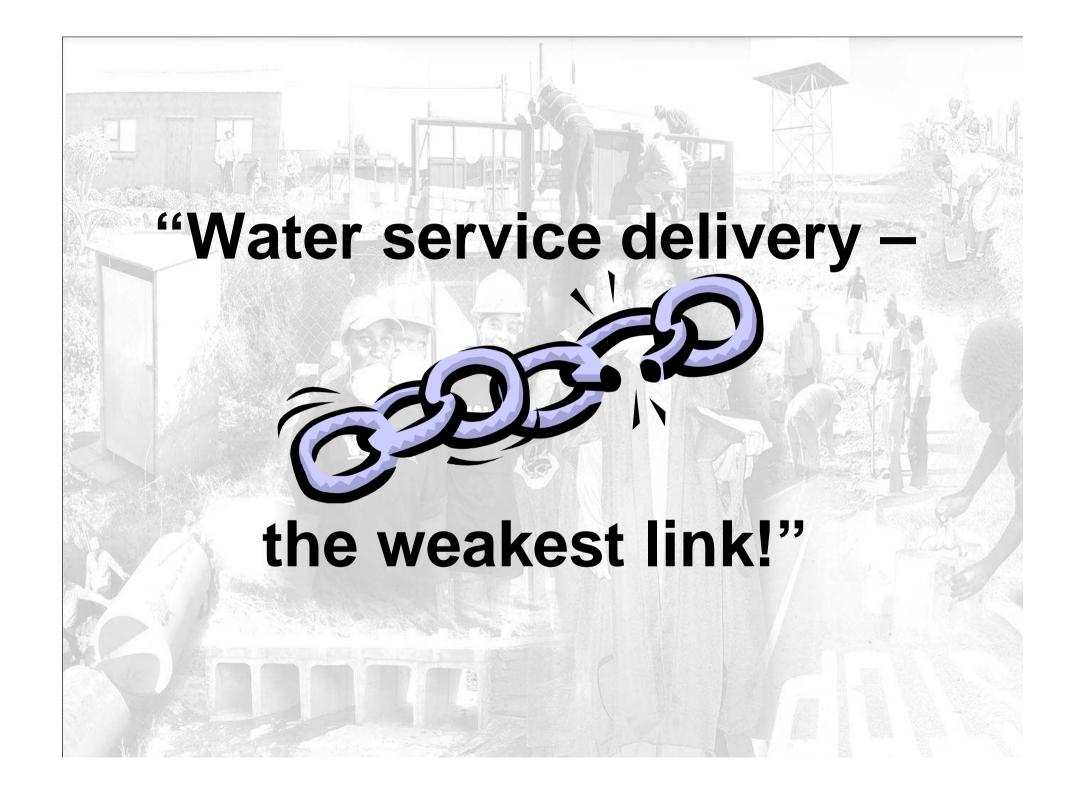
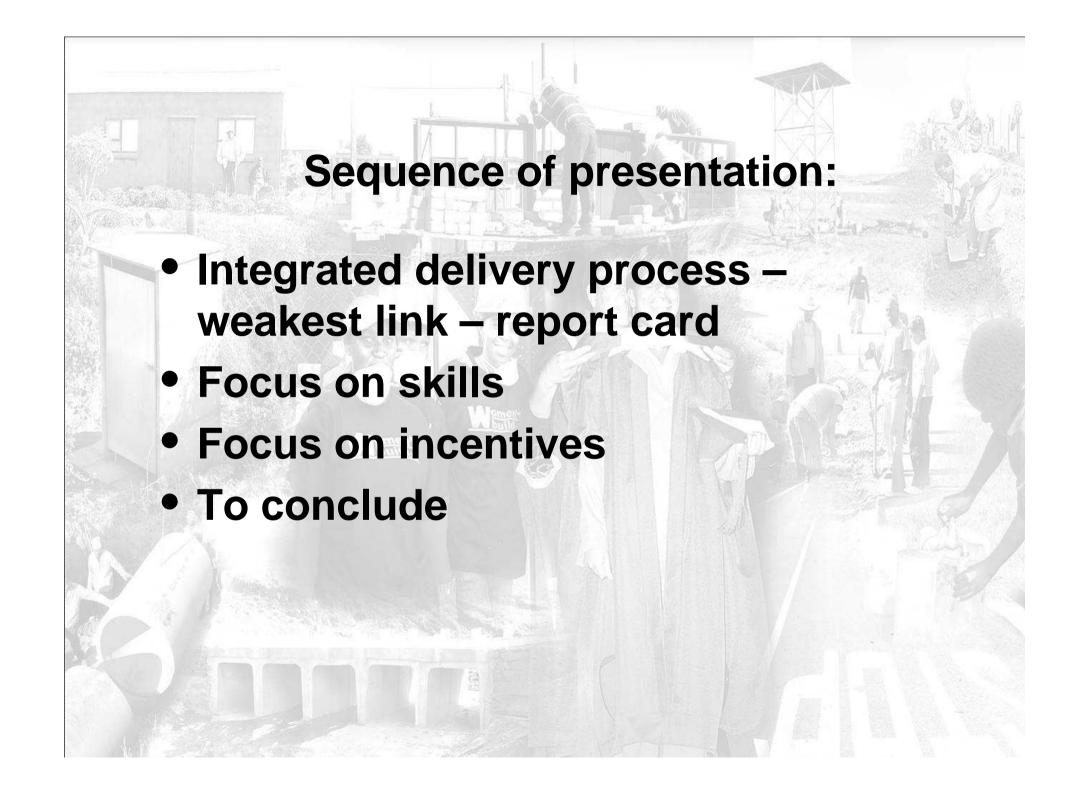
reader received an e-mail notice from a supplier earlier this month:

"We will unfortunately have a power down between 09:00 and 15:30 on 9 December 2004. We apologise for any incontinence and will try to respond to any e-mails you might send during this time ASAP."

We wonder if Eskom has considered this spin to the disruption power outages cause.









- Services delivery is a process and an integrated system. Both are only as strong as their weakest links.
- What is delivery?
- Findings that the weakest generic links are

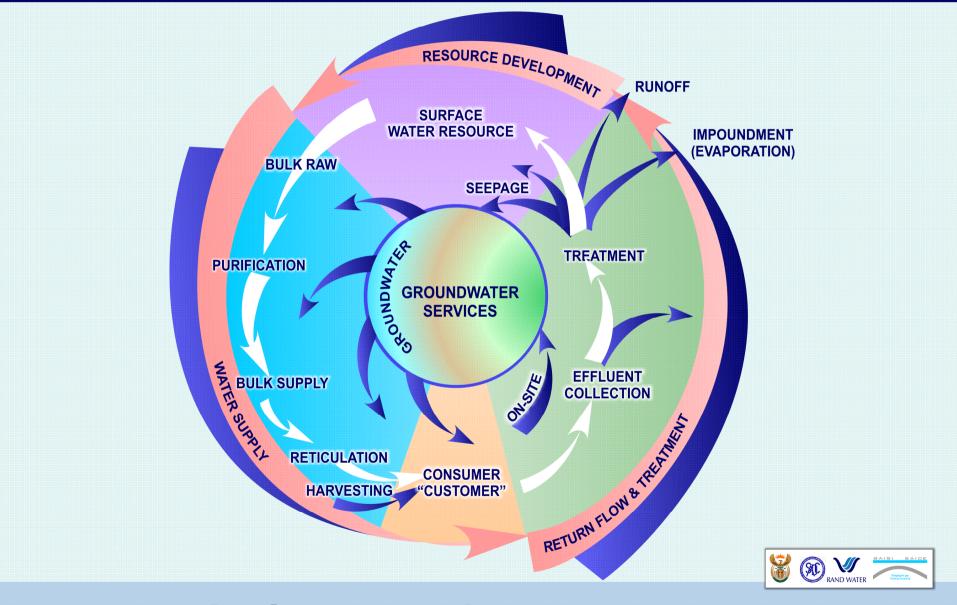
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The "weakest link"

- Providing effective service delivery requires a combination of management, financial, engineering, economics and social practices and techniques within a robust framework and management plan.
- The process can be viewed as a chain of events

 and this chain is at any moment in time only as
 strong as its weakest link at the time.

WATER SERVICES CYCLE



An integrated system

Water and the poverty trap



The poverty trap

The Eastern Cape is still one of the most economically depressed parts of the country

THE POVERTY TRAP

SUNDAY TIMES

CHARLES MOLELE

S the bitter cold sets in, spare a thought for 57-year-old Nokomanishi Ngam of Nqamakwe, a village in the rural hinterland of the former Transkei.

An asthmatic, Ngam coughs frequently as she relates her story of life in the Eastern Cape.

Her family is indigent and, for most of the month, goes to sleep without having had a proper nutritious meal, something that affects the matriarch's health. Ngam said the family only gathered for a decent meal when she drew a child support grant at a bank in the nearby town of Butterworth.

nearby town of Butterworth.

"Life is tough here. We survive on grants from our children," said Ngam.

"Our rillers in underdendendered."

"Our village is underdeveloped. There are no toilets, running water or electricity. When it rains, our bridge is broken and we are completely cut off from the rest of the world for weeks."

Ngam's is a familiar tale, heard throughout the province — from the dangerous, high-density township of Motherwell in the Nelson Mandela Bay Metro to the far-flung rural village of Bizana in Eastern Pondoland.

