

**CHAPTER 10:
METROPOLITAN SYSTEM OF GOVERNANCE**



Preamble:

This chapter seeks to sketch a brief background and history of the Sedibeng District Municipality and share the processes involved in the establishment of one united seamless metropolitan government.

The chapters also outline timelines towards the disestablishment of local municipalities, namely, Emfuleni Local Municipality and Midvaal Local Municipality, as well as the Sedibeng District Municipality towards a metropolitan municipality.

THE PROCESS TOWARDS METROPOLITAN SYSTEM OF GOVERNANCE:

1. INTRODUCTION:

The institution of local government is not static but changes and evolves over time. A variety of factors dictate the form, extent and pace of such evolution. Key in the evolution of local government is the population it serves and the nature of services it renders coupled with the pace at which its area of jurisdiction is growing both in size and shape.

Over time, small urban nodes have grown to be large conurbations with metropolitan governments. These conurbations have evolved as a consequence of the rate at which the numbers of people were increasing in and around the city centres as well as the variegated consumption of space per capita within these large urban areas.

South Africa has been no exception to this development. Over the years urban nodes have exhibited the same trend and pattern of growth. The growth in size and pattern of space consumption has influenced the process of evolution of local government in managing the delivery of services to the communities and the overall management of consumption of the urban space.

In South Africa, the process of evolution of local government has been vigorously legislated. Whilst the urban centres developed as a result of specific catalytic events such as discovery of gold, the congregation of people in those areas resulted in the systems observed nowadays.

The Sedibeng region has not escaped this evolution be it legislative or natural. Over the years the Sedibeng area, as it is known today, evolved from small urban centres of Vereeniging, Vanderbijlpark and Meyerton with the adjoining Black townships of Evaton, Sebokeng, Sharpeville, Boipatong and Bophelong.



2. BACKGROUND:

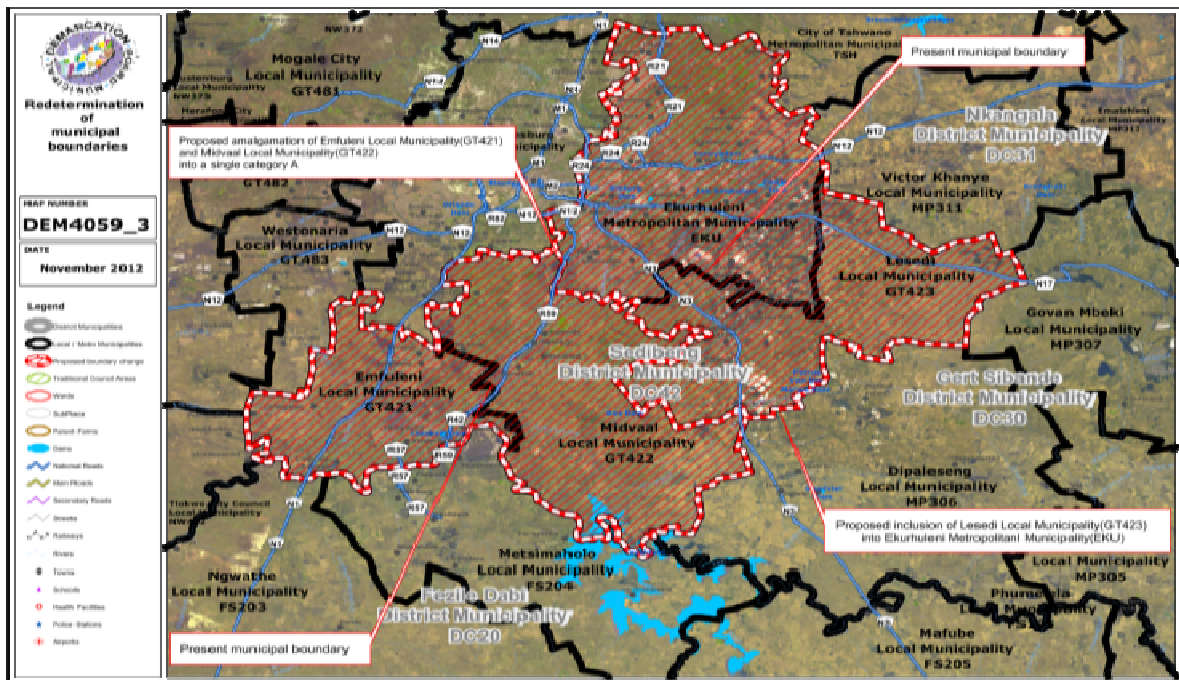
In South Africa, a metropolitan municipality or Category A municipality is a municipality which executes all the functions of local government for a City or conurbation. This is by contrast to areas which are primarily rural, where the local government is divided into district municipalities and local municipalities. In the Local Government: Municipal Structures Act, no 17 of 1998, it is laid out that this type of local government is to be used for conurbations, "centre of economic activity", areas "for which integrated development planning is desirable", and areas with "strong interdependent social and economic linkages".

