, many local councillors have come forward to state that the fundamental reason for this is simply the
poverty of many of their constituents which makes them unable rather than unwilling to pay. This view is also strongly supported by evidence from the baseline survey by Botes & Pelser (2001:60).

From studies conducted on the subject of the non-payment for services, it appears that the central problem lies in the complex issues surrounding "the entitlement culture" and even the "culture of non-payment" (Moses, 2002:5). Johnson (1999:101) argues that the culture of non-payment certainly exists in Gauteng. Undoubtedly a strong, confident community consciousness is the best antidote to these dependent and self-defeating attitudes. The Helen Suzman Foundation study also suggests that this is also the key to the achievement of higher payment levels (Johnson, 1999:101).

2.2 Nature and Severity of the Non-Payment of Municipal Services Problem

In February 2000, consumer debtors owed municipalities in South Africa some R15 billion in service charges. In their turn, municipalities owed service providers a total of R234 million for bulk electricity, of which 6.5% (R15.3 million) was more than 60 days in arrears. In early 2000, bulk electricity comprised 18% of all the amounts owed by municipalities to various institutions, service providers and utilities (South African Survey, 2001/2002: 8).

The successes of the local insurrections of the past have had negative consequences for the current local government systems as their infrastructures, where they still exist, were badly damaged. The administrative systems in black communities are not strong enough to deal with the problems which they are now faced with. They are inadequately staffed with people who have not received sufficient training (Christianson, 1994:28).

Another serious problem faced by many South African municipalities, especially those in rural areas, is the lack of adequate tax bases that are used to fund the minimum level of
basic services to their communities (White Paper on Local Government, 1998:109). Between 1994 and 2000 the proportion of electrified households increased from 36% to 70%. However, whilst 80% of the urban homes had power in April 2001, only 46% of the rural households were electrified (South African Survey, 2001/2002:50). In January 2001, government set aside R1.8 billion, in order to address the electrification backlog in South Africa over the following three years. This budget would allow for R600 million a year for the electrification of more than 3.2 million households. In contrast to the amount allocated by government, Eskom and municipalities around South Africa had spent R1.2 billion a year, in order to electrify 2.5 million households over the preceding six years (South African Survey, 2001/2002:50).

Municipalities and service providers in South Africa have been challenged with the provision of services to historically disadvantaged communities of the country, a problem that has been exacerbated by the fact that these communities have been slow in paying for their services (The Sowetan, 1998:10). Moreover, according to Mabotja (2002:69), in urban areas there is a general belief that government, including the municipalities, have enough money with which to render free services. Even in instances where the municipalities do not have the financial ability to deliver, some people are still under the impression that it is because the Government is unwilling to do so (Mabotja, 2002:69).

The culture of non-payment of municipal services is not something new, and the next section will focus on the historical background of that culture of non-payment.

2.3 HISTORICAL BACKGROUND TO THE CULTURE OF NON-PAYMENT OF MUNICIPAL SERVICES

South Africa is a combination of First world and Third world realities. It is characterised by a mixed population of ‘haves’ and ‘have-nots’ who are recognisable, in most cases, by virtue of their skin colour. Large sections of the South African population suffer from poverty, unemployment, and inadequate housing and educational facilities.
In South Africa there are two main service providers for electricity. These are the municipalities and the parastatal company known as the Electricity Supply Commission (Eskom), which was founded in 1923 (Khunou, 2002:62). Municipalities and service providers, such as Eskom, are important in this regard as they function at a grass-roots level and are directly involved with the people in these communities. They are, however, also weakened by their association with these communities as their incomes are based on the rates, taxes and levies that they charge in return for the services that they provide. If communities do not pay for their services, municipalities and service providers like Eskom are forced to stop offering services, to the detriment of the communities.

According to Moses (2002:1), the culture of non-payment, which is evident in our society today, was established in the 1980s. This was at the height of the apartheid era when town and city councils were separated according to race, some catering for the poorer black communities and others catering for the more affluent white municipal areas. South African municipalities failed to provide adequately prepared land for black urbanisation. The lack of resources allocated to black urbanisation and the inability of blacks to pay municipal accounts thus resulted in inadequate provision of services such as purified water, electricity and sewerage systems. This also resulted in frequent power failures, the spread of diseases such as typhoid, hepatitis B and cholera, as well as environmental pollution associated with the problem of non-existent refuse collection and disposal in the townships. Thus, whilst the impoverished historically black areas were expected to pay for municipal services, they did not receive any improved services. In effect, any money paid by the historically disadvantaged areas was ploughed back into the more affluent white areas by the municipalities (DBSA Report, 1998:22).

Black councils and councillors were furthermore so closely linked to apartheid’s overall strategy that they were eventually regarded as extensions of the state’s ‘repressive mechanism’ and thus lost all credibility that they may have possessed (The Sowetan,
These councils were seen to be retarding the already slow pace of development in their communities. The majority of the oppressed or historically disadvantaged people in South Africa resisted and challenged the form and function of the apartheid system of government in various ways. Once-off demonstrations, riots, stay-aways; strikes and collective crowd actions against specific targets were commonplace. However, it was the sustained mass action of non-payment for municipal services that tended to have the most decisive effect.

Legitimacy was also seen as a problem during the late 1980s and early 1990s, when the historically black councils were amalgamated with the established white councils. This situation led to conflict as people felt that the councils were not sufficiently representative, and would, therefore, not have the people’s interests at heart (Christianson, 1994:28). This reinforced the non-payment ethos and fuelled an already dangerous situation, where people used the non-payment of services such as electricity as a bargaining tool. The African National Congress (ANC) originally used this ideology to undermine the power of the white government of the apartheid era by attempting to make the black ‘ghettos’ ungovernable (Contreras, 1995:20). The ANC encouraged the observance of stay-aways, and told black communities to withhold rent, rates and tax payments in protest to the poor quality or complete lack of services in their townships. Government was seen as undemocratic and racially biased and many people, therefore, felt justified in their defiant actions (Contreras, 1995:20).

Unfortunately, the non-payment of rates, taxes and service fees continues today – even though it is no longer politically justified. It seems, however, that a new dimension has been added to the non-payment problem. For some people non-payment has become a habit that is damaging the ANC government’s credibility with its supporters, as promises that were made prior to the 1994 elections have still not been met because of government’s lack of funds. Yet, for others, the non-payment of services is no longer politically motivated. For these people, the non-payment of services such as electricity, in particular, is now related to a financial cause or the personal inability to pay.
The rent and service payment boycott was originally supposed to have been used to “oppose the unfair distribution of resources and the fragmentation of towns and cities” (Kroukamp, 1995:192). However, these boycotts also eventually succeeded in crippling many black Municipalities and in creating conflict that resulted in the interruption of service provision to many communities. The struggle undermined the cultures of localism and governance in the townships and resulted in patterns of behaviour that were reinforced by the fact that headway was made.

Many people were and still are under the impression that improvements in their lives and the development of services could be obtained through coercive bargaining tactics, such as boycotts. This situation has led to the problems that are encountered today (Christianson, 1994:27), as well as the consequent inheritance of the result of years of developmental neglect in townships, combined with a culture of payment evasion. This has directly resulted in the stagnation and further degeneration of predominantly black residential areas. In 1993, the Local Government Transition Act was passed in an attempt to rectify the previously unacceptable situation. Unfortunately, neither the Act, nor any other form of legislation, can prescribe to the hearts and minds of people and regulations cannot create a culture of civic-mindedness in general (Kroukamp, 1995:192).

2.4 REASONS FOR THE NON-PAYMENT PROBLEM

Initially the main causes of the non-payment of services in South Africa were:

(i) the apartheid system;

(ii) the non-existence of representative municipalities;

(iii) the breakdown in the provision of services;

(iv) the fact that people got away with not paying; and

(v) the breakdown in administration (Kromberg, 1995:32).