The Eastern Cape — the birthplace of ANC struggle icons such as Nelson Mandela, Oliver Tambo and Chris Hani — is one of the most economically

depressed parts of the country.

According to a recent end-of-term report by the provincial administration, seven out of 10 people in the province's six districts and one metro — Alfred Nzo, O R Tambo, Chris Hani, Ukhahlamba, Amathole, Cacadu and the Nelson Mandela Bay Metro — live in grinding poverty.

The allocation of welfare grants has increased dramatically; an estimated 2.5 million of the province's 6.9 million people depend wholly on social and child grants to survive.

Unemployment is rife at 27.4%.

More than 60 000 people are being treated for HIV/Aids. Since 2005, TB cases have increased by 30%.

10 MAY 2009

The provinče's maternal mortality rate has increased sharply, from 120 deaths per 100 000 in 2000 to 199 deaths per 100 000 in 2007.

The problems of a civil service in transformation are immense, while corruption and low morale remain huge challenges for the ruling ANC administration.

More than 400 cases of alleged corruption have been reported since 2004.

Infrastructure in many districts is crumbling. Roads are riddled with potholes, rubbish lies scattered about and power cuts are the order of the day. Some villages are hard to reach due to poor roads.

At Mthatha, people complained bitterly about regular power and water

'People of the Eastern Cape are worse off than they were prior to 1994 ... and the situation is deteriorating'

On July 31 2008, former premier Mbulelo Sogoni announced the implementation of a provincial service delivery acceleration plan aimed at "enhancing coherence within government and public institutions to deliver on the promise of a better life for all".

But the lives of the people remain unchanged.

Despite such an appalling record of service delivery, the ANC was returned to power in the province last month, winning 68.82% of the vote.

But its support nose-dived by 10% compared with the 79% the party attained in 2004.

COPE, the new provincial opposition, has vowed to redress poor service de-

livery in the province. COPE provincial leader Mkhuseli Jack said his party would hold the ANC to its election promises.

Jack said COPE would work with the ANC to boost infrastructural development, abolish "mud schools" and better manage feeding schemes.

Former Eastern Cape DA leader Athol Trollip — named this week as the party's leader in the national assembly — said the situation in the province had reached a "crisis".

"It is almost inexplicable that the people of the province would vote in such high numbers for the government directly responsible for their plight," said Trallin.

said Trollip.

"People of the Eastern Cape are worse off than they were prior to 1994
... and the situation is deteriorating even further.

"But we believe that, at local government level, people are going to be less tolerant as we approach 2011, and are going to start engaging in service delivery protests."

United Democratic Movement leader Bantu Holomisa blamed the ANC's macroeconomic policies for the high unemployment rate and for the fact that some factories in the province had closed

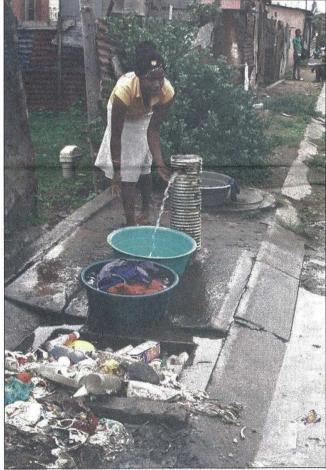
Holomisa said that the ANC had destroyed thousands of public works jobs in the province by giving construction tenders to "cronies".

ANC provincial spokesman Mcebisi Jonas said the provincial government would broaden the social safety net in its hid to alleviate poverty

its bid to alleviate poverty.

The party also planned to prioritise health, education and rural development programmes earmarked for social unliftment.

But, unless the ANC practises what it preaches in the Eastern Cape, the voters may not be so forgiving next time around and — come 2014 — the ruling party may rue its inability to address problems affecting indigent families such as Ngam's. — molelec@sunday-times.co.za

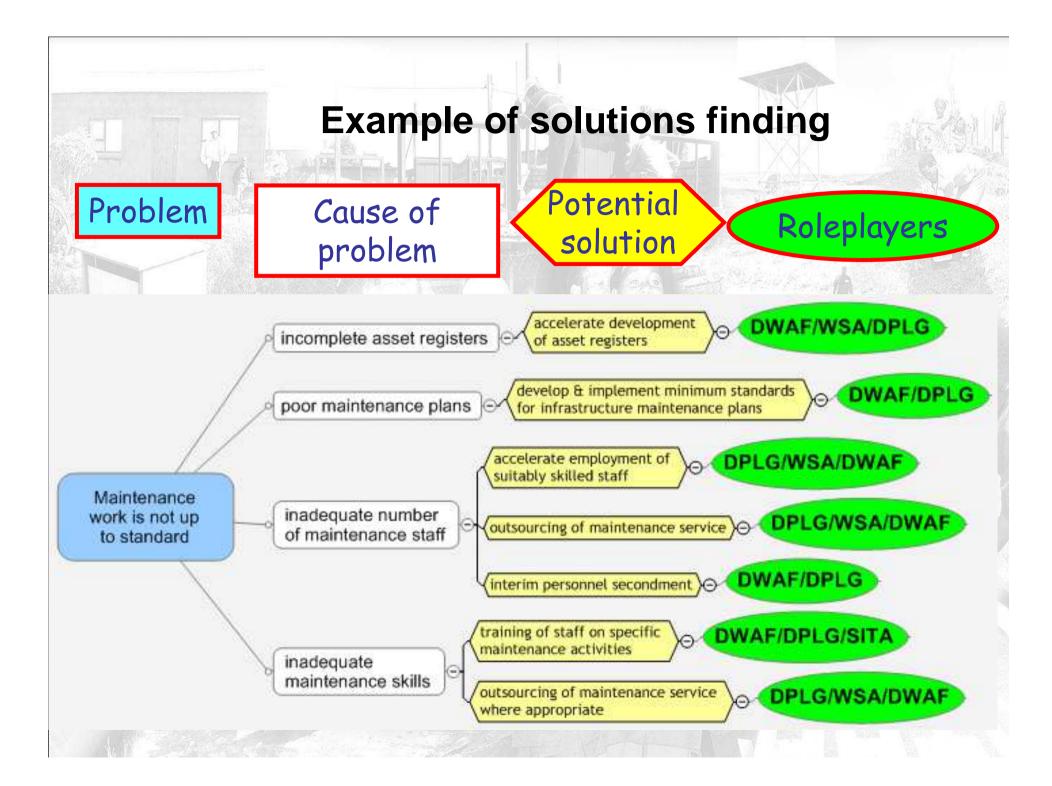


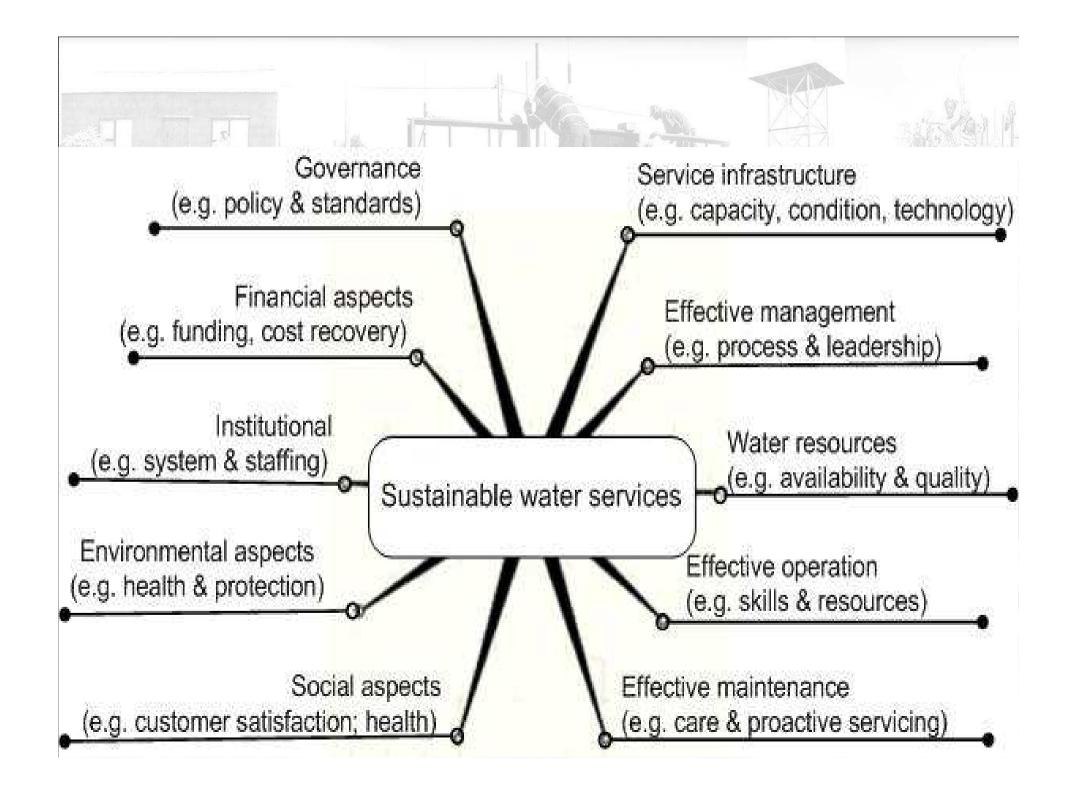
MUCKED UP: Service delivery in Duncan Village, East London, is dire — as in many parts of the poverty-stricken Eastern Cape Picture: GARY HORLOR

The poverty trap – Eastern Cape

Eastern Cape Provincial "End of Term" Report (2009):

- 7 out of 10 people in Eastern Cape live in poverty
- 2.5 million out of 6 million people wholly depend on social and child grants
- 27.4% unemployment
- Only 60,000 people being treated for HIV/AIDS (1%)
- TB cases have increased by 30% since 2005
- For every 100,000 births, the maternal mortality rate has increased from 120 (2000) to 199 (2007)
- Government is suffering from a skills shortage and corruption is hindering delivery processes.