The evolution of the current Sedibeng District Municipality lies in the consolidation of the urban concentrations of the city of Vereeniging and town of Vanderbijlpark, Meyerton and as well as the townships of Evaton, Sebokeng, Boipatong, Sharpeville, and others. The Sedibeng District Municipality came into effect after the 2000 local government elections as a Category B municipality that included three local municipalities of Emfuleni, Midvaal and Lesedi.

Following the first local election in 1995, the Lekoa-Vaal Metropolitan Council was established and the Sedibeng District Municipality was the successor in law following the 2000 local elections. At the time of the establishment of the Sedibeng District, the region was considered an 'Aspirant Metro'. Several developments since 2000 have revived the aspirations of the region towards being demarcated as a Metropolitan.

As stipulated in the Sedibeng Second Generation Growth and Development Strategy a major and critical process that has unfolded during the GDS 2 period will be the realization of the vision of transforming the Sedibeng Region into a single Metropolitan City. This vision emanates from the proven view that many of the region's apartheid legacy problems, particularly those of a socio-economic nature, will best be tackled by one large and cohesive institutional body.

The view of establishing a single city region was confirmed through two study tours that were carried out by the Sedibeng District Municipality to Buffalo City and City of Mangaung. Both of these cities are similar to Sedibeng in terms of geography, population density, and economic size. In both instances what was learned made the case for Sedibeng as a single regional authority, even stronger. Although the study tour highlighted the challenging road towards a single city, it confirmed that the financial benefits (just alone from the National Treasury allocation to Metros), makes it a viable proposition.



The above figure illustrates the border lines of the proposed municipal areas as demarcated by the Municipal Demarcation Board. The area on the left of the figure indicates the municipal border of Vaal Metropolitan River City which is a merger of the current Emfuleni Local Municipality and Midvaal Local Municipality, also shows the Lesedi Local Municipality which will be incorporated into Ekurhuleni Metro after the 2016 local government elections.

Greater Vaal Metro	Emfuleni	Midvaal
816964	721663	95301

Source: Stats SA 2011

The population of Sedibeng District Municipality stands on 916 484 people as indicated by Stats, Census 2011 and includes the local municipalities of Emfuleni, Midvaal and Lesedi. But through the proposed demarcation towards a Greater Vaal Metropolitan River City which will exclude Lesedi LM the population will be 816 964 as indicated in the above table, which in our view, is a fair enough number to constitute a Metropolitan Council.

2.1 Historical background:

As in all South African towns and cities the apartheid system engineered these spaces along racial lines. Separate spatial development resulted in the creation of two different towns within one town, one black and the other white. The governing of these entities was also along racial lines. The level of development in each of these entities was totally different with services delivered being different in terms of quality and standard. This differentiation created an urban architecture which exhibited racial differentiation and discrimination.