The above-mentioned reasons for the non-payment problem have, however, been usurped by other reasons in more recent times. These include:
(i) the public’s dissatisfaction with the quality of services;
(ii) poverty and unemployment;
(iii) the lack of consumer participation;
(iv) the perceived mismanagement of funds;
(v) political rivalry;
(vi) the cultural habit of non-payment; and
(vii) opportunism as a cause of non-payment.

Some of these reasons are further explored below.

2.4.1 Dissatisfaction with services as a cause of non-payment of municipal services

Effective service delivery entails the provision of services such as electricity to consumers, firstly at the level they require, and secondly at the level that they can afford to pay for (Timm & Jadwat, 1998:499). This service delivery also requires the efficient operation and maintenance of these services and the provision of effective methods for collecting the payments due for the services. In 1998, Dave King, the executive chairman of Duff and Phelps - a credit rating agency - stated that the non-payment of services was based on poor metering and billing systems, inaccessible municipal payment points, and the unwillingness or inability of certain municipalities to take action against their defaulters (Business Day, 1998:4).

In many areas, the culture of non-payment has not abated. This is possibly a sign of the frustration felt by residents in historically disadvantaged areas with the general lack of improvement in their quality of life. In this regard, it was reported in The Sunday Independent (1999:2) that residents of Tembisa claimed to experience ongoing power failures, which the municipality attributed to people illegally tapping into one another’s power supplies. However, the residents of the area attributed these blackouts to a power network that had not been adequately prepared to deal with the demand for power. This communication breakdown seems to be common when it comes to the supply of and demand for electricity.
Yet, this dissatisfaction may also be motivated by the perception that the right to service is a constitutional right, as the local or regional authorities of the past accepted responsibility for sustaining the delivery of services to communities with the help of government subsidies and grants that are now not so readily available (Hagg, 1998:9). A common complaint received from many communities is that they are being charged for services that are non-existent or of a very poor quality. Furthermore, some communities are being charged old tariffs that were determined by local councils that are now defunct (Kroukamp, 1995:194). Communities also claim that there are inconsistencies in their monthly accounts. This situation is worsened by the fact that in many cases their bills are completely incomprehensible. Many areas in South Africa are furthermore devoid of the basic infrastructure for the collection of levies, which results in people not being billed at the end of each month.

As has already been mentioned, the non-payment of services, particularly electricity, inevitably has an important effect on the non-payers. In effect these individuals may feel that they are no longer powerless in a given situation. This may be one of the main reasons behind the development of the ‘culture of non-servicing’. Individuals may feel that they have not benefited from the provision of services that are of the same standard as those provided in other, more urbanised areas. Collective or coercive efforts may then be utilised in an attempt to demand the provision of similar services.

According to Gurr (1970:70), the use of non-payment with at least moderate effectiveness will result in a spread of the technique as communities become a formidable force and gain confidence in their power to manipulate municipalities and service providers. This technique has been used repeatedly, often under different circumstances in South African townships, and others wishing to benefit from the practice have now begun to follow suit. In this regard, Ruiters (2002:54) states that communities may see payment boycotts as a form of collective power, whereby the solidarity of the community allows people to ignore the law and to explore survivalist options. These options include: obtaining services from neighbours, self-connections to
services that have been stopped by the providers, attempts to slow down meters; and tampering with prepaid meters installed by service providers such as Eskom.

Municipalities and Eskom have been handed the responsibility of breaking the culture of non-payment in South Africa. According to *The Sowetan Sunday World* (2001:17), these service providers must realise that where there is payment, there must be visible, prompt service delivery. If those that receive the services do not feel that the services are of a sufficient standard, they will continue to withhold payments.

2.4.2 Poverty and unemployment as reasons for non-payment of municipal services

Poverty and unemployment are prime causes that attribute to the non-payment of municipal service fees in South Africa. According to the South African Survey (2001/2002:36), some 47.8% of people living in South Africa in 2000 were surviving on or below a monthly household expenditure of R800 (the official poverty line). The All Media Products Survey (AMPS) of the South African Advertising Research Foundation indicates that the proportion of people living in poverty in South Africa may be increasing by around 1% to 2% a year. This creates a stark picture of the financial capabilities of the South African population at large. The following is a table demonstrating the proportional differences in poverty by province and race:

<table>
<thead>
<tr>
<th>Province</th>
<th>Black</th>
<th>Indian</th>
<th>Coloured</th>
<th>White</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>71.2%</td>
<td>8.9%</td>
<td>23.2%</td>
<td>3.4%</td>
<td>64.0%</td>
</tr>
<tr>
<td>Free State</td>
<td>56.6%</td>
<td>3.1%</td>
<td>24.3%</td>
<td>4.4%</td>
<td>49.3%</td>
</tr>
<tr>
<td>Gauteng</td>
<td>37.7%</td>
<td>7.0%</td>
<td>13.9%</td>
<td>2.9%</td>
<td>28.1%</td>
</tr>
<tr>
<td>KwaZulu Natal</td>
<td>63.5%</td>
<td>7.4%</td>
<td>13.8%</td>
<td>2.5%</td>
<td>53.6%</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>58.5%</td>
<td>5.7%</td>
<td>19.2%</td>
<td>4.4%</td>
<td>53.2%</td>
</tr>
<tr>
<td>North West</td>
<td>57.1%</td>
<td>9.2%</td>
<td>29.1%</td>
<td>5.5%</td>
<td>53.2%</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>63.9%</td>
<td>8.3%</td>
<td>36.2%</td>
<td>4.0%</td>
<td>41.1%</td>
</tr>
<tr>
<td>Limpopo</td>
<td>65.3%</td>
<td>6.4%</td>
<td>24.4%</td>
<td>3.9%</td>
<td>63.8%</td>
</tr>
</tbody>
</table>
Table 2.2 clearly indicates that 58.7% of all Black people living in South Africa were living in poverty in 2000, whilst 19.9% of all coloureds, 7.4% of all Indians and 3.3% of all Whites, were living in poverty in South Africa in 2000. According to the South African Survey (2001/2002:37), a deepening of poverty between 1995 and 1998 caused income inequality to increase across all races and between men and women. The rapid increase in unemployment, particularly amongst Blacks, has been a major contributor to the increase in poverty experienced by Blacks in South Africa.

According to the South African Survey (2001/2002:214), there is also evidence that poverty is most widespread in rural areas. According to the strict or official definition of unemployment, in 2001 there were 16.1 million unemployed people in South Africa. The expanded definition, which included people that were without work and were not actively seeking employment, indicated that there were 18.8 million unemployed people living in South Africa. Table 2.3 shows the proportional differences in unemployment by race and area according to the expanded definition of unemployment as used by Statistics South Africa.

### Table 2.3: Unemployed people in South Africa by race and area

<table>
<thead>
<tr>
<th>Area</th>
<th>Blacks</th>
<th>Indian</th>
<th>Coloured</th>
<th>White</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>41,1%</td>
<td>31,7%</td>
<td>22,0%</td>
<td>10,2%</td>
<td>33,5%</td>
</tr>
<tr>
<td>Rural</td>
<td>44,9%</td>
<td>22,6%</td>
<td>(a)</td>
<td>4,4%</td>
<td>49,3%</td>
</tr>
</tbody>
</table>

(a) The sample size was too small for reliable estimates.

Table 2.3 demonstrates that 44.9% of all Black people living in rural areas in South Africa were unemployed in 2001, whilst 31.7% of all Indians and 10.2% of all whites in urban areas were unemployed in 2001. The total unemployment rate of 49.3% for rural areas in South Africa also far exceeded the 33.5% recorded for urban areas.