Technology/capacity/resources is very often the main problem area -- the site of the weakest link in sustained service delivery. But, just as often, the most important or most urgent weakness lies elsewhere. For example, one or (usually) more of the following (examples only -- this list is not exhaustive):

- suboptimal spatial planning (both in terms of where areas are located, and how areas are planned);
- misplaced obsession with goals of "best practice" and "world class", often at the cost of "good enough" and "fit for purpose";
- skills shortfalls

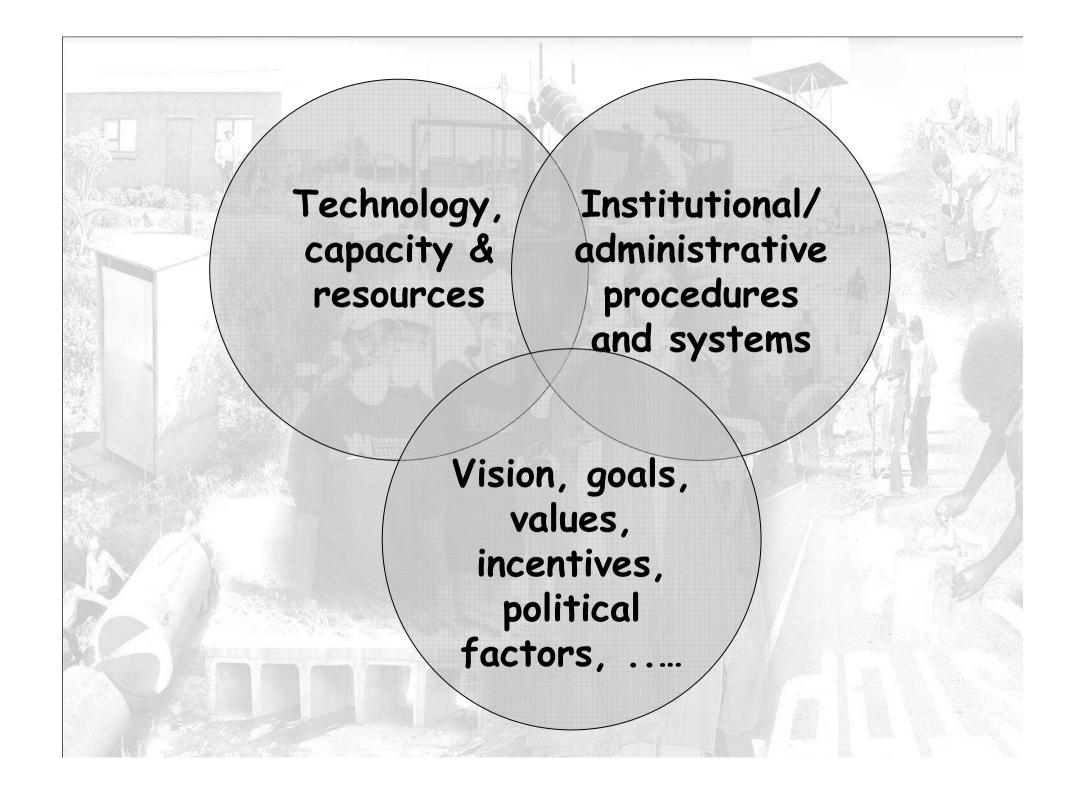
- inappropriate institutions (the wrong kind of institution; or the right kind, but it is not sufficiently functional);
- the inadequacy of institutional and administrative procedures and systems (e.g. procurement processes) that could enable more assistance than they do;
- poor operation and maintenance: the services have been delivered, yes, in the sense that the pipe is in the ground -- but operation and maintenance is such that it is not delivering reliably, or is not delivering at all;
- incentive structures (both "carrots" and "sticks") very far from where they should be, leading to these incentives being overridden by other, more compelling, contrary incentives that encourage behaviour not in accordance with sustained delivery.

 Need a broad perspective of the dynamics and means by which service delivery institutions fulfil their purpose. This involves discovering, analysing and prioritising relationships.

It helps to visualise the functionality

being:

environment in terms of three spheres,



When only the "technology, capacity and resources" sphere is identified as having failed, the "solution" is then invariably a combination of changing the technology, adding resources (such as more funding) or capacity-building to address the "capacity" issue.

Sometimes, however, institutional /administrative arrangements are addressed - for example improved billing system for services, or improved reporting structures.

Seldom is the third sphere addressed.

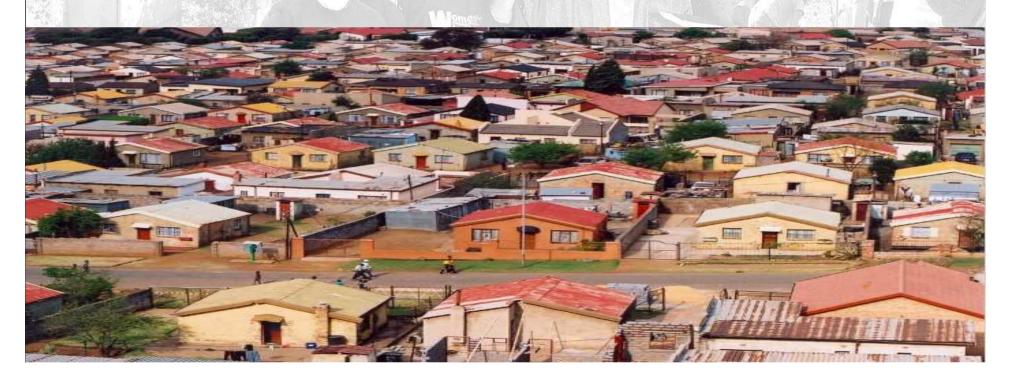
Chapter 1:

- Services delivery is a process and an integrated system. Both are only as strong as their weakest links.
- What is delivery?
- Findings that the weakest generic links are

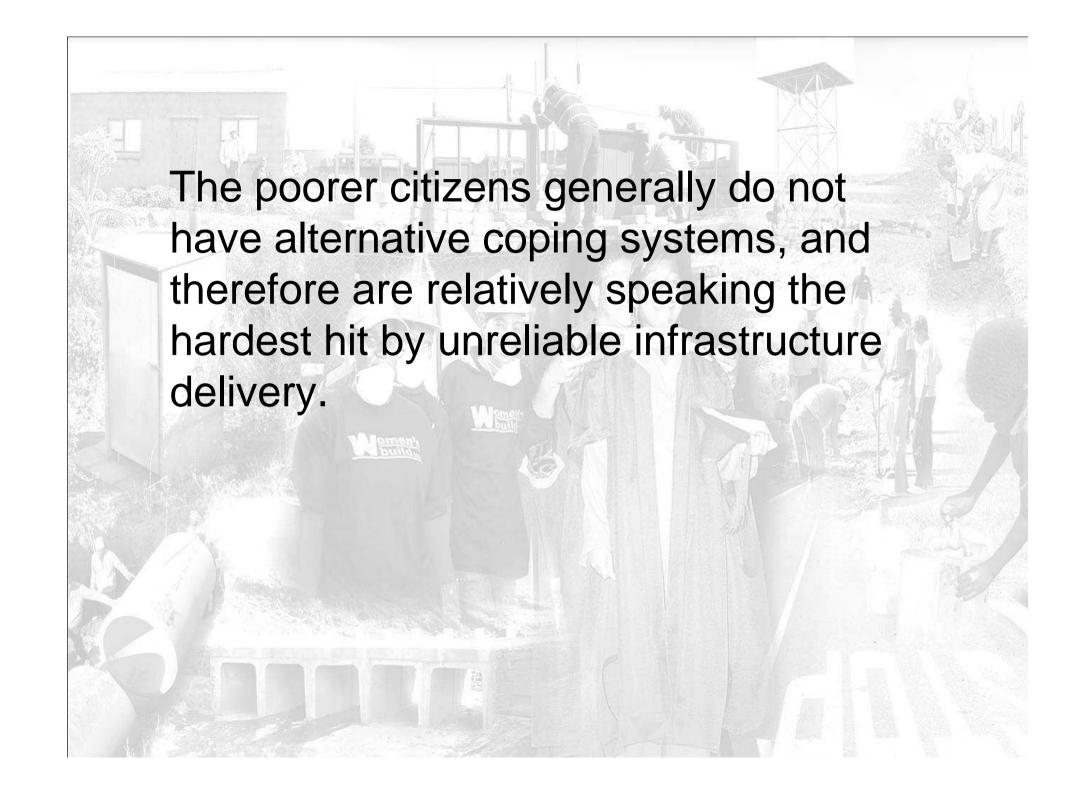
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Context

Infrastructure, in the form of public buildings, roads, water and sewerage systems, electricity and other services, supports quality of life and is the foundation of a healthy economy