In the Sedibeng region previously known as the Vaal region the same Apartheid architecture shaped the three urban areas into black and white areas. Black townships were administered as separate entities from the urban centres which were reserved for occupation by whites. Levels of inequalities within the area were glaring, and some are clearly seen amongst others on:

- Infrastructure backlogs;
- Spatial imbalances;
- Transportation modes and patterns;
- Spatial consumption for residential spaces;
- Access to facilities and amenities such as recreation and leisure

The Black townships were governed by various systems, cascaded as follows:

- Native Advisory Boards;
- Community Councils;
- Black Local Authorities;
- Transitional Councils;
- Metropolitan Council;
- District Municipality and Local Municipalities.

On the other hand White communities were governed by separate Councils until 1991 when the Transitional Councils were established. As reflected above local government in the area has evolved from separate entities to unified city and back to separate entities. The evolution has been dictated upon by various pieces of legislation over the years, which are amongst others:

- Various Provincial Ordinances such as Ordinance 17 of 1939
- Native (Urban Areas) Consolidation Act, 1945 (Act No. 25 of 1945)
- Urban Bantu Councils Act, 1961 (Act No. 79 of 1961)
- Community Councils Act, 1977 (Act No. 125 of 1977)
- Black Local Authorities Act, 1982 (Act No. 102 of 1982)
- Interim Measures for Local Government Act, 1991 (Act No. 128 of 1991)
- Local Government Transition Act, 1993 (Act No. 209 of 1993)
- White Paper on Local Government 1998
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)

Pursuant to the above cited pieces of legislation and others not mentioned here, various local government structures were established for the Sedibeng (Vaal) region. Structures established are the following:

- Orange Vaal Administration/Development Board
- Vaal Triangle Regional Services Council
- Bantu Community Advisory Boards
- Vaal Triangle Community Councils (*Cross Boundary institutional arrangements – Zamdela merged with Vaal Black townships*)



- Lekoa City Council (*Black Local Authority*)
- Disaggregated Town Committees of Boipatong, Bophelong, Sebokeng
- Lekoa Vaal Metropolitan Council with Metropolitan Substructures

2.2 Current Institutional Arrangements:

Currently the municipalities which formed the Lekoa Vaal Metropolitan Council have been disestablished and re-established as part of a district system comprising of Sedibeng District Municipality and three (3) local municipalities namely Emfuleni, Midvaal and Lesedi.

The above arrangement was fraught with a myriad of challenges, which necessitated that Inter-Governmental Relations (IGR) structures be created. The structures created are amongst others, Joint Mayors Forum, Joint Mayoral Committees Forum, Joint Municipal Managers Forum and Joint Technical Fora. These fora comprise of councilors and officials from both the District and Local Municipalities. The Fora are intended to foster integration and co-operation especially in areas of mutual interest and regional importance.

2.3 Operational collaboration:

2.4

The Sedibeng District Municipality and the local municipalities collaborated with one another on a variety of programmes and projects which have regional impact. Some of the programmes and projects are:

- Neighbourhood Development Programmes
- Precincts Development
- IDP Alignment processes
- Public Participation programmes e.g. Mayoral Izimbizo
- Joint Information and Communication Technology – SDM centre
- Disaster Management
- 2010 Fifa Soccer World Cup (established inter-municipal Joint Operations Centre staffed by all municipalities within the district)
- Vaal 21 Initiative and programmes
- Sedibeng Regional Sanitation Scheme
- Inter-municipal Assistance Programmes e.g. Disaster Recovery Plans
- Various inter-municipal projects undertaken by Technical Committees such as the Chief Financial Officers' Forum

The collaboration as reflected in the above-mentioned programmes and projects does suggest that the disaggregation of municipalities in the region is not cost effective and does not assist in creating the desired impact of service delivery in the lives of people.



3 RATIONALE:

3.1 Factors influencing the choice of municipal institutions:

The White Paper on Local Government (1998) proposes that the choice of municipality should be determined by the extent to which these institutions meet the needs of local communities. However the South Africa's legacy of racial, spatial and geopolitical separation has created vast distortions in settlement patterns, leading to an uneven distribution of municipal capacity and delivery pattern of services, with Black communities bearing the brunt.