South Africa is thus faced with a situation where municipalities and service providers are put under ever-increasing pressure as poor people migrate from rural areas to urban areas in search of work, and to improve their living standards. This influx flooded the job market and led to large-scale urban unemployment, which in turn put strain on the municipalities and the service providers since the rural immigrants could not afford the services which they needed to live (Craythorne, 2006:44). In this regard, Jeff Radebe, the (then) Minister of Public Enterprise, announced in 2001 that, although there was still a culture of boycotting council rates, the core problem was that people were poor and could not afford to pay for electricity (The Sowetan, 2001:17).

Poverty and unemployment force many people to live on or below the breadline, meaning that they simply have no money to pay for the services that they receive. In situations such as these, there is little money left in the households after the families have fed and clothed themselves (The Natal Witness, 2003:6). As one respondent interviewed by Khunou (2002:67) stated: ‘We are pensioners. As a result we cannot afford the R250 they say we owe. We pay R100 every month. This is what we can afford. If we pay R250, it means we will not eat; my children won’t go to school. Anyway R250, is too much; where do they think we get this much money?’ This excerpt is evidence that the socioeconomic circumstances of consumers must be considered and the affordability of services should be reconciled with these services.

The view held by Botes & Pelser (2001:63) is that non-payment of electricity is more an issue of the inability to pay than the unwillingness to pay. The findings of a baseline
survey conducted by the City Development Strategy (CDS) at 32 localities in all of the nine provinces in 2001, found that the poverty experienced by many households in low-paying areas made them unable rather than unwilling to pay for electricity. In fact, nine out of every 10 low-paying households included in the survey indicated that unemployment or the lack of /too low income was the main reason for their non-payment.

Botes & Pelser (2001:63) consequently maintain that it is incorrect to talk of the culture of non-payment, thereby implying a form of behaviour embedded in a lack of moral willingness to pay, and/or the absence of a moral consciousness of responsibility and obligation amongst non-paying households. This conclusion is furthermore substantiated by the fact that only three out of every 20 respondents of the low-paying households (and two out of every 20 of the high-paying households included in the study) indicated that they would refrain from paying their municipal accounts if they knew there was a chance that they might get away with it. According to Botes and Pelser (2001:63), the baseline study suggested that the financial inability to pay was the primary problem associated with the non-payment of services amongst a considerable proportion of non-paying households. Aspects such as dissatisfaction with services and a lack of moral responsibility were found to be of secondary importance.

It is believed that poverty is a crucial factor in the non-payment problem as many people are being forced to use what little money they have on basic necessities. Poverty is thus directly related to the ability to pay, but not to the willingness to pay (Hagg, 1998:14). In this regard, *The Cape Times* (2002:9) claims that whilst municipalities and service providers have developed ingenious campaigns to get township people to pay, (such as the Masakhane campaign and lottery prizes), the problem with these proposed solutions to the non-payment problem is that they do not address the actual dilemmas faced by people living in the townships. Obviously there are some residents who do not pay for their services because they can get away with not doing so. The vast majority of payment defaulters, however, legitimately cannot afford to pay their bills in full.
Municipalities and service providers are exposed to another dangerous situation, in that they may come to rely on those who faithfully pay their accounts every month, in order to bail out those who do not. The writing off of bad debts thus may create more problems in the long run, as it not only strengthens the culture of non-payment, but it may also create boycotts by consumers who have paid for their services in the past (The Cape Times, 1997:6). Many historically disadvantaged areas have either been subsidised by Government and by service providers, or they have been allowed to pay flat rates for their services. These subsidies and flat rates were, however, often based on what the service providers believed the residents could afford to pay, and not on the actual amounts that they could afford to pay.

2.4.3 Consumer participation and trust issues surrounding the non-payment of municipal services

Many communities in South Africa have stopped paying for their services and have chosen not to pay their municipal rates and taxes in response to the perceived mismanagement of municipal funds by the officials whom they have elected. Thus, the unequal spending patterns and budgets of municipalities in the past have left many municipalities, especially those in historically disadvantaged areas, with severe financial difficulties. In many cases, the infrastructure in these areas has collapsed and service delivery has grounded to a halt (Kromberg, 1995:33).

Inevitably, the lack of available funds, coupled with the fact that many incoming councillors have little knowledge of how municipalities work, has led to unfeasible promises being made to constituencies prior to elections. Housing projects and better services for less money are among the promises that have been made, but not kept by newly-elected councillors and officials (Timm & Jadwat, 1998:9). These broken promises, combined with the fact that in the past the service providers were either unable or unwilling to take action against the defaulters, has compounded the problem of the non-payment of electricity currently faced by Eskom.
Furthermore, many communities in South Africa feel that they are not allowed to participate in the decision-making processes pertaining to their well-being. For this reason, many people have decided not to pay for services. These communities are thus using their non-payment as a means of complaining about the current functioning of the service providers in their areas, be it Eskom or their local municipalities. According to Kromberg (1995:34), communities should, to a certain extent, be able to control the management of their local or civic affairs. If residents are not included in the decision-making processes, they may feel that their needs are not being met and this may in turn lead to a greater number of people refusing to pay for their electricity (Craythorne, 2006:63).

2.4.4 Cultural habit of non-payment of municipal services
According to Hagg (1998:13), civil disengagement or apathy has become an increasingly serious problem in South African communities. In this regard, ineffective public programmes, unresponsive officials and politicians who are unable to mobilise public participation and co-operation have also contributed to the culture of civil apathy prevalent in South Africa (Meiring & Parsons, 1994:29).

In South Africa many consumers have become indifferent to their municipalities as well as any service providers that are linked to these governments. In fact, whilst the average citizen identifies with his or her town, a large proportion do not identify with their town councils (Craythorne, 2006:80). The habit of non-payment of services in South Africa has in many instances provided consumers with a timely outcome for not paying for their services, as they can claim that poverty, unemployment or other such factors are responsible for their non-payment (Kromberg, 1995:32).

2.4.5 Opportunism as a cause of the non-payment of municipal services
The problem of non-payment for services has been greatly complicated by the entry of the business community into the problem and the debate. Many businesses in South Africa are guilty of climbing onto the non-payment bandwagon instead of paying for their services and encouraging their employees to do the same. In fact, some businesses
have claimed that if more than R62 million in bad debts accumulated by the historically black areas in 1995 can be written off, then the same principle should apply to their property and rate arrears (Kroukamp, 1995:194).

According to *The Natal Witness* (2003:3), private consumers have also begun to reject the notion that it is necessary to pay for services such as electricity because they see others ignoring Eskom with impunity. As one resident of Imbali stated, *why should I pay while others have ways of getting electricity without paying a cent? I used to pay but then I decided to join them.* Another consumer maintained that he would not pay for electricity because *suppliers only send bills to those who pay. Those who can’t afford to pay get cut off* (The Citizen, 2002:12).

The second respondent was referring to the perceptions in some communities that the billing systems in their areas were unfair. The Soweto Electricity Crisis Committee (SECC) is of the opinion that Eskom discriminates against the poorer residents of Soweto in favour of their richer counterparts in Sandton. The SECC claims that Soweto residents are charged 28 cents per kilowatt hour, whilst residents in Sandton are charged 16 cents per kilowatt hour and business situated in the area are charged even less at 7 cents per kilowatt hour (Southern Africa Report, 2001:2). Moreover, some consumers receive regular billing whilst others do not. This situation often results in consumers receiving huge bills, which often exceed what the consumer can afford to pay in one instalment. These consumers then have the services summarily terminated by the service provider, thus causing a great deal of dissatisfaction in the community to actions that are seen as being unfair.

