

Water and society

Upscaling community-based partnerships in South Africa

A completed WRC-funded research project assessed the current scale of community-based service provision in SA.

Motivation for study

In 2011, the WRC commissioned a study to develop a strategy for the upscaling of community-based service provision. The study was based on the understanding that much research has been undertaken on community-based service provision in South Africa.

The central target of the existing research was that it points to the importance of community-based service provision in rural areas to achieve cost efficiency and sustainability. This is further acknowledged in the policy framework governing and guiding the water sector in South Africa. However, it is suggested that this approach has not been widely applied to rural water-supply schemes.

As a result, the WRC launched this study, which aimed to assess the current scale of community-based service provision in South Africa, identify the key factors of success for community-based service provision and develop a discussion document, with stakeholder input, on integration of community-based water services provision.

The key findings of the study are captured in the final project report and briefly touched on in the following section.

Community-based partners

The research points to the importance of community-based partners (CBPs) who, in the immediate post-apartheid period, has had a critical role to play in assisting government with the implementation of projects at community level. CBPs have provided organised expression to the needs of community, and they have supported government to achieve its developmental democratic objectives.

Their value is that they operate at the coalface, that is, at the grassroots where service provision has been most vulnerable.

State of water supply in South Africa

Many of the water-supply systems that have been provided in rural areas are no longer functional or are unreliable. Concerns relating to the poor state of rural water-supply systems stem from technical design flaws, poor quality, poor operation and maintenance and the need for rehabilitation.

In addition, many of these systems are not financially viable under current management arrangements, with income that is sufficient to cover the required expenditures. Levels of customer service are very low in many cases, with little interaction and engagement between service providers and consumers.

Municipalities and their role in water supply

In considering the 21 districts that are the authorities for most rural areas, they have performed poorly in many – not all – cases. The main reasons include: poor governance, weak accountability, and weak managerial and technical capacity.

Poor choices in relation to how services are provided can exacerbate the above systemic factors.

Constraints faced by community-based organisations

Section 78 of the Municipal Systems Act requires competitive procurement procedures to be applied to appointments

of service providers. This has been interpreted to include community-based organisations (CBOs). This has acted as a barrier to setting up a negotiated arrangement with a community.

There have been efforts by trade unions to prevent informal employment arrangements to be applied in community-managed schemes. However, in formalising these employment arrangements, costs increase substantially, employment arrangements are more complex and the suitability of the CBO option declines.

The Free Basic Water (FBW) policy has meant that there are no payments made by the community members (although some do this voluntarily). While this remains manageable in the case of public standpipe service levels, the extent of yard connections has increased and the FBW supply policy all too often become 'free water', with consumption volumes increasing with little to no revenue to cover the cost of water use beyond the FBW limit.

In many cases, this results in a 'top down' approach with a sense that everything needs to be done by the municipality.

Legal constraints

The White Paper on Municipal Service Partnerships (2000) sets out that municipalities should require CBOs to adopt a formal constitution and code of good practice. CBOs also need to be registered in terms of the Non-Profit Organisations Act. Such conditions can be onerous.

The provisions of the Systems Act do not provide special rules for procuring or contracting with CBOs, hence the provisions of section 78 of the Municipal Systems Act would apply equally to CBOs. Subjecting CBOs to competitive bidding in the same light as private sector service providers may be unfair considering the policy objectives of enabling CBOs to play a role in providing water supply and sanitation services.

If a CBO is used as a full water service provider, the formalities of setting up contracts with such a partner need to be considered.

Financial matters with regard to CBPs

Too little is spent on managing water-supply systems, and specifically on customer relations and management of distribution systems. There are long-term consequences for this as systems become unsustainable with associated increases in technical inefficiency and lack of revenue to cover costs.

In considering revenue from tariffs, evidence suggests that district municipalities are collecting little, if any, revenue from consumers in rural areas, even though these consumers may not be poor and are using well above the FBW limit. This results in an unsustainable situation as there is no constraint on the amount of water used and the requirement for bulk water supply will thus continue to increase.

There are several associated consequences in this regard, such as the impact on equity in the allocation of water as those with more money install unauthorised yard connections, but do not pay for the water they use. This can lead to situations where there is insufficient bulk water to provide for the poorest.

The shortage of revenue means that there is insufficient funding to cover maintenance costs, and hence the state of infrastructure declines at a faster rate than would be the case with a well-managed system. This, in turn, leads to the requirement for more capital for rehabilitation.

With regard to the FBW policy, it needs to be supported in its intent to ensure that the poor have access to basic services. It has been a setback for the management of rural water-supply systems as it has been used as an 'excuse' for not collecting any revenue at all, and hence for ignoring consumer interests.

The Equitable Share is also not properly allocated to water supply, with too much of it often being used to fund governance and administration systems (i.e. overheads).

The Municipal Infrastructure Investment Framework analysis has shown that there is a serious shortage of capital for the provision of new municipal infrastructure (including water-supply infrastructure) as well as the rehabilitation of existing systems.

The above factors point to the need for much greater attention to be paid to customer care, to equity of access to water at village level and to better operation and maintenance of distribution systems. CBPs can play a major role in bringing the required improvements.

Strategy for the upscaling of community-based service provision

The vision of the Strategy is for every rural household and enterprise requiring potable water to have such access, for poor households to have access to FBW, for those who are not poor to pay for water and for water to be conserved with an emphasis on avoiding losses in distribution systems.

In order for this vision to be realised the importance of a focused national rural water support programme is required. The key role to be played by CBPs needs to be recognised.

The vision will only become reality if the following objectives are met:

- National departments agree on rural water-supply support arrangements
- National Treasury agrees to allocate appropriate budget for a new rural water-supply intervention
- Municipalities acknowledge the importance of CBPs and are willing to support CBPs and allocate the necessary resources from their budgets
- Private sector partners, non-governmental organisations and water boards engage with municipalities in partnerships to set up new or improved water systems and set up support arrangements for CBPs
- Communities themselves participate through organising themselves and working actively to improve water-supply arrangements in their settlements.

The strategy provides a definition of what a CBP is, and outlines a range of options as well as a range of arrangements for involving the community in water supply.

Conclusion

The research undertaken in this study presents an approach for how local and national government can respond to water service provision in largely rural areas using community-based operators.

The findings from the project can also be used to target the support strategy for the 21 presidential districts. While the research has not provided all the answers, it has achieved the objective of proposing a strategy for the upscaling of community-based service provision. However, this strategy is only meaningful if it has buy-in from key stakeholders. In addition, the strategy's success depends on the extent to which ownership of it is taken by key national departments.

Further reading:

To order the report, *Upscaling community-based partnerships in South Africa (Report No. 2090/1/13)* contact Publications at Tel: (012) 330-0340, Email: orders@wrc.org.za or Visit: www.wrc.org.za to download a free copy.