

released its 2006 State of the Cities Report. This report is an update of the 2004 report, which looked at how cities were confronting the challenges of the post-apartheid era. The 2006 report focuses on the trends in municipal governance between 2001 and 2006. It also provides an in-depth analysis of some of the challenges that municipalities face and outlines policy options available to them in addressing these challenges.

Unlike the previous report, which focused on the nine SACN member states, this report looks at a broader range of South African urban spaces. It found that the populations of smaller South African cities are growing rapidly while the nine major cities are experiencing slower population growth. These population trends are not the result of a reduction in migration, but rather are indicative of changes in patterns of fertility and mortality and reflect the impact of the HIV/AIDS pandemic.

Highlighting the importance of urban spaces to the South African economy, it determined that the 21 key urban areas

analysed in the report occupy only 2% of the land mass. Significantly, however, they contribute almost 70% of the national economy.

The report identifies the allocation of functions between the national, provincial and local spheres of government as a major challenge for municipalities. Firstly, the allocation of functions does not consider the different conditions, challenges and capacities of cities of varying sizes. For instance, urban municipalities are significantly better resourced than smaller towns. Secondly, the lack of clearly delineated allocation of functions between the three spheres of government creates issues of fragmentation, potential duplication and confusion about responsibilities.

To combat some of these challenges, the report argues for more intergovernmental co-operation and for the enhancement of the role of local government in providing services which are more efficiently provided at the local level. It identifies housing and transportation as two key areas where greater decentralisation will assist municipalities in meeting their development agenda. Furthermore, the Constitution provides a mechanism for the national and provincial governments to assign functions to

local government where the matter may be most effectively administered locally and where the municipality has the capacity to perform the function.

## Service delivery challenges

Informal settlements pose another major challenge for municipalities in terms of service delivery and meeting housing demands. However, some South African cities have had positive experiences with upgrading informal settlements, which may be shared with other municipalities. This is an area where municipalities' ability to exchange information on best practices will be beneficial.

In order to ensure sustainable delivery of an adequate quality of municipal services, municipalities must begin to direct substantial resources to the rehabilitation and maintenance of infrastructure used for electricity distribution and water and sanitation services. Failure to do so will result in very high infrastructure replacement costs and interruptions in service delivery as the current infrastructure breaks down.

The report also highlighted staffing as a major challenge. Municipalities must develop strategies to recruit and retain staff with both the technical skills required in the particular field as well as people with sophisticated planning and management skills. Overall, greater investment is required in order to maintain acceptable levels of municipal service delivery.

The report urges municipalities to investigate opportunities to consolidate service delivery in ways that are more efficient. For instance, it suggests that municipalities should explore ways to combine water provision with other functions. For greater efficiency, the report encourages municipalities to engage all the various stakeholders in urban spaces, particularly businesses and civil society. Housing is noted as an area in which public-private partnerships will be particularly beneficial. Incentive programmes can be used to encourage private investment in affordable housing.

## City regions?

The report suggests a need to move beyond collective action in the nine cities, to a regional planning perspective that looks beyond the jurisdictional boundaries of individual municipalities. This is because the flow of goods, people, services and capital is ignorant of municipal boundaries. The key challenge for developing these city regions will be to

ensure effective and cooperative decision-making to overcome wasteful competition between the cities and towns in the city-region system. A future challenge for cities will therefore be to ensure that all stakeholders direct their efforts to achieving a shared vision of urban progress.

## World Cup 2010

Although the 2010 World Cup poses a significant planning challenge for all spheres of government in South Africa, it also presents a tremendous development opportunity for municipalities. To prepare for the World Cup, the national government will finance the building and upgrading of the stadia where soccer matches will be played. Public and private investments will also be made into building transportation infrastructure to facilitate the inter-venue movements of the estimated 350,000 to 500,000 international visitors who are expected to attend, as well as South African supporters. In addition, investments will be made to developing transportation services and infrastructure that encourages non-motorised transport, such as walking and cycling. Municipalities need to be strategic in their planning to ensure that both the private and public investments are made in ways that benefit the municipality as a whole and that are consistent with the municipality's long-term development objectives.

In general, municipalities are encouraged to invest more in research to gain a better local understanding of trends that affect them. For instance, cities need to better understand both the supply and demand aspects of the housing market within their jurisdiction. Such information will allow municipalities to develop innovative means to anticipate and address the related challenges. The more knowledgeable municipalities are about these trends and their legislative and policy environment, the more effective they will be in tackling the resulting challenges.

Compiled by Omolabaké Akintan Local Government Project Intern Community Law Centre, UWC

The Community Law Centre would like to extend a special welcome to Omolabaké, who will be with us for six months as a visiting intern. She is an attorney with the City of Toronto and will undoubtedly lend much distinction to the Local Government Project and the *Bulletin* during her tenure.

The full report can be downloaded from: www.sacities.net/2006/pdfs/cities\_2006.pdf