The inability or unwillingness of municipalities to take action against the defaulters has, as has already been mentioned, compounded the problem of the non-payment of electricity. In this regard, a decision taken by the Randfontein District Municipality not to take legal action against the residents of Mohlakeng and Toekomsrus (who owed R92 million in unpaid rates and service fees) may have served to reinforce the behaviour of people who were not paying for their services (The Sowetan, 2002:4).
2.4.6 Public dissatisfaction with poor service delivery

Over the past few years South Africa has experienced a wave of protest action across most provinces. Many of these protests have also turned violent and there are indications that criminals are exploiting the situation. Incidents of apparent xenophobia were also reported. Groups of foreigners, fearing the kind of attacks that saw 60 foreigners killed in 2008, are again seeking shelter at police stations. In a number of places, the police had to use force to bring stability and to restore order. Police action included arrests for looting, public violence and various other crimes (Mufamadi, 2002:11).

Many reasons for these protests are offered. The primary reason, it would appear, is dissatisfaction with the delivery of basic municipal services such as running water, electricity and toilets, especially in informal settlements. Unemployment (officially at around 23%), high levels of poverty, poor infrastructure, and the lack of houses add to the growing dissatisfaction in poor communities. This comes in the wake of political promises during the election period that all or most of these issues will be addressed once the new government is in place. According to some protesters, this has been a recurring theme with every election since 1994 (Mufamadi, 2002:11).

A number of other reasons for or causes of the public protests are also provided. These include allegations of rampant corruption and nepotism within local government structures. Some protesters blame poor service delivery on the deployment of ANC comrades to positions for which they are not qualified. The then Minister for Cooperative Governance and Traditional Affairs, Sicelo Shiceka, speaking to the South African Local Government Association (SALGA) in East London admitted that “many of our municipalities are in a state of paralysis and dysfunction”. According to the Minister, local government is perceived to be incompetent, disorganised and ‘riddled with corruption and maladministration’. He indicated that, if what was found in North West Province is indicative of the state of municipalities elsewhere in the country, there might be a need to declare a ‘national state of emergency’ on local government. So far there
is no evidence of a third force involvement in the protests but it may still be useful to consider the revolutionary potential of widespread public discontent and violent acts of protest (Mufamadi, 2002:12).

James Davies, an American sociologist, in a 1962 article titled: Towards a Theory of Revolution theorised about rising expectations and the likelihood of armed conflict. His theory became known as the Davies J-curve, a model that attempts to explain the position where the pace of an individual's reality is not in keeping with his/her expectations about how much better off he/she should be. Normally, the individual's situation is not so bad that it leads either to conflict or to frustration, but when there is a sudden downturn (for example in the economy) a major gap is created between expectations and reality, resulting in frustration and discontent. According to Davies J-curve theory of relative deprivation, these frustrated expectations are a cause of social unrest and they increase the potential for political unrest. It also helps to overcome the collective action problem, which may breed revolt. Revolt is defined as an attempt to fundamentally change an organisational structure in a relatively short period (Focus, 2002:17).

Other sociologists such as Ted Gurr agree that the primary cause for revolution is the widespread frustration with the socio-political situation in a particular country. In his book titled, Why men rebel, published in 1970, he supports the frustration-aggression theory that explains the violence which often accompanies the expression of frustration. The more intense and prolonged the frustration, the greater the probability of aggression. He also argues that the intensity and scope of relative deprivation determines the potential for collective violence and concludes that frustration-aggression is the primary source of the human capacity for violence (Johnson, 1999:101).

At this stage it would probably be accurate to describe the fairly limited scope of current service delivery protests in South Africa as symptoms only of socio-political instability. However, it would be fair to conclude that if this situation is allowed to continue over a
prolonged period, it has the potential to spread and develop into a fully-fledged revolt. Therefore, although it is important for the police to maintain order and to enforce the law, the solution to the problem does not lie in policing, but rather in speedy solutions to the socio-economic conditions that prevail in many communities. Urgent interventions in relation to the conditions that bedevil the efficient and effective functioning and service delivery of municipalities are crucial. Finally, politicians, especially those who are fairly certain that they will be appointed to government positions after elections, need to take more responsibility for the promises they make and the expectations they create.

2.5 CONCLUSION

This chapter reviewed related literature on the reasons for non-payment of municipal services. Literature revealed that dissatisfaction with the quality of service, poverty, unemployment, consumer participation, trust, cultural habit and opportunism are all potential causes of non-payment. In the next chapter, the rationale for the research design and methodology is discussed.
CHAPTER 3
RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

There are various reasons that would make consumers and the public in general fail to pay for services rendered by the government or municipalities. In South Africa, the history of the country plays a major role because during the struggle against apartheid, the public adopted non-payment for services as a strategy to fight the system. This mentality might still be persisting within the communities in Vhembe District Municipality and the methodology selected allowed the researcher to explore this in detail.

The other reasons for failing to pay for services could be related to poverty among the citizens of the district. Poverty can affect the ability of the consumers to pay for services and affect the revenue base of the municipality and its ability to deliver services. The willingness to pay for services (WTP) on the part of the consumers needs to be explored because consumers can plead poverty when they are just not willing to pay for services. The methodology chosen unravelled all these interwoven reasons for not paying for services and reveal the real reasons so that action can be taken to redress the situation. The other area to pay attention to is the involvement and participation of communities in the management and delivery of services. The methodology selected helped the researcher to examine the extent to which the communities are involved in service delivery because failure to involve communities can breed resistance towards payment for services.

3.2 STUDY DESIGN

The study was empirical in nature which includes ex post facto and descriptive (case study) research. Empirical research works by the process of induction (Goddard & Melville, 2001:51). Induction is the formulation of general theories from specific observations as opposed to deduction which is the derivation of a new logical truth from existing facts. In this study only inductions were made from people’s responses to
explain why they do not pay for services. The study involved the development of certain theories meant to explain the non payment for services and these were tested in the field to find out if they were true or false.

The study involved different types of research such as descriptive, historical and expository research. Descriptive or case study research is research in which a specific situation is studied either to see if it gives rise to any general theories or to see if existing general theories are borne out by the specific situation. Descriptive research may be used when the object of the research is very complex. In this case, understanding why people do not pay for services rendered by municipalities in the Vhembe District Municipality is complex and therefore a detailed description of the problem needs to be undertaken.

Historical research involves studies of the past to find cause – effect patterns. It is often geared towards using past events to examine a current situation and to predict future situations. Data is gathered from primary and secondary sources. In this case it is critical for the study to examine the trends relating to payment of services during the apartheid era and compare them with the post apartheid era. This helped the researcher to understand the contribution of the apartheid era towards the non payment for services.

Expository research is based purely on existing information and normally results in review type reports. By reading widely on a field and then comparing, contrasting, analysing and synthesising all points of view on a particular subject, a researcher can often develop important new insights. In this study it was necessary for the researcher to read widely to examine in detail existing records in municipalities concerning payment of services in order to gain a deeper insight into why people do not pay for services.
3.3 RESEARCH DEMARCATION

A research problem should be well understood. A number of questions should be asked in order to understand clearly the research problem. These include questions such as where the problem is located. For this study the following questions were asked:

- Why do communities fail to pay for the services rendered?
- How do municipal customers pay for their services?
- Where do the municipal customers pay for the services?
- How often do municipal customers receive their statements?

To answer these questions it requires a preliminary literature survey and the identification of relevant variables. Therefore in this study examples of situations where the communities failed to pay for services from the municipalities locally and internationally should be examined to identify any similarities to the situation in the Vhembe District Municipality and learn from their experiences.