The White Paper proceeds to propose a developmental local government system which envisages the setting up of municipal institutions which would have the capacity to address these historical distortions. Metropolitan governments have been created to reverse and arrest the entrenched patterns of inequity, create economic competitiveness and viability and ensure representation of, and sensitivity to those sections of the population who, historically, had been denied participation. The metropolitan government therefore becomes an axis around which the spatial, economic, political and social integration of local communities can be promoted.

3.2 Factors supporting the creation of a metropolitan government:

The White Paper presents the following basis for the establishment of metropolitan government:

- **Establishing the basis for equitable and socially just metropolitan governance:** Apartheid created a legal framework which excluded largely black urban poor and ensured that high-ratable commercial development fell within the jurisdiction of white municipalities. Although the consumer and labour power of township residents contributed to the tax base of white municipalities, services in the townships were least funded from this tax base. Metropolitan government provides a mechanism for addressing this inequity, and ensures that everyone who contributes to the tax base benefits from it. Studies have shown that the greater the degree of equity between the constituent parts of the metropolitan area, the greater the prospect of overall economic prosperity.
- **Metropolitan government promotes strategic land-use planning, and co-ordinated public investment:** At present, municipalities exercise their planning powers and functions within their particular areas of jurisdiction. However, economic and social activities are often carried out beyond the boundaries of the municipalities. This situation frequently gives rise to poor planning of land-use, inadequate investment in infrastructure and transport systems, and often led to irrational use of public funds. Metropolitan government facilitates more integrated development planning, thereby reducing these negative effects.



The Metropolitan Council will focus on the following key roles, which are currently not fulfilled due to the segmentation of local government:

- The promotion of spatial integration and the social development of all;
- The promotion of equity, social justice and economic prosperity;
- The promotion of local democracy; and
- The provision of affordable and efficient services.

3.3 The case of Sedibeng region for metropolitan status:

3.3.1 Civil Society Formations:

The population of the Sedibeng region is united and operates as one and not necessarily along local municipality boundaries. These linkages are clearly visible in the form of civil society organisations. Mostly these organisations are regional in nature covering the entire district area. Examples of these are:

- Taxi Associations,
- Religious groupings
- Community Formations
- Business Chambers
- Labour Formations
- Political Structures and formations
- Inter-sectoral fora

3.3.2 Geographic integration:

All municipalities in the region share a common area known as Vaal. Urban and rural areas consolidated as reflected in the transportation systems with link roads within built up urban areas and semi-rural areas. All the areas in the region are connected to the Vaal River. Geographically there is already some huge amount of integration.

3.3.3 Economic integration:

Various studies conducted on economic integration in the region reveal interconnectedness of the area through analysis of the movement of goods, services and people. There is clear economic interdependence among the various areas. Economic linkages between former towns, former Black townships and the urban nodes of Vanderbijlpark, Vereeniging, Meyerton and Heidelberg are visible especially along the interconnecting road networks. There is also marked interdependence between the primary, secondary and tertiary industries in the region.

3.3.4 Other factors:

A cursory glance at the region reveals that there is geographic, social and economic cohesion. Human settlements although still exhibiting the legacy of Apartheid planning of separation are beginning to close up thus forming one conurbation which is the principal factor for consideration for metropolitan status. Integrated functionality of communities and all



formations leads to natural progression to a Metropolitan government system. The vision of a Gauteng City Region resonates well with the attempt at upgrading the status of the district to that of a metropolitan government.

It is common knowledge that projected urbanization pattern in Gauteng is towards the south, therefore Sedibeng region. The conflicting development patterns and approaches by local municipalities in the district result in fragmented and sometimes conflicting development. The different management of socio-economic challenges within the region stifles development and serves to increase resentment from communities. Needless to say, lack of uniformity and standardization of service delivery creates differing perceptions within communities and resultantly increases levels of community dissatisfaction.

These factors create a sound rationale for dismantling of the two tier form of local government in the region and creation of a single centre of governance. This will undoubtedly derive economic benefits to government as it exploits economies of scale. As usual, exploitation of economies of scale results in reduction of costs of service delivery due to amongst others, centralisation and integration of systems.