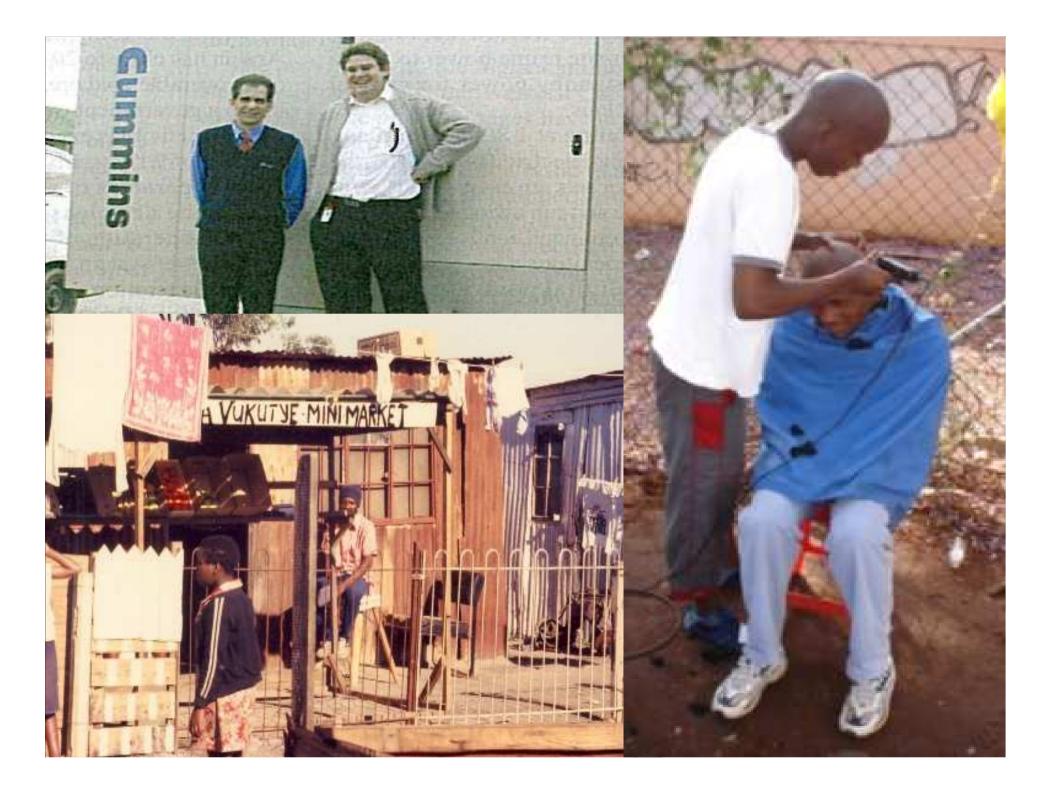
"Infrastructure services can contribute to reducing poverty by empowering. The vulnerability of poor people can be countered by redressing low income levels, hazardous physical conditions, social powerlessness and isolation. Infrastructure has considerable potential in this regard." (DBSA 2006)







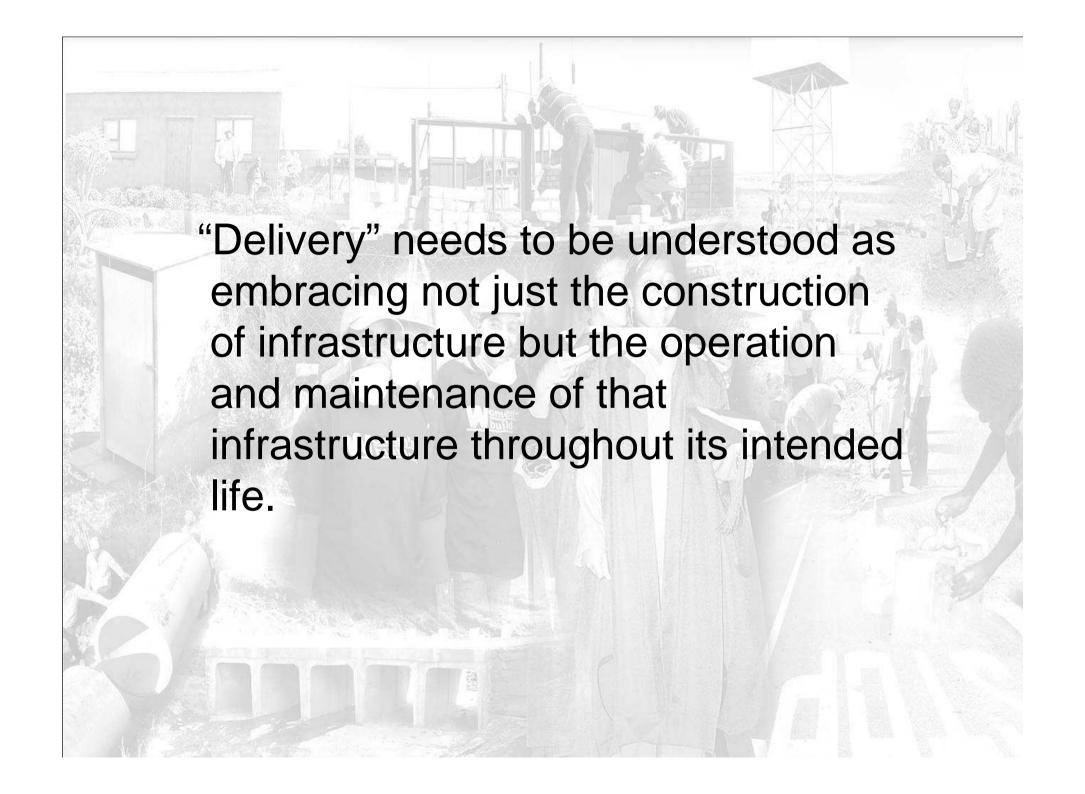
Eishkom It's broken



The stock of public sector infrastructure is significant.

Current replacement cost of this infrastructure, excluding that owned by the State-owned enterprises, exceeds R1000 billion.

CSIR 2006



- "If the government spends its maintenance budget on fixing infrastructure only after it has already broken down, then it is effectively throwing away a large proportion of that budget – funds that could rather have been used elsewhere to improve the quality of life of its citizens.
- This is because it is much cheaper to carry out periodic preventative maintenance than to do repairs when infrastructure breaks down." (NIMS)

"The SAICE infrastructure report card for SA: 2006"

Water



for DWAF infrastructure



for major urban areas



for all other areas

Sanitation (including wastewater)





for all other areas



PATCH & PRAY

Chronic underspend on maintenance of South Africa's public infrastructure ▶16

CIVIL ENGINEERS' INFRASTRUCTURE REPORT CARD

na

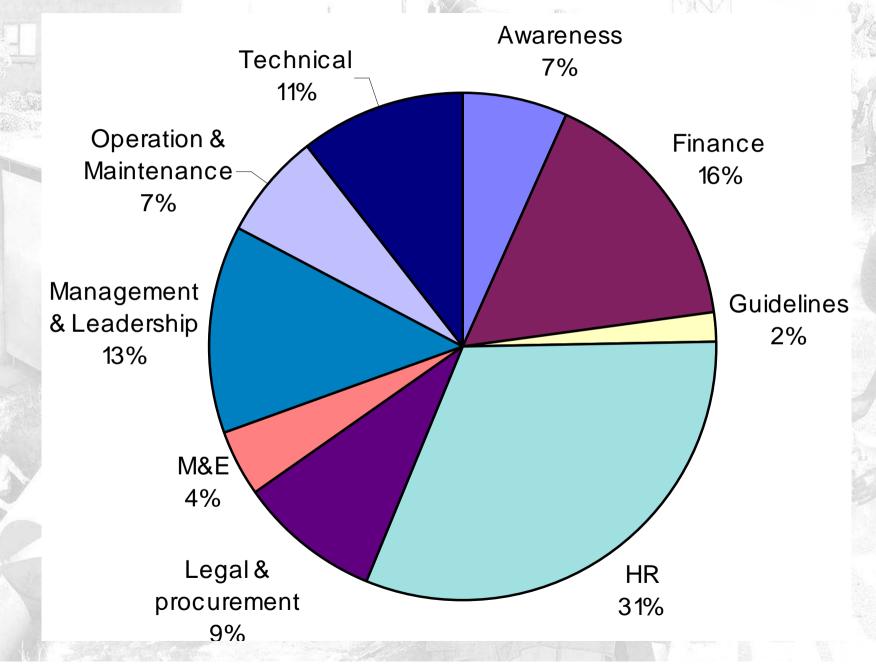
FREE
MINING WEEKLY
INSIDE





- Services delivery is a process and an integrated system. Both are only as strong as their weakest links.
- What is delivery?
- Findings that the weakest generic links are

"Priority 1" solutions



The principal systemic issues underlying inadequate provision for long-term management and maintenance are:

- inadequate budgets; and
- inadequate skills (and especially technical skills) and experience.