A full demarcation of the research problem is also necessary. Demarcation is the process of setting boundaries. If one does not know the boundaries of what one is working on, there will be no direction to the study. For this study, the geographical boundaries comprise the Thulamela and Mutale Municipalities. In terms of the population it will concentrate on the population that can legally enter into contract with the municipalities for the supply of particular services. The services to be considered for the study were also demarcated.

The process of demarcation involves determining the scope of the study, what variables are involved, how the research will be pursued and what practical constraints are involved. In the scope of the study, one needs to decide upfront whether the intention is to investigate a general solution to a problem or in one that works for a particular area or field. If a general solution is required, then a far wider study is needed. In this case the problem of non-payment for services is common throughout South Africa and although the study was carried out in the Vhembe District Municipality, the results should possibly be applicable throughout the country. The study therefore needs to be
wide enough to allow for the generalisation of the results. The scope of the full literature study was also be demarcated at this stage. It was decided in advance, how widely and deeply one would need to study the topic before tackling the problem.

3.4 VARIABLES

After demarcating and determining the scope of the study it was necessary to determine the variables since these would determine the data collection techniques and instruments. A variable is any item of interest that can have more than one possible value. Variables can either be qualitative (vary between settings like practical/non practical, absent/present or good/mediocre/bad) or quantitative (vary between numerical settings). The quantitative variables can either be discrete (limited to a finite number of possible settings) or continuous (consist of a range of real numbers). Variables are divided into independent and dependent variables. The dependent variables will vary each time the independent variables change. In this study there were many independent variables which determined whether people pay for services or not. These ranged from the attitude of the people towards service delivery, geographical location, race, social and economic status, education and gender. Some of the independent variables can also depend on other variables. For example the attitude of communities towards payment of services could be determined by the quality of the services or the extent to which the communities are involved in the management and delivery of service. Sometimes more than one independent variable can produce the same effect on a dependent variable. For example, the failure to pay for services can be caused by many independent variables such as the rate of literacy, poverty, race and gender. The study was able to sieve through all these dependent and interdependent to determine the real cause for the failure by communities to pay for services (Ruiters, 1996:121).

3.5 SOURCES OF INFORMATION

It is vital to find out what other people have discovered about this field of study in general and about the topic in particular before one starts on one’s research. Finding out how solutions to related problems in the field were found can be enormously helpful
in guiding research into the new problem, just as awareness of partial solutions to the problem can save a lot of work. The expression literature review is often used to describe the process of finding out about previous work done in the area from a range of sources. Any good research includes two distinct types of literature review, that is preliminary and full literature reviews. A preliminary literature review allows the researcher to develop a feel for the topic and issues involved. It helps the researcher understand how the proposed research is supposed to fit into them. This involves the literature review that is conducted when a proposal is produced. The preliminary literature review is shallow in nature and only scratches on the surface of the subject under discussion. A full and comprehensive literature exercise was conducted concurrently with the field data collection exercise. The possible sources of information for this study were divided into two. The first group consisted of literature which was reviewed prior to embarking on data collection. These sources included scholarly books, articles in scientific journals, conference proceedings, theses and dissertations. The second group provided the evidence required by the study to make conclusions. These included human sources and municipal reports.

3.6 STATEMENT OF THE RESEARCH PROBLEM

After performing the literature review and demarcating the problem the researcher constructed a statement of the research problem referred to as the statement of the problem. This statement formed the basis on which the eventual report stood. The statement of the problem in this particular case gave the details and extent of the problem of non-payment of services in the Vhembe District Municipality. It gave the extent to which each of the independent variables is influencing the situation and described the impacts on service delivery in detail.

3.7 POPULATION AND SAMPLES

A population is any given group that is the subject of research interest. Oxygen molecules in the universe, supercomputers in the world, frogs in South African rivers or dogs in a particular city could all be the populations that are groups a researcher wants
to study. According to Goddard & Melville (2001:26) it is often not practical or possible to study an entire population. For example someone trying to determine the average length of adult frogs in South Africa would find it impossible to do this by measuring each and every frog in the entire country. In such cases it is necessary to make general findings based on a study of only a subset of the population that is a sample.

Samples must be representative of the population being studied; otherwise no general observations about the population can be made from studying the sample. Two key features of sampling determining how representative the sample is of the population are size and bias. In the case of the Vhembe District municipality, the populations consisted of the consumers of services, municipality and government officials, local politicians, special interest groups such as civic bodies and other key informants or experts.

3.7.1 Population
Melville & Goddard (1996:29) maintain that population is any group that is the subject of research interest. Furthermore it is also regarded as the total set from which individuals or units of the study are chosen.

The population of this study includes two groups, namely sampled residents within Thulamela and Mutale Municipalities.

3.7.2 Sampling procedure
Sampling is defined as the strategies used to select the sample of participants chosen from the whole population to get the information about the larger group (McMillan & Schumacher, 2001:378). The sample for this study was randomly selected from the population stated in section 3.7.1.

3.7.3 Sample size
A sample must be large enough to correctly represent a population. For this study, the samples differed from one population set to another. At least 10% of the consumers were studied, while all of the concerned municipality officials were involved in the study.
Other categories, such as special interest groups and experts, were included depending on their availability in the area. The sample was representative of each particular selected group.

### 3.7.4 Sample bias

A sample is said to be biased if it represents only a specific subgroup of the population or if particular subgroups are over or under represented in it. In this study, measures were taken to avoid any source of bias such as deliberately choosing the local municipalities that are nearer to the district centre at the expense of those that are further away. The other source of bias could be caused by the fact that the researcher works for the Vhembe District Municipality. Respondents might have given responses they suspected she wanted to hear. This was overcome by engaging research assistants at community level and training them thoroughly in administering data collection tools. The researcher also avoided making assumptions based on her knowledge of the municipality systems but she tried as much as possible to collect data objectively.

### 3.8 SAMPLING METHODS

According to Parker (1994:203) random selection is the basic principle used to try to avoid bias in a sample. The random selection of the sample must ensure that each member of the population has as much chance as any other of being in it. Three standard random sampling techniques commonly used are Simple Random Sampling, Stratified Random Sampling and Cluster Sampling. In simple random sampling, the researcher’s first assign numbers to each member of the population (enumerate the population). After performing this enumeration, the researchers generate as many unique random numbers as the size of the required sample and the corresponding members of the population become the sample.

Stratified random sampling takes place when researchers have prior information regarding certain characteristics of the population’s composition and they want the
selection of sample items to reflect this. For example, if they were studying housing construction in South Africa and the population of interest was houses in the country, they might know certain rough proportions of housing types, for example 30% informal, 50% brick, 15% cement and 5% wood. A simple random sample would unlikely arrive at exactly these proportions. In stratified random sampling, researchers use simple random sampling within each group or stratum, ensuring that appropriate numbers are selected from each group so that the overall sample reflects each group in known proportions. In cluster sampling, the researchers subdivide the population into subgroups called clusters. They then randomly select a sample of clusters, and then randomly select members of the cluster sample to serve as the population sample.