There is a case of sharing of resources by all the municipalities which shall have been collapsed into one government structure. All resources at the disposal of government shall be utilised for all, thus deal with all major challenges facing current local government structures within the region. These common challenges like fragmented budgets and duplicated resources result in increased inefficiencies. The resources to be aligned to correct these services are:

- Financial Resources
- Human Resources
- Natural Resources
- Materials and machinery inclusive of the Fleet

4 ESTABLISHMENT OF THE VAAL METROPOLITAN MUNICIPALITY:

4.1 The Municipal Demarcation Board (MDB):

The Municipal Demarcation Board (MDB) is an independent authority responsible for the determination of municipal boundaries. The Board's status as an independent authority is also protected by Section 3 of the Local Government: Municipal Demarcation Act, Act 27 of 1998, and various judgments by the Constitutional Court.

The MDB, in its continuous cycle of assessment of municipal boundaries, undertook a review of the municipal boundaries of South Arica including Gauteng Province and the current Sedibeng District and its three local municipalities; Emfuleni, Midvaal and Lesedi. The MDB announced on 15 October 2013, the merger of the Sedibeng District, the Emfuleni and the Midvaal Local Municipalities into a single Metropolitan municipality. This included the migration of the Lesedi Local Municipality to the Ekurhuleni Metropolitan Municipality.



4.2 Section 14(5) Notice:

The Section 14 (5) Notice was published in the Provincial Gazette Extraordinary on 31 March 2014. This Notice formalized the directive towards the establishment of the Vaal Metropolitan municipality. It outlined the structures, committees to be set up, their membership, term of office, leadership and functions, its operationalization, appointment of Transformation Manager, and financial arrangements.

5 TRANSITIONAL ARRANGEMENTS:

The Sedibeng District Municipality, as the coordinating municipality towards the establishment of the metropolitan municipality, prepared a comprehensive project plan towards the amalgamation process. The plan encompassed total compliance with relevant legislation, consultation processes to be undertaken, and the three distinct phases. The three phases are the Incubation/Preparation and Transition phase, the Establishment/Operationalization phase, and the Consolidation phase.

The MEC must establish the Committees to oversee the disestablishment of existing municipalities, establishment of future municipalities, and where applicable the inclusion of such disestablished municipalities into an existing municipality.

5.1 Committees:

The following committees are established, namely, the Political Steering Committee and the Technical Steering Committee. These Committees may establish sub-committees/task teams from their own members as it may deem necessary for proper performance of its functions and dissolve such sub-committees at any time. The duty to advise or report to the MEC on the fiduciary matters may not be delegated to any sub-committee.

5.1.1 The Political Steering Committee (PSC):

The Political Steering Committee (PSC) will be responsible for the following which is contained in the Section 14 (5) Notice:

- To provide overall political leadership and direction to the project process;
- To ensure political buy-in of all stakeholders;
- To make key strategic decisions and approvals;
- To ensure that the implementation plan is adopted; and to monitor implementation of the plan in terms of agreed milestones and advise on possible political pressures and make recommendations.

The MEC of Cooperative Governance and Traditional Affairs will be the chairperson of the Political Steering Committee, and must appoint a vice-chairperson from the members of the PSC. Such appointment will be based on such member's knowledge and experience in local government or co-ordination and leadership skills. The chairperson presides at meetings of the Committee or in his or her absence, the vice-chairperson.

Representatives on this committee will include:

- Executive Mayors of the affected municipalities, i.e. Emfuleni Local Municipality, Midvaal Local Municipality, and Sedibeng District;
- MEC for Finance;
- MEC for Economic Development;
- MEC for Infrastructure Development;
- MEC for Local Government as the Chairperson; and
- Gauteng PEC SALGA.

The Extended Political Steering Committee will consist of the following members:

- All members of the Political Steering Committee;
- Speakers of the affected municipalities;
- Chief Whips of the affected municipalities; and
- Other political parties.

