Alfred Nzo DM's community-based approach

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THE PURPOSE OF this paper is to describe the community-based approach for delivery of water and sanitation services in the Alfred Nzo District Municipality (ANDM) in the Eastern Cape Province of South Africa.

Historical background

Prior to election of the new democratic government in 1994, South Africa was governed under the apartheid policy (racial segregation) and "black" tribal areas were governed by so-called "homeland" administrations, which lacked both capacity and legitimacy. 'Development' initiatives in the homeland areas were aimed at gaining popularity for the homeland administrations with little attention paid to sustainable service delivery. Out of this history, democratic local government was established in a transitional form in 1996 and redemarcated in 2000.

Community management in South Africa

Historically, most rural water projects in South Africa were implemented without much attention to long-term sustainability of the services. From lessons learnt since 1994 and taking into account international best practice such as community management, it became South African practice to establish Project Steering Committees (PSCs) to ensure all stakeholders are involved in the planning and decision making of project implementation. Often these PSCs continued with the ongoing operations of the scheme. Over time, community management became a key feature of the national government capital programme with varying degrees of responsibility being allocated to community structures.

NGOs in the water sector, in particular the Mvula Trust, pioneered community management approaches and promoted the need for a more holistic and integrated approach to project implementation and the delivery of water services.

One of the findings of a 1997 DWAF study was that CBOs are generally the most widely applicable institutional option for rural areas. The study resulted in the development of a '*Framework for establishing rural water services providers*'[1]. This framework provides for a number of institutional options, but the emphasis is on promoting community based organisations (CBOs) as water services providers (WSP's). This framework introduces the concept of the support services function, which could be done by a 'support services agent' (SSA)[2], as defined in the DWAF guideline.

Various models for SSA arrangements exist, but the overall model promoted within the DWAF guidelines is that the WSA takes responsibility for providing the support services, either through its own administration or through contracting an SSA. In terms of contracting SSAs, the WSA may:

- enter into a single contract for all support services with a single SSA for its entire jurisdictional area, or
- enter into contracts with different SSAs where each agent has a defined geographical area and provides all support services required; or
- enter into contracts with different SSAs for different support activities.

The model is shown in Figure 1.

Defining a Community Based Organisation

Finding the right definition for a CBO proved to be more difficult than anticipated. After much debate and from lessons learnt in ANDM, DWAF formulated the following definition, which is included in the Draft Water Services White Paper:
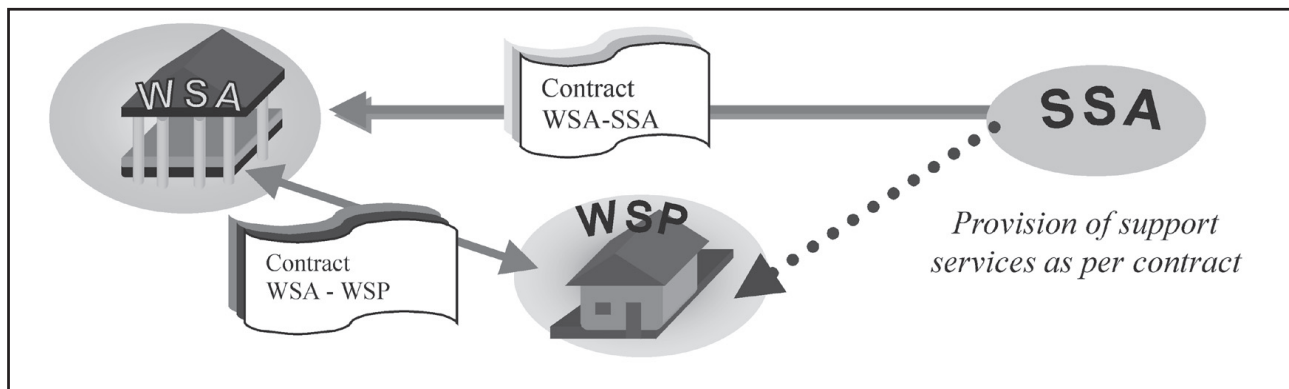
"community based organisation" means a not-for-profit organisation situated within a defined community that is mandated by that community to provide a specific municipal service to that community on behalf of the municipality, provided that:

- *all members of the governing body of the organisation are nominated members of the community and are permanently resident within the community; and*
- *all employees of the organisation are members of the community and are permanently resident within the community; and*
- *the area constituting the community is defined by the municipality. the area constituting the community is defined by the municipality.*

One of the mains aims of defining a CBO was to enable the exemption of CBOs from a competitive bidding process required by the Municipal Systems Act, 2000. Competitive bidding poses a major problem for municipalities that are attempting to implement community management models since it is complicating and slowing down the process of entering into formal water services agreements (contracts) with CBOs who are already fulfilling part or all of the provision function. In implementing its community management approach, this is one of the major challenges facing the ANDM. =

Alfred Nzo District Municipality (ANDM)

In one of the former homeland areas, the ANDM was established in 2000 from the previous transitional Wild Coast District Council (itself only established in 1996). ANDM is one of the poorest and least capacitated district municipality areas in South Africa. Its population is estimated at 800 000 people which is predominantly rural and spread across 881 villages. Within the district there is only five small rural towns. Less than 10% of the population have access to basic water and sanitation services and in terms of South African classification, 98% is poor.

From the municipality's perspective there was no other option to the community-based option in rural areas. Many of the villages are very remote and it would not be practical or financially feasible for either the municipality or another type of water services provider to provide sustainable services. In addition, when the communities were consulted concerning institutional options they indicated that they wanted a community-based model.

Pilot Project in ANDM

In 1999 the Department of Water Affairs and Forestry in partnership with the then Wild Coast District Council initiated a pilot project to establish community based water services providers supported by SSAs. This project was aimed at piloting CBO WSPs and at developing model terms of reference, contracts and guidelines for SSAs. It also laid the basis for the current SSA institutional model for water services provision within the rural areas of Alfred Nzo District Municipality.

Village Level Action Plan (VLAP)

In order to define the approach, the ANDM (in consultation with all stakeholders) developed the Village Level Action Plan (VLAP). The purpose of the VLAP is to provide a framework for the establishment and operation of community based water services providers in the Alfred Nzo District Municipality. It remains a dynamic plan that is constantly updated by the Alfred Nzo District Municipality.

Institutional model

The institutional model that Alfred Nzo District Municipality has developed is as follows (from the VLAP):

- Alfred Nzo District Municipality is the water services authority (WSA) and appoints the WSPs.
- CBOs are the preferred WSP option for rural communities.
- All WSPs must