In the current study, three random sampling methods were utilised. The Vhembe District Municipality has four local municipalities that have wards and villages under them. There are also distinct urban, commercial and small scale farming and rural areas. There are different races and socio-economic groups. There are commercial and industrial enterprises, as well as mines. The sampling mechanism should take all these various members of the study population into account so that representative samples can be selected. Cluster sampling was employed in order to select the local municipalities that will take place first instead of dealing with the whole district. The municipalities were selected using simple random techniques as shown in Table 3.1. Once the local municipalities have been selected, the wards participated in the study were selected from those local municipalities using simple random sampling techniques. Once the wards were selected, then population was stratified into different strata before further sampling. The population was stratified into different categories of consumers such as rural and urban population, commercial and small scale farming sectors, commerce and industry. Simple random sampling techniques can then be used to select members from each stratum to participate in the study. The cluster sampling hierarchy which was followed is illustrated in Figure 3.1.
Figure 3.1: Cluster sampling hierarchy

Table 3.1: Showing the example of how sampling was done

<table>
<thead>
<tr>
<th>UNIT</th>
<th>STUDY POPULATION</th>
<th>SAMPLE SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Municipalities</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Wards in selected municipality</td>
<td>75</td>
<td>8</td>
</tr>
<tr>
<td>Villages in selected wards</td>
<td>405</td>
<td>41</td>
</tr>
</tbody>
</table>

3.9 DATA COLLECTION INSTRUMENTS

Researchers have to collect data and any instrument they use for this collection is called an instrument. The instruments commonly used to collect data from people are
tests, interviews and questionnaires, checklists, observations, focus group discussions (FGDs) and a range of participatory tools. Questionnaires were used to collect data from the generality of the consumers. FGDs were conducted with key informants, such as community leaders and civic organisations, who had particular knowledge and expertise in the subject at hand. Participatory tools were used to allow in depth discussion of certain themes relating to service delivery while checklists were used to review all documents relating to payment for services. Participatory observation served as a major tool for data collection in this case since the researcher works for the Vhembe District Municipality. She had and will have the freedom to observe such functions as revenue collection at work without any hindrance.

3.10 ANALYSIS

The data was entered into EXCEL, a computer programme or spreadsheet before being transported into SPSS, a computer programme which analyses statistical data. The resultant data was subjected to further statistical analysis to obtain clarity in differences in opinions and views of the different people according to gender and age groups.

3.11 ETHICAL CONSIDERATION

Ethical clearance was not required/considered at the time of registration of this dissertation. The researcher, however, complied with the required ethical considerations as required by the College of Economic and Management Sciences (CEMS) of the University of South Africa that promotes the following four internationally established and accepted moral principles of ethics as bases for research:

- **Autonomy**: In this study the researcher respect the autonomy, rights and dignity of research participants by not writing their names.
- **Beneficence**: research should make a positive contribution towards the welfare of people;
- **Nonmaleficence**: research should not cause harm to the research participants in particular or to people in general or the environment in general and
- **Justice**: the benefits and risks of research should be fairly distributed among people.

### 3.11.1 Informed consent

The researcher complied with the requirement for informed consent in that personal information was only collected and processed with the specific informed consent of the individuals involved. Only information that was relevant and necessary was collected.

The researcher respected the right of participants to refuse to participate in research and to change their decision or withdraw their informed consent given earlier, at any stage of the research without giving any reason and without any penalty. Participants gave their consent in writing – see Appendix C. Participants were given written information containing adequate details of the research. Consent for participation in research was freely given and informed:

- It was given without direct/indirect coercion or undue inducement;
- Prospective participants were informed on the details of the intended research;
- Prospective participants understood that information;
- The researcher answered any question about the research and their participation; and
- It was given before the research commenced.

The researchers was concerned particularly about the rights of and interests of vulnerable participants such as children (persons under the age of 18 years), the elderly, pregnant women, people with mental impairment, prisoners, students and persons in dependent relationships, the disabled, indigenous people and indigents.
3.12 CONCLUSION

This chapter has clearly demonstrated how the study was carried out, starting from how the problem was clearly defined to how the data was collected and analysed. The chapter also clearly demonstrated how the participants were selected and which sampling techniques are going to be employed. A number of sampling techniques were used to select a representative sample. The above methodology guided the fieldwork required to generate the data that is analysed and interpreted in chapter four.
CHAPTER 4
RESULTS AND FINDINGS

4.1 INTRODUCTION

This chapter presents the results of the field study. The data was collected mostly through interviews with communities using structured questionnaires. In a few cases, especially concerning government and municipal officials, self administered questionnaires were sent out and later collected for analysis. Official municipal records were reviewed to assess the level of payments made by the consumers. Focus group discussions were held with the community leadership to assess their knowledge, attitudes, practices and perceptions towards payment for services. The leaders were brought into groups of not more than 15 people each and the facilitator chose a theme relating to service delivery and payment for services. The facilitator made sure that the discussion went smoothly by ensuring that no participant dominated others. The data was analysed using a SPSS computer based programme for analysing data from social science studies. The results highlight the reasons why communities resist paying for services rendered by municipalities.

4.2 CHARACTERISTICS OF THE RESPONDENTS

Fifty one percent of the respondents were females and the remaining 49% were men. Fifty five percent of the respondents had primary school education, 30% had secondary school education, 12% had tertiary education while the remaining 7% had no education at all. Figures 4.1 and 4.2 present the distribution of the respondents by gender and by education respectively.
Ninety-three percent of the respondents confirmed that they had access to municipal services and 7% indicated that they had no services. This is illustrated in Figure 4.3 below.
Municipal officials who were interviewed also confirmed that the municipality offered services to members of the community. Eighty-seven percent of the respondents indicated that they had access to municipal water services. Only 13% said they had access to municipal refuse collection services, 76% said they had access to electricity services, 53% said the municipality maintained the road network, while 93% confirmed that they had access to one form or the other of sanitation. These findings are illustrated in Figures 4.4, 4.5 and 4.6 below. The results show that the municipality is fulfilling its obligations as a partner in the three sphere cooperative governance system as expected under the Constitution. The municipality is also fulfilling the requirements of the other pieces of legislation such as the Municipal Systems Act 32 of 2000 and the Water Services Act 108 of 1997.
Figure 4.4: Percentage of households with access to municipal water services

Figure 4.5: Percentage of households with access to municipal refuse services
Sixty-two percent of the respondents said they paid for municipal services, whilst 38% indicated that they did not - see Figure 4.7 below. Fifty-seven percent of the respondents said they paid for water. Only 17% said they paid for refuse collection, 19% said they contributed towards road network maintenance while only 7% said they paid for sanitation - see Figure 4.8 below. Although a lot of respondents claimed to pay for services, a look at municipal records and interviews with officials revealed that the number of people paying for services could be far less than the above figures. For example the majority of rural dwellers are covered under free basic water supply and therefore, hardly pay anything. The people in rural areas are only required to pay R120,00 per year for all services they receive from the municipality. Some residents of the community of the Thohoyandou urban area do not pay anything at all for all the services they receive from the municipality. This situation has serious implications on the sustainability of services since the municipality is not recovering the cost of providing services. Lessons need to be learnt from other African countries such as Zimbabwe which tried the idea of providing services without cost recovery, resulting in the collapse of services.

Figure 4.6: Percentage of households with access to sanitation

4.4 PAYMENT FOR MUNICIPAL SERVICES
4.5 RECEIPT OF BILLS

Sixty-nine percent of the respondents said they received bills for the municipal services they get from the municipality and the other 31% did not - see Figure 4.9. Sixty-seven percent of those who received bills said they got the bills monthly, while the rest said they got them bimonthly. The municipality is performing relatively well in sending out bills, but the low amounts that the people are paying could in the longer run be exceeded by the cost of sending out the bills. This also raises the question of
sustainability of the services if they continue to be offered at costs below the cost of providing the service.

![Pie Chart: YES 69%, NO 31%]

Figure 4.9: Receipt of bills for municipal services

4.6 LAST TIME A BILL WAS RECEIVED

Twenty-two percent of the respondents had last received their bills in the previous week, 31% had last received theirs two weeks before, 42% had received theirs a month before while the remainder (5%) could not remember. This is illustrated in Figure 4.10 below.
4.7 METHOD OF SENDING BILLS

Seventy-eight percent of the respondents said their bills were sent by post, 19% were sent through a messenger, while the remaining 3% said the bills were sent by other means which were not specified - see Figure 4.11 below. The fact that the bulk of the bills are sent by post increases the chances of them reaching the rate payers.
4.8 PLACE WHERE BILLS ARE PAID

Seventy-eighty percent of the respondents said they paid their bills directly to the municipalities, 8% said they paid at the bank, 6% said they used stop orders to pay for their bills, while the remaining 8% said they paid through other unspecified means. Figure 4.12 below illustrates the results. One of the municipalities included in the study is Thulamela Local Municipality which is situated in the Thohoyandou urban centre. People converge on the urban centre to conduct various transactions. The transport network linking Thohoyandou to the rural areas is good. This could also account for the high number of people paying their bills directly to the municipality.