Together with:

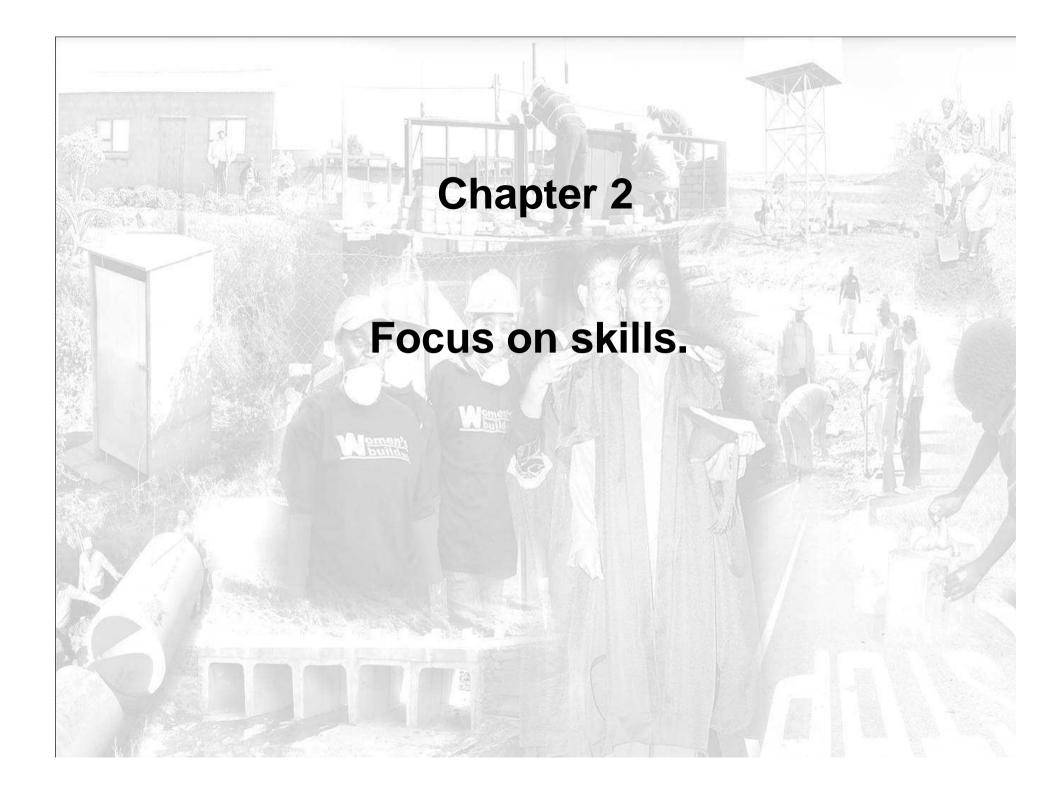
 Lack of will/incentives to remedy the situation.

To sum up this chapter:

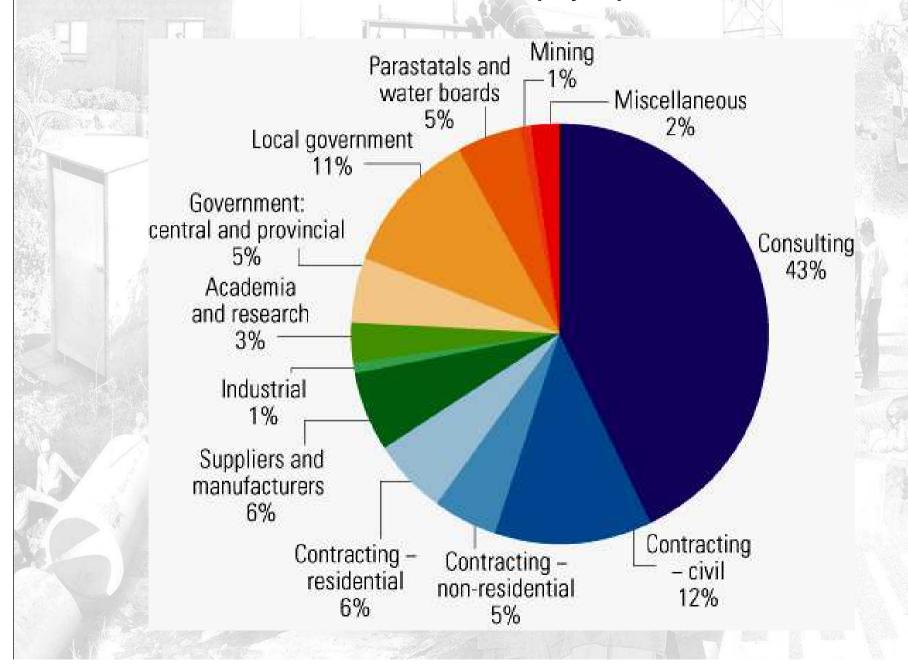
- Delivery results from a <u>process</u> which process has to be understood by and subscribed to by all those with material influence on the process;
- the process can be viewed as a <u>chain of</u> <u>events</u> - and this chain is only as strong as its weakest link;
- for the chain to be strengthened, its <u>weakest</u> <u>link</u> must be identified, and then the weakness addressed;
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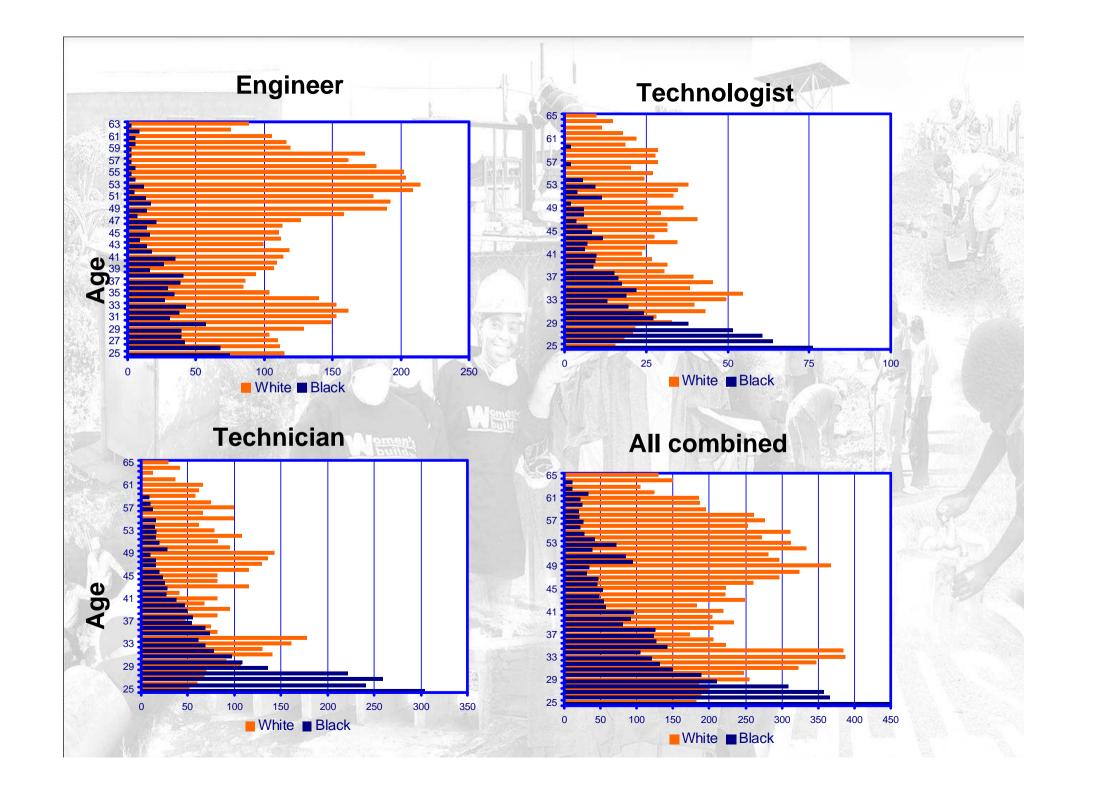
By the way

- What works for one situation at one time may not work in another situation at a different time.
- One size does not fit all.
- Need to find weakest links, yes, but also aspects of strength, on which performance improvement can be built.



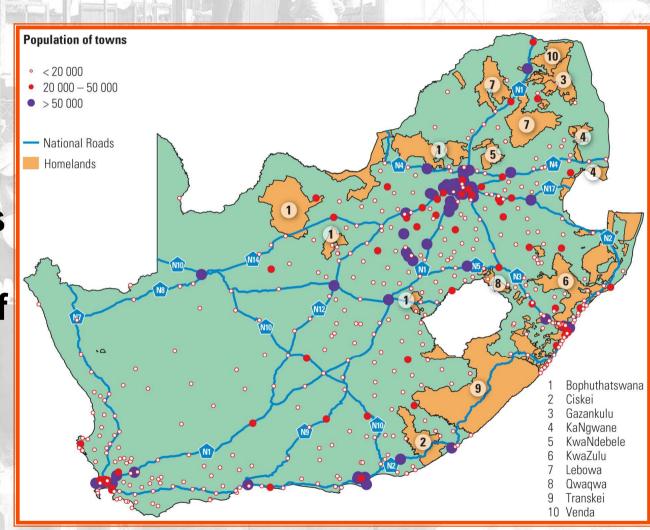
In 2004 there were ~ 15 000 civil engineers, technologists and technicians Shown below is the % employed per sector