5.1.2 The Technical Steering Committee:

The Technical Steering Committee (TSC) will be responsible for the project management and provide support in the establishment of the new Vaal Metropolitan. The specific functions of the TSC as contained in the Section 14 (5) Notice will be to:

- Provide technical input into the implementation plan with clear deliverables and time frames;
- Assist with the management of risk;
- Provide strategic support and advice to the PSC in respect of critical considerations and decisions that need to be undertaken in the process;
- Prepare and present technical insight where needed;
- Advise the MEC on the legal, practical and other consequences of the disestablishment of the existing municipalities as envisaged in section 14 (2) of the Local Government: Municipal Structures Act, Act 17 of 1998;
- Provide the MEC with all relevant detail necessary for the preparation of a notice referred to in section 12 or 16(1)(g) of the Municipal Structures Act, as the case may be, facilitate in any other manner determined by the MEC, the disestablishment of existing municipalities and the establishment of future municipality or inclusion of a disestablished municipality into an existing municipality; and
- Assist the Electoral Commission in preparing for the election of the Council of the future or existing municipality, only at the request of the Electoral Commission;
- Provide oversight of the outcomes and progress from the following work stream:
 - Stream 1: Human Resources and Change Management
 - Stream 2: Integrated Planning
 - Stream 3: Finance and ICT
 - Stream 4: Governance and Legal
 - Stream 5: Communication and Stakeholder Management



○ Stream 6: Service Delivery Integration

Representative on this committee will include:

- Transformation Manager (Chairperson)
- Municipal Managers of the concerned municipalities
- Provincial Convenor
- Gauteng Planning Commission
- Provincial Treasury
- SALGA
- Organized Labour
- Chairpersons of the Technical Task Teams
- Office of the MEC for CoGTA
- Head of Department of CoGTA.

5.1.3 Procedures and Operations:

The MEC for Local Government may appoint any person who is not a member of such an existing municipality to the Committee on the grounds of that person's knowledge and expertise in any field or discipline which may enhance the efficiency of the Committee.

All matters before the Political Steering Committee and Technical Steering Committee are decided by a majority vote of the members present; provided a quorum of fifty percent of the members plus one is present. In case of a split of vote, the chairperson or the person acting in his or her stead, must have a casting vote, subject to applicable legislation.

It is anticipated that meetings will be held on a monthly basis and the schedule of these meetings for the year will be decided at the first meeting. The established task teams will report to and submit recommendations to the PSC for consideration and implementation.

Apart from the transformation manager there will be no additional remuneration for committee members. Any member of the Committee who incurs travelling expenses will claim that from their municipalities or the department where employed.

The term of office of the PSC, TSC and all their Task Teams shall commence on the date on which the members are appointed and shall expire on the day on which the MEC establishes the future municipality, in terms of section 12 of the Local Government: Municipal Structures Act, Act 17 of 1998.

The term of office of the transformation manager shall expire on the date on which the municipal manager of the future municipality assumes duty, or such extended date that the council of the future municipality may, with prior approval of the MEC, determine. The term of office of the transformation manager may not extend beyond 12 months after the local government election.



5.1.4 Timeframe and Milestones:

The MBD's decision to disestablish the Emfuleni Local Municipality, Midvaal Local Municipality and the Sedibeng District Municipality, and the incorporation of Lesedi Local Municipality into Ekurhuleni Metropolitan Municipality will effectively be implemented following the next municipal elections in 2016.

The following represents significant milestones in the project process:

- Appointment of the Transformation Project Sponsor and Manager
- Establishment of key project governance structures-
 - Political Steering Committee
 - Technical Steering Committee
 - Project Management Team with respective work streams
 - Rapid Response Team
- Finalisation of Merger Plan-
 - Core Action Plan and work stream action plans
 - Risk Management Plan
 - Resource Plan (Budget and People)
 - Communication and Stakeholder engagement plan; and Comprehensive due diligence report on assets, liabilities, service delivery levels, financial viability, backlogs and state of infrastructure, socio-economic development status and potential.
- Implementation, monitoring, reporting and close out-
 - Publication of disestablishment notice and section 12 establishment notice;
 - Implementation, monitoring and reporting
 - Communication and Change Management
- Evaluation and close out report.