![Figure 4.12: Places for paying bills](image)

4.9 METHOD/MEANS OF GETTING TO THE PAYMENT OFFICES

Sixty-eight percent of the respondents said they used buses or commuter taxis to get to the payment offices. Sixteen percent said they walked, 8% said they drove their own cars while the remaining 8% said they used other means which they did not specify - see Figure 4.13. The accessibility of the municipal offices as already indicated could be responsible for the large numbers of people paying through those offices.
4.10 TIME TAKEN TO GET TO THE PLACE OF PAYMENT AND BACK

Only 47% of the respondents said it took them more than an hour to get to the payment office and back while the rest took less than that. Figure 4.14 illustrates the result. This further shows that the pay offices are very accessible to the rate payers.

4.11 AVERAGE AMOUNT PAID FOR MUNICIPAL SERVICES PER MONTH

Fifty one percent of the respondents said they were paying bills of above R200,00 per month, 29% said they were paying between R100,00 and R200,00 while the rest said
they were paying less than R100,00 per month. The findings are illustrated in Figure 4.15 below.

Figure 4.15: Average amount paid for municipal services paid per month

The Constitution of the Republic of South Africa, 1996 states that it is every person's right to have access to clean water. The Water Services Act 108 of 1997, section 3(1) states “everyone has a right of access to basic water supply and basic sanitation”. According to De Visser, Cottle & Mettler (2003: 34) “basic water supply” is the prescribed minimum standard of water supply services necessary for the reliable supply of a sufficient quantity and quality of water to households, including informal households, to support life and personal hygiene. The RDP White Paper emphasises that every person should have access to at least 25l/day in rural areas and 50l/day in urban areas. Therefore, there is a need to verify that indeed the situation on the ground regarding water provision is in tandem with the above pronouncements.

According to the Department of Water Affairs and Forestry (1994: 8), the fundamental issue to be addressed by the 1996 newly elected government of South Africa in the water sector was that of equity. It argued that “the line which divides those with adequate access to water from those without is the same dividing the rich from the poor, the hungry from the well fed the line of race and privilege”. There is, therefore, a need to assess whether equitable distribution of water has indeed been achieved on the ground.
Water scarcity has adverse effects including significant influence on fertility, migration patterns and disease burdens (Falkenmark, 1990:100). As already indicated, South Africa has experienced outbreaks of diarrhoea in recent years, making it imperative that the levels of water consumption in rural villages of South Africa be evaluated.

### 4.12 AFFORDABILITY OF MUNICIPAL SERVICES

Only 8% of the respondents felt that the services were totally unaffordable, 50% felt that they were not very affordable while 42% felt that they are affordable - see Figure 4.16. With such a high percentage of respondents feeling that the services are at least affordable, the municipality should not experience a high default pay rate from rate payers. If the default rate is high under such circumstances, then it could mean that there are other reasons, including unwillingness by the users of the services to pay.

![Figure 4.16: Affordability of municipal services](image)

### 4.13 RATING OF THE QUALITY OF MUNICIPAL SERVICES

Only 2% of the respondents rated the services from the municipality as very good, 39% said they were good, 36% said the services were poor and 23% rated the services as very poor - see Figure 4.17. The high degree of dissatisfaction among consumers of municipal services could have serious implications on revenue collection. Unhappy customers are unlikely and unwilling to pay for services and the municipalities in the Vhembe District Municipality will need to improve on service delivery before people go
into the streets to demonstrate as has been the case in other municipalities over the past recent years.

![Rating of the quality of municipal services](image)

Figure 4.17: Rating of the quality of municipal services

### 4.14 PAYMENT OF BILLS

Only 52% of the respondents said they were paying for services from the municipality, whilst the other 48% indicated that they do not pay. This is illustrated in Figure 4.18 below. Out of those who were paying for services, only 58% had settled bills for the previous month - see Figure 4.19. This concurs with the picture given in Section 4.13 where only 2% of the consumers described the services offered by the municipalities as being very good. People are not likely to pay for services they are not happy with.
Sixty-seven percent of the respondents felt that people should pay for services, whilst the remaining 33% did not feel that way, - see Figure 4.20. While this is a good attitude on the part of the consumers of municipal services, it should be noted that fewer people are actually paying as shown above. This could be attributed to the perceived poor services offered by the municipalities. Therefore, there is an urgent need to take measures to improve services as a way to encourage residents to pay for services rendered by the municipalities. Fifty-two percent of those who felt that people should
not pay for services believed it was government’s duty to provide and pay for services on behalf of the citizens. This indicates a dependency syndrome on the part of communities and steps should be taken urgently to redress this situation. Communities need to be educated on the need for sustainability in service delivery as well as the importance of cost recovery in this regard.

![Pie chart showing attitudes towards payment for services]

Figure 4.20: Attitudes towards payment for services

4.16 SOURCE AND LEVEL OF INCOME OF THE BREADWINNERS IN HOUSEHOLDS

Thirty seven percent of the respondents said they got their income from formal employment, 35% got it from self employment, 23% depended on social grants and the remaining 5% got assistance from relatives. Figure 4.21 below illustrates the results. Fifty-two percent of the respondents said they had an income of over R1000,00 per month, 26% said they had an income of R1000,00 per month and 22% said they had an income of less than R1000,00 per month - see Figure 4.22. Since less than 40% of the consumers had a guaranteed income from formal employment and 22% of the respondents had less than R1000,00 per month as an income, the community can be considered as vulnerable. The capacity of such a community to pay the full cost of supplying services is doubtful and, therefore, subsidies should be considered. But cross subsidies should be considered where the services can be priced in such a manner that
the rich are made to pay for the poor instead of the whole cost being met by the government since this latter option is not sustainable in the long run.

**Figure 4.21:** Source of income of the breadwinners in households

**Figure 4.22:** Level of income of the breadwinners in households

### 4.17 CONCLUSION

Vhembe District Municipality is delivering services to the residents through the four local municipalities found in the district. The local municipalities charge households for services and regularly send out bills to the users. There are several places where the bills can be paid and users have various options or methods of payment. The places where the bills can be paid are easily accessible and the majority of users use either
buses or taxis to reach the various points for payment. Although the majority of the users felt that the bills for services were affordable and the majority had sources of income from either formal employment, informal employment or social grants, a large number did not pay for services. There is a dependency syndrome among the users. They feel that is the duty of government to provide and pay for services.
CHAPTER 5
CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents an overview of the objectives outlined in Chapter 1, the literature used and process adopted to ensure the research objectives were met. This chapter will also provide concluding remarks relating to the non-payment for services by consumers for services offered by the Vhembe District Municipality, recommendations and areas for possible future research.

5.2 RESEARCH PROBLEM AND OBJECTIVES OF THE STUDY

A multi method strategy that used combined qualitative and quantitative data was used to address the research problem.

The research problem was stated as follows:

- To explain the reasons for the non-payment for municipal services by communities in the Vhembe District Municipality.

The specific objectives of the study were to:

- Identify all the consumers of municipal services in the Vhembe District Municipality and the various categories of services offered by the local municipalities for which communities are supposed to pay for;
- Assess the percentage of consumers who are currently paying for services and the possible reasons why some are failing to pay; and
- Evaluate the knowledge, attitudes, practices and perceptions of the communities in the Vhembe District Municipality towards payment for services provided by the municipalities.