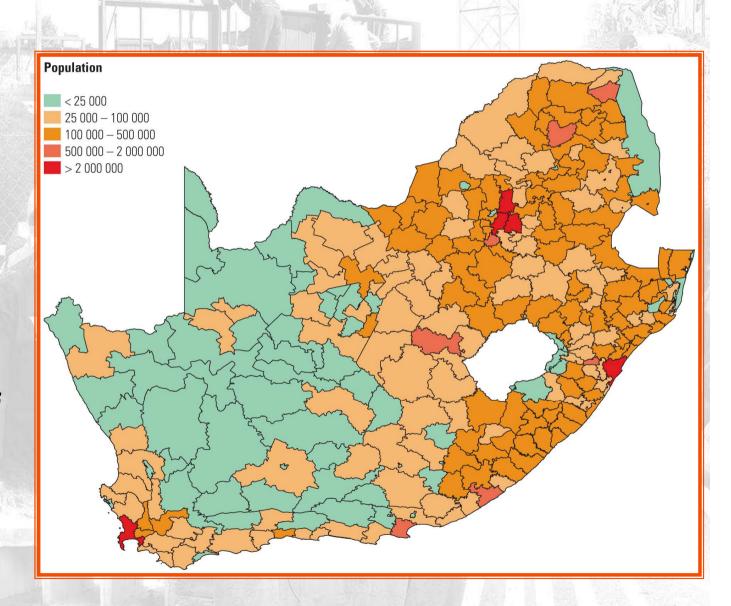
Developed local government in 1989

- Population served ~ 14 million
- Civil engineering professionals
 ~ 2500
- ~ 21 civil staff per hundred thousand population

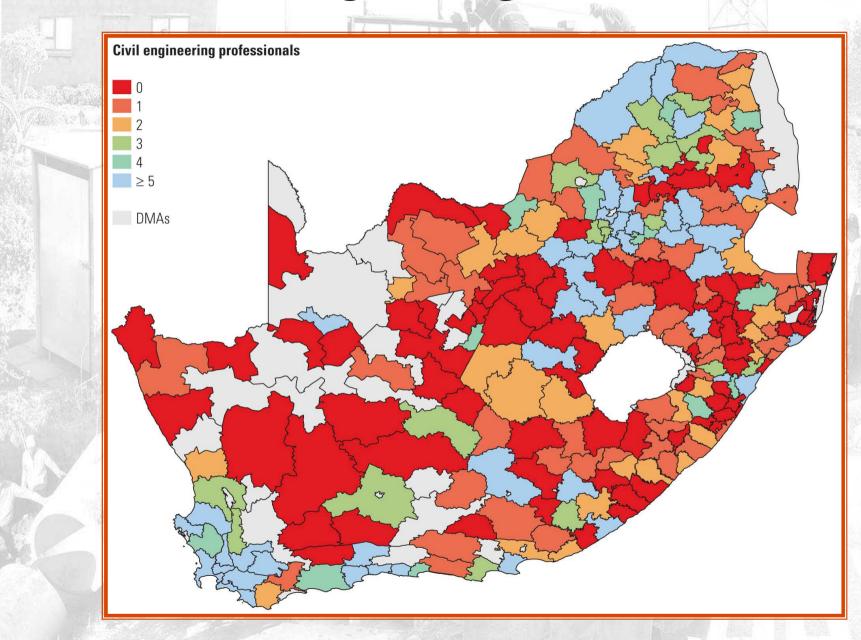


Local government since 2000

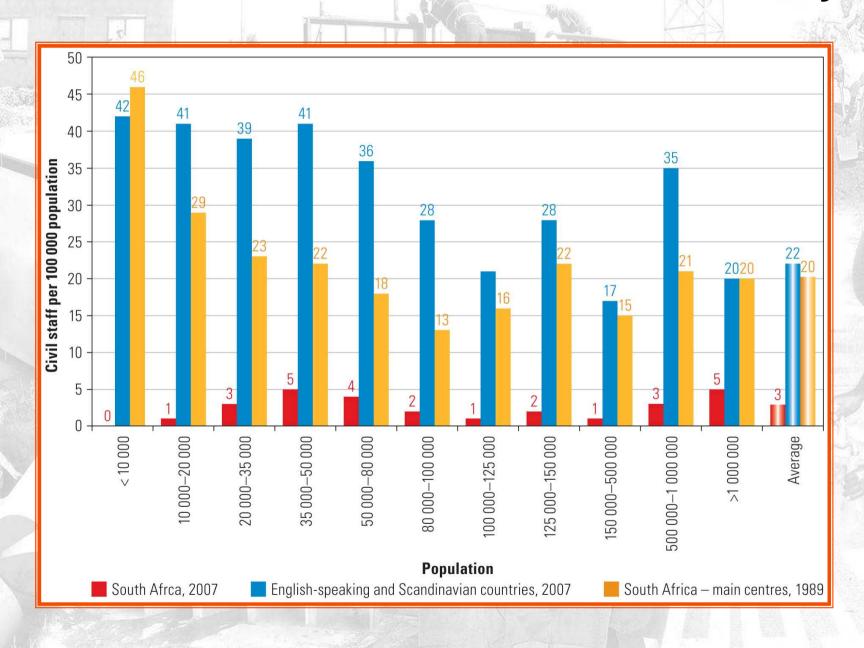
- Population served~ 47 million
- Civil engineering professionals~ 1300
- ~2.8 civil staff
 per hundred
 thousand
 population



Civil engineering staff in 2005



Successful local authorities internationally



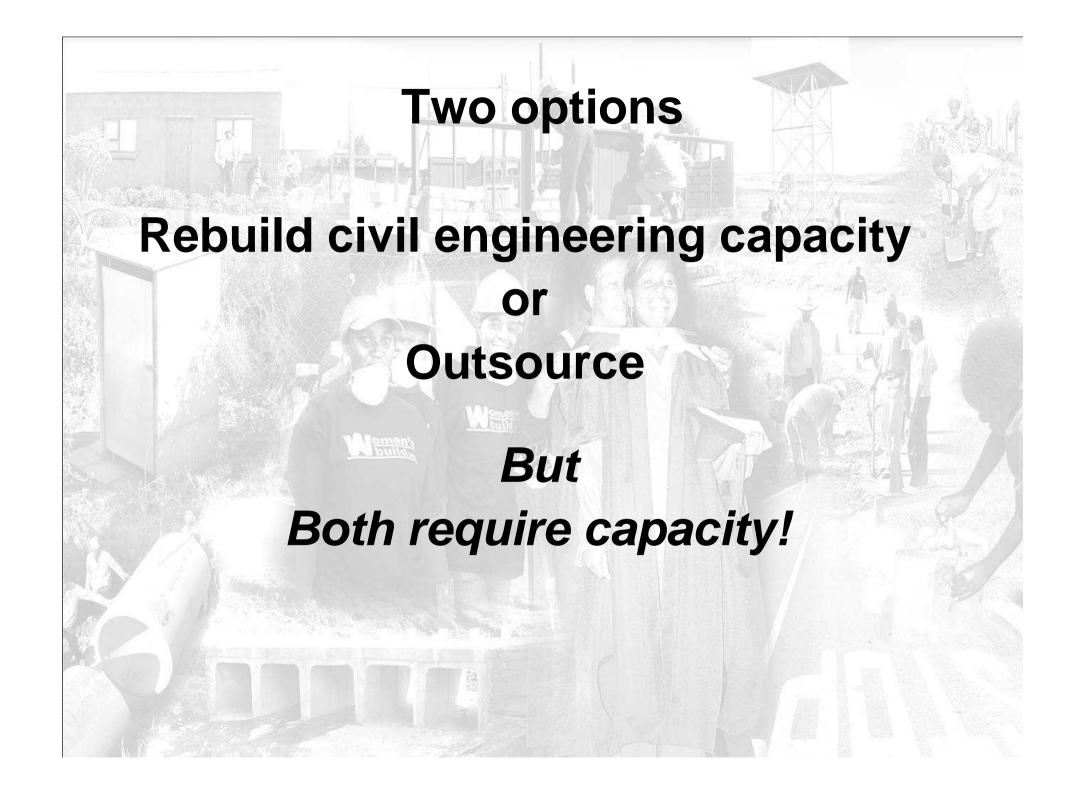
Engineering influence reduced

- City/Town Engineer replaced by Technical Services Director
- Technical Director at same level as heads of <u>support</u> departments
- Many Technical Services Directors are non-technical
- Large number of inexperienced engineering technicians

Environment

Challenges Council-wide

- Few senior staff experienced need to professionalise and not politicise
- Officials have little or no authority, with too many operating decisions being taken by Council
- General challenge of leadership results in
 - -Lack of discipline
 - Lack of systems
 - -Poor or no processes
 - -Inappropriate selection of staff



Build, not restructure

Employ/deploy

- Employ ~200 students per annum
- Employ ~200 graduates per annum on 3 to 5 year training contracts
- Employ ~150 retired mentors / supervisors
- Attract ~300 experienced municipal staff back into the sector

Secondment

 Private sector to second experienced municipal staff to local government to rebuild capacity, structures and systems

Outsource

 Where appropriate, outsource to NGOs, CBOs, microenterprises, larger private sector

Adopt-a-town

- Private sector contractors to adopt-a-town to:
 - —Address backlogs
 - -Refurbish and rehabilitate
 - —Put operating and maintenance systems and processes in place
 - -Address losses, increase income etc
 - —Build capacity

Artisans and operators

- There are ~ 2000 plumbers and other water service men in local government, but ~ 1100 vacancies. Plus more posts required – largely for maintenance
- The majority of the 3 000 to 5 000 operators working in the 2 000+ water and wastewater treatment plants do not meet DWAF requirements.