6 THE BENEFITS OF THE VAAL METROPOLITAN MUNICIPALITY:

The establishment of the Vaal Metropolitan River City would have several benefits that would include amongst others the following:

- The new Municipality would be a geographic consolidation of highly urbanized areas of rapid growth and development. This would include the Vereeniging, Vanderbijlpark, Sharpeville node that has seen rapid development in the last 5 years. On the medium term development horizon lie projects such as the Vereeniging-Vanderbijlpark Waterfront development, several developments in Sharpeville, upgrading to the Vereeniging CBD, development of a logistics hub in Vanderbijlpark etc.

The development of this node is in close proximity to the R59 corridor which has also seen rapid development in the last few years. The imminent construction of a new Regional Sewer Scheme (R4bn) would underpin the growth and development. The Vaal River / Vaal Dam would remain the anchor natural resource that would drive the future development of the new Metro.



- Large scale residential development projects for Doornkuil (Savannah City), Eye of Africa and Mamello, amongst others, would soon lay down new markers for urban concentrations. The possibilities of new town and cities, new CBD's and a diversification of the regional economy, from the predominantly steel manufacturing sector, is the best long-term security that the people of the area could be afforded.
- The name 'Vaal Metropolitan River City' is not a convenient label but has evolved over many years as residents have been clamoring for the reclamation of the name 'Vaal' which is deeply entrenched in the cultural and historical roots of the area. At the Growth and Development Summit of 30 November 2011, the name was formerly endorsed by the stakeholders of the area.
- The Gauteng Province is moving inexorably towards a Global City Region made up exclusively of Metropolitan areas. The Greater Vaal Metro would fit appropriately into such a system.
- The mobility of people, goods and services, into and out of the new Metro on a daily basis along the N1, R59, R82 (which is currently being upgraded by Gauteng Department of Transport), Golden Highway, and along the railway networks provides strong motivation for a Metro.

7 GOING FORWARD:

In the past few months, the Sedibeng District Municipality and its three local municipalities have been engaging on matters related to the Vaal Metropolitan Municipality. For instance, the SDM held an Annual IDP District –wide Lekgotla on the 4-5 March 2014. The main purpose of such was to address issues of synergy and IDP alignment. Several important matters also came under discussion related to the metropolitan municipality, and were resolved and confirmed to be aligned to stipulations of Section 14(5) as Gazetted by the MEC on 31 March 2014..

The Lekgotla resolved that it recognised that the 'substantive anchor' around which the new Metropolitan municipality will be established would be the Emfuleni Local Municipality. This is in lieu of its dominant population and economic base amongst others. However, the Lekgotla confirmed that the role of Coordination, as has always been the case, would be played by the Sedibeng District Municipality. The Lekgotla noted a dire need for consistence between the Section 14(5) Notice and provision as contained in the Local Government: Municipal Structures Act and Systems Act, No. 32 of 2000.

In order to ensure that functionality is not affected during the transition, SDM proposed an 'Exception List' for MEC's consideration. This encompassed projects approved via the IDP and Budget process, including continuous Service Delivery Procurements, appointments of critical and scarce skills (e.g. engineering posts), municipal land leases, overdraft facilities, and appointment of Assurance Committees (e.g. Audit Committees).



In order to ensure a broader participation of political leadership in the migration process, it is recommended that a specific role be afforded to a Joint Mayoral Committee between the Technical Committee and the Political Steering Committee.

Since Lesedi local Municipality is relocating to Ekurhuleni Municipality, and currently Sedibeng District Municipality and Lesedi have some operational overlaps in several areas, it is therefore imperative that SDM is actively involved in the 14(5) process relative to Lesedi. The SDM believed that the Section 14(5) Gazette will accommodate these proposals as shared with the MEC.