All of these objectives have been addressed.
The provision of *inter alia* water, electricity and sanitation are generally accepted as basic municipal services that should be rendered to all residents. In order to ensure sustainability, these services should be paid for by residents of municipalities.

Contrary to general belief that non-payment for municipal services is mainly because of poverty, other factors exist. Those other factors include unreliable consumer data, inadequate policies and procedures to collect consumer debt, a lack of political will to support debt collection actions, a culture of non-payment and dissatisfaction with the level of services.

The researcher is confident that the research questions outlined in chapter 1 have been adequately addressed in the dissertation.

It should also be stated that although the results are true in respect of the Vhembe District Municipality, it may not be generalised for the whole of South Africa.

5.3 RECOMMENDATIONS

This section presents recommendations which are aimed at the municipalities improving on their service delivery so that the consumers of the services are encouraged to pay for the services.

- The municipality needs to urgently improve on the quality of services to ensure that consumers’ willingness to pay for services is raised.
- The municipality needs to launch an educational and awareness campaign among the communities to deal with the apparent dependency syndrome. The communities need to be convinced that it is the duty of everyone to contribute towards provision of services and not the government alone.
- A carefully planned subsidy scheme based on the block tariff system needs to be introduced where the richer members of society can be made to augment government subsidies. Government subsidies alone cannot be sustained in the long term.
5.4 AREAS OF POSSIBLE FURTHER RESEARCH

Further research is required to quantify the dependence on government subsidies for social services among communities in the Vhembe District Municipality as well as develop strategies for encouraging self-reliance in the communities.

5.5 CONCLUSION

Vhembe District Municipality is indeed experiencing problems with people failing to pay for municipal services rendered, such as water, sanitation and electricity. This lack of payment is due to various reasons, including poverty and unwillingness to pay for services. The communities acknowledge that they get services from the municipality and that the municipality sends out bills regularly. The majority of the people pay their bills directly to the municipal offices and the offices are easily accessible to the community because of a good transport network in most parts of the district. Most of the people feel that the services are affordable although only less than 40% of them had steady incomes from formal employment. Only about half of the consumers are paying for the services that they receive from the municipalities in the Vhembe District Municipality. The number of people failing to pay is too high and the situation is not sustainable.

One contributing factor to the non-payment for services could be the fact that only 2% of the population rated the services as very good. There was widespread dissatisfaction with the quality of services offered by the municipality. This could affect the willingness of the community to pay for the services. The other contributing factor towards non-payment could be originating from people’s attitudes. A large portion of the population felt that it was Government’s duty to deliver services and pay for them. This could be a dependency syndrome created by years of social welfare approaches to development in the country. The above situation is not sustainable and needs to be corrected urgently. Although a lot of people felt that the services were affordable, an analysis of the sources
and levels of income among the communities showed that the communities were vulnerable and could be genuinely failing to pay for services.
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APPENDIX A

NON-PAYMENT FOR MUNICIPAL SERVICES SURVEY: QUESTIONNAIRE FOR COMMUNITY

Name of Interviewee ______________________________________________________

Sex Male/Female

Ward ________________________________________________________________

Village ________________________________________________________________

Age ______________________________________________________________

1. Do you receive any services from the municipality?
   a. Yes
   b. No

2. If yes, what services do you receive?
   a. Water
   b. Refuse collection
   c. Other (specify) ___________________________

3. Do you pay for municipal services?
   a. Yes
   b. No

4. If yes, to Q3 which of these municipal services do you pay for?
   a. Water
   b. Refuse collection
   c. Other (specify) ___________________________
5. Do you receive bills for the services?
   a. Yes
   b. No

6. If yes, how often do you receive municipal bills?
   a. Monthly
   b. Every two months
   c. Once in three months
   d. Other (specify) ______________________________

7. How are the bills sent to you?
   a. Through the postal service
   b. They are delivered by municipal messengers
   c. Other (specify) ______________________________

8. Where do you pay your municipal bills?
   a. Municipal office
   b. Through the bank
   c. Stop order with the employer
   d. Other (specify) ______________________________

9. When did you receive your latest municipal bill?
   a. Within the last week
   b. Two weeks ago
   c. More than two weeks but less than a month ago
   d. A month or more ago
   e. Other (specify) ______________________________

10. Have you settled the latest bill?
    a. Yes
b. No

11. If no, Q11 why have you not settled the bill?

___________________________________________________________________
___________________________________________________________________

12. How do you get to the payment office?
   a. Walking
   b. By taxi/bus
   c. Drive there
   d. Other (specify) ________________________________

13. How long does it take you to get to the place of payment and back?
   a. 30 minutes or less
   b. Between 30 minutes and 1 hour
   c. More than 1 hour

14. On average how much do you pay for municipal services per month? ______

15. How do you rate the affordability of the service fees?
   a. Very affordable
   b. Affordable
   c. Not affordable

16. How do you rate the provision of services by the municipality?
   a. Very good
   b. Good
   c. Poor
   d. Very poor
17. If the services are affordable and you are happy with them are you paying for municipal services regularly?
   a. Yes
   b. No

18. If no, why?
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

19. Do you believe people should be paying for municipal services?
   a. Yes
   b. No

20. If no, who do you think should pay?
   a. Government
   b. NGOs
   c. Other (specify)
   __________________________________________________________

21. What is the source of income of the breadwinner?
   a. Formal employment
   b. Self-employment
   c. Social grants
   d. Help from family members/relatives
   e. Other (specify)
   __________________________________________________________
22. What is the level of income for the breadwinner?
   a. <R1 000
   b. R1 000
   c. >R1 000

23. How much do you spend on the following items per month?
   a. Grocery
   b. Electricity
   c. Water
   d. School fees
   e. Clothing
   f. Entertainment
   g. Other (specify)
This letter serves to confirm that I, Ms. B. Dube of the Communication and Applied Language Studies Department, University of Venda, have proofread and edited the Masters thesis entitled “The non-payment for municipal services in the Vhembe District” by Catherine Tshamano Mavhungu, a student at the University of South Africa. Certain editorial moderations have been recommended and the student assured me that these will be effected before the final document is submitted for publication.

Ms. B. Dube (BA, Grad CE, BA Hons (English), MA (English) University of Zimbabwe)
University of Venda
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APPENDIX C
PERMISSION LETTER FROM VHEMBE DISTRICT MUNICIPALITY
Ref : 18/14/1
Enq : Mushaphi M
Tel : 015 9603538

Ms Nevhunga T.C
P.O.Box 2769
Thohoyandou
0350

PERMISSION TO CONDUCT RESEARCH

1. The above stated matter refers.
2. Vhembe District Office hereby grants permission to conduct research on the topic: ‘THE NON-PAYMENT FOR MUNICIPAL SERVICES IN THE VHEMBE DISTRICT MUNICIPALITY’.

Wishing you a successful study.

MUNICIPAL MANAGER

DATE: 02/11/2009

For Lenkondwani Cultural Hub in the Southern Mozambique and its People’s Right and Tourism Development
P.O.Box 2750
Thohoyandou
0650

2 November 2010

The Municipal Manager
Vhembe District
P/O Bag 5055
Thohoyandou
0650

Dear Sir/Madam,

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

I hereby request for permission to conduct research in your municipality. I am a registered Master of Technology – Public Management student with the University of South Africa. The title of my dissertation is "THE NON-PAYMENT FOR MUNICIPAL SERVICES IN THE VHEMBE DISTRICT MUNICIPALITY."

Thanking you in advance

Yours faithfully,

Makhungu TC