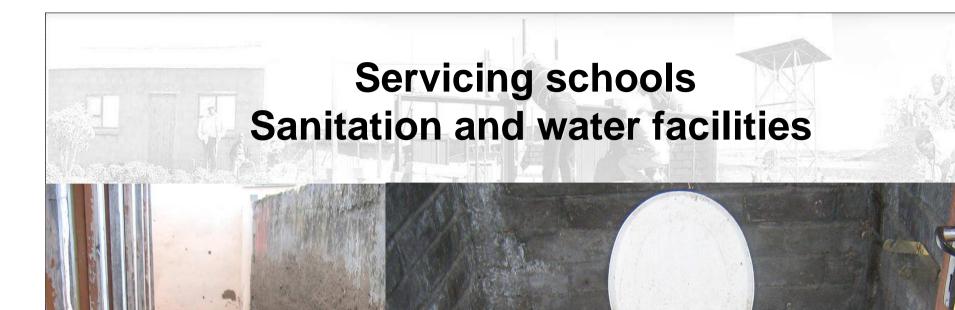
NUMBERS & NUMBERS & NEEDS

Addressi civil eng

IN LOCAL GOVERNMENT

Civil engineering – the critical profession for service delivery



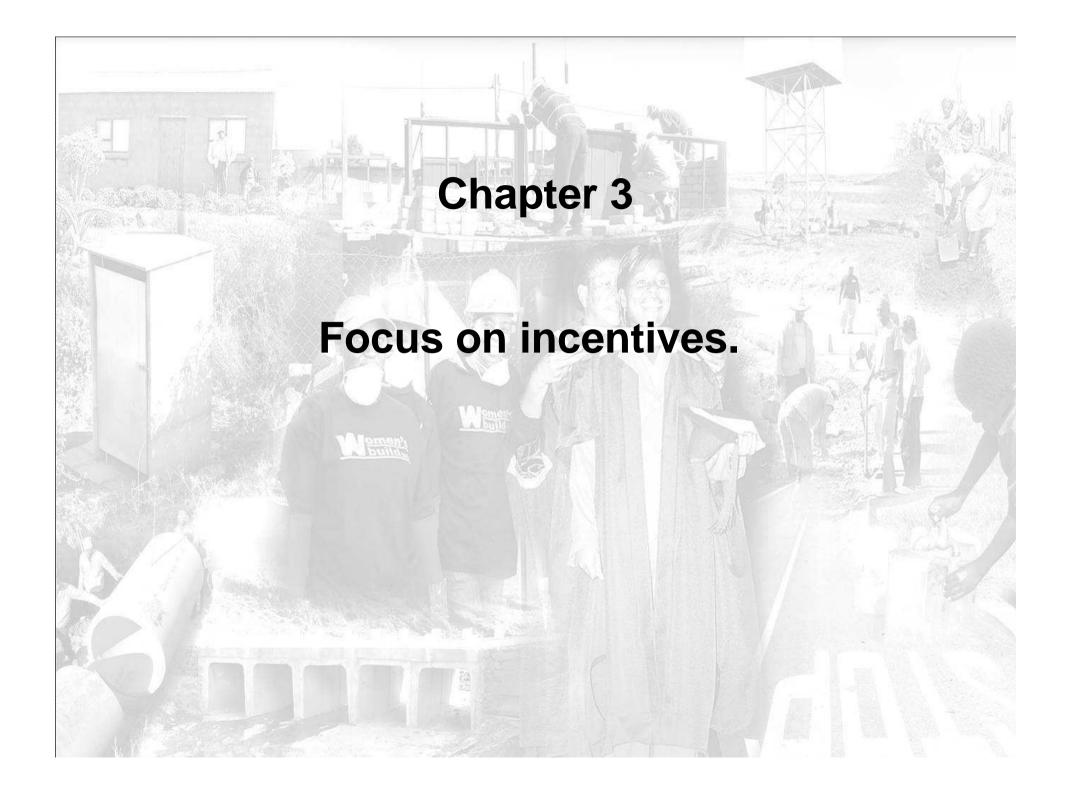


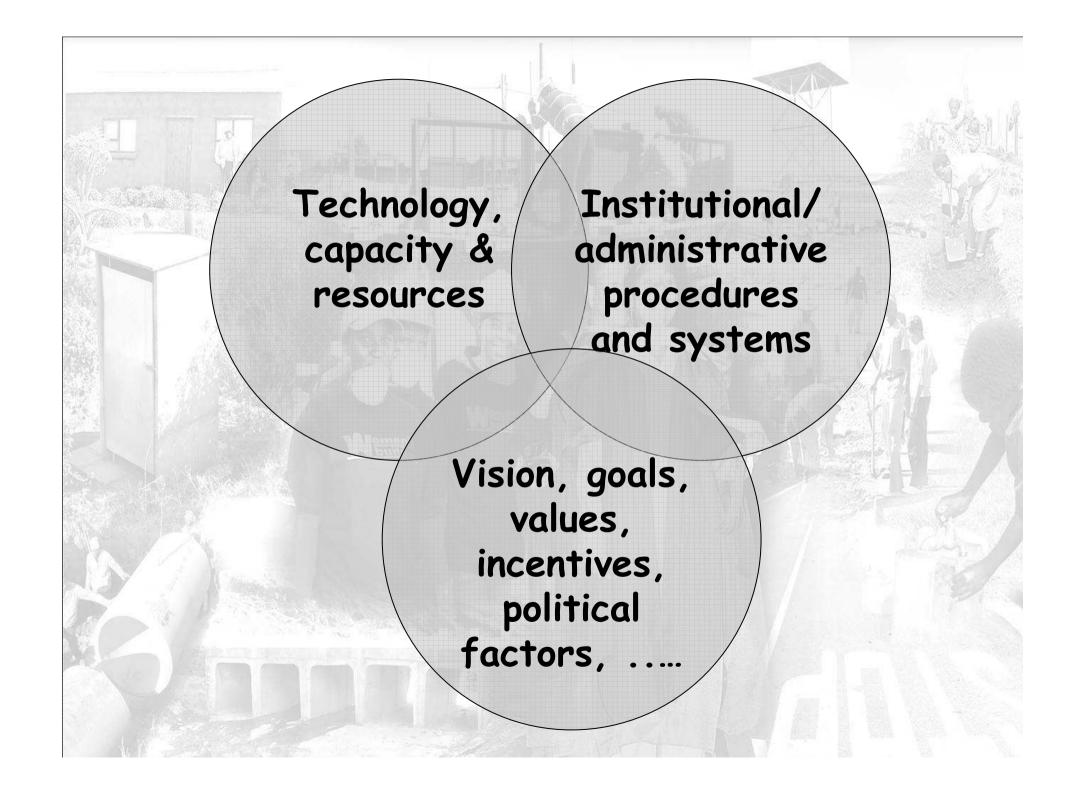
Water and the poverty trap





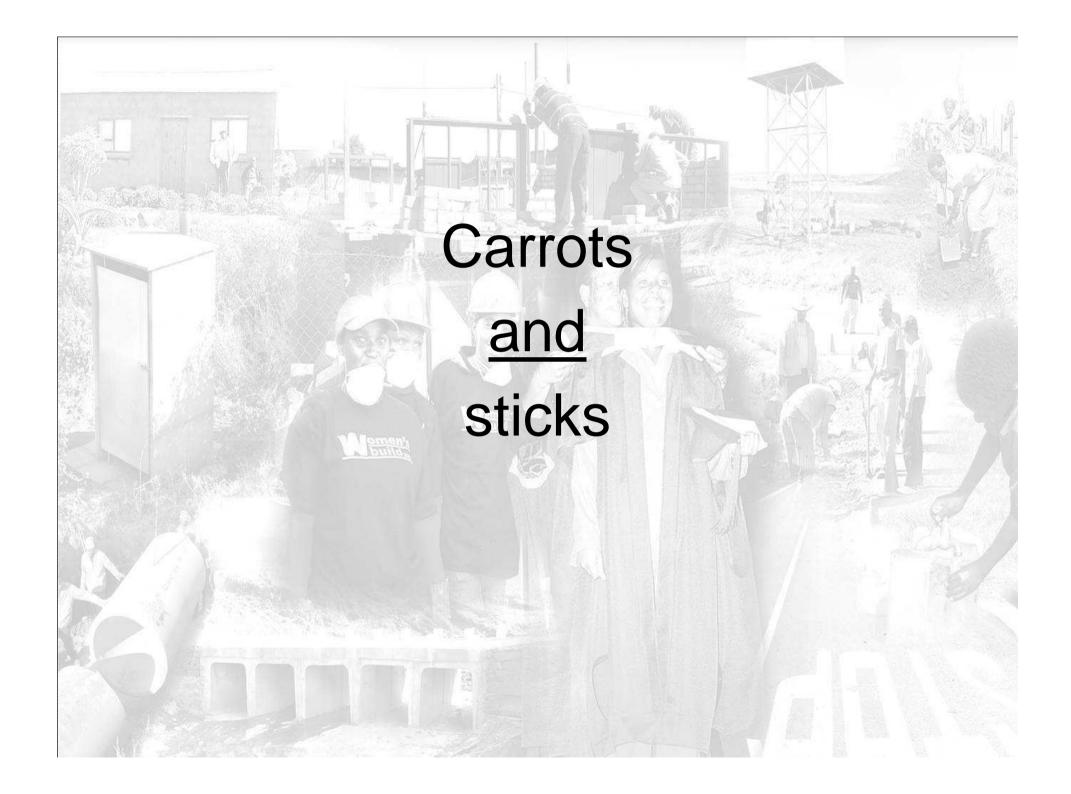


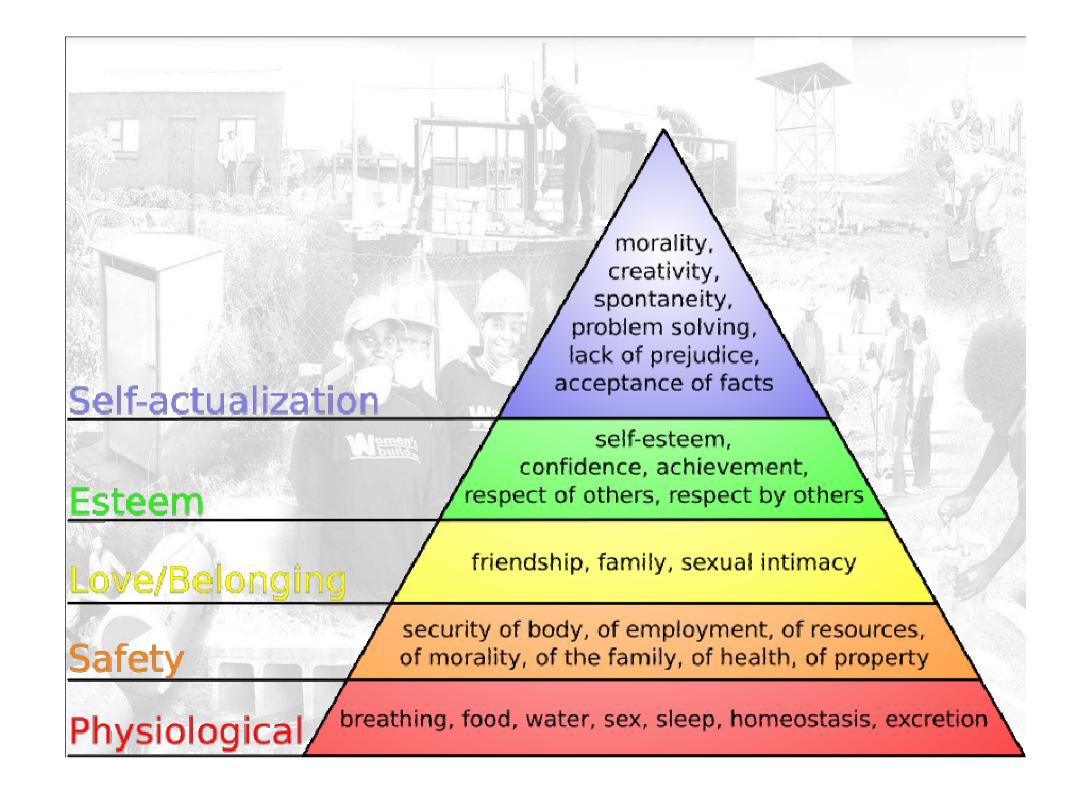


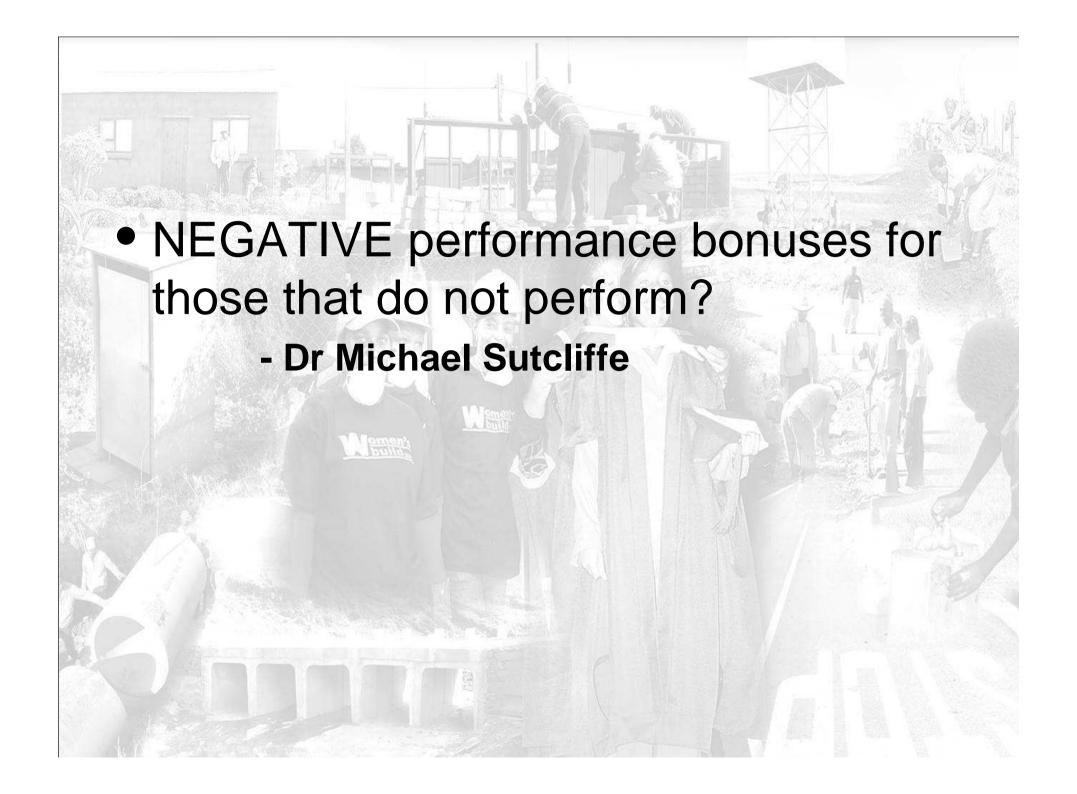












DWAF as Sector Leader:

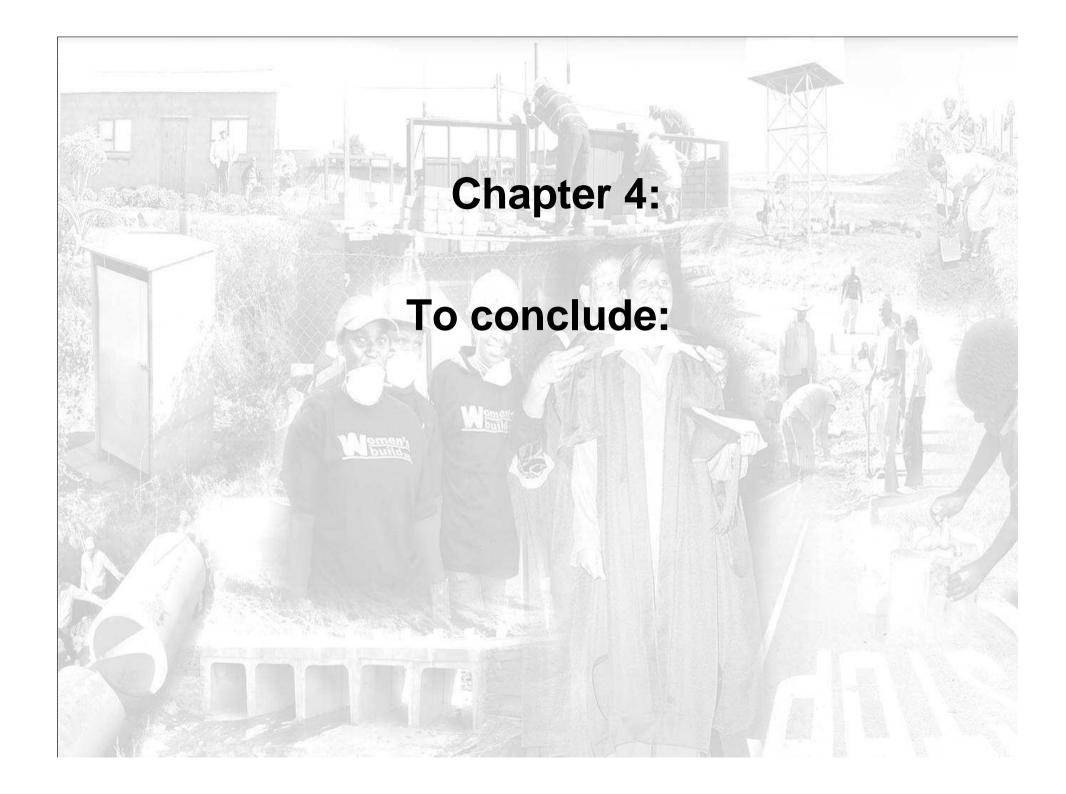
- Create an enabling environment for IAM (including policy, legislation, norms & standards)
- Develop a national IAM strategy and implementation framework
- Facilitate stakeholder participation & awareness
- Provide support, training and mentorship

DWAF as Sector Regulator:

- Monitor performance of IAM
 - service interruptions, service quality, functionality, etc.
- Audit compliance to minimum IAM standards:
 - asset registers, maintenance plan, risk plan etc.
- Audit asset values & asset investment plans (with NT)

DWAF as Custodian of Water:

- Pollution control, water conservation / leakage control
- Cost-effective use, licensing etc.



There are no quick fixes!

- Essential: Sufficient <u>budget</u> (for repairs, for planned maintenance, for spares, for infrastructure refurbishment and renovation, etc).
- Essential: Staff are <u>competent</u> (training and experience) and <u>committed</u> (i.e. have correct attitude – perhaps assisted by <u>incentives</u>).
- Essential: The correct infrastructure.
- Essential: Councillors accept sound technical and financial <u>advice</u>, and <u>lead</u> the way.

To sum the whole presentation:

- Delivery results from a <u>process</u> which process has to be understood by and subscribed to by all those with material influence on the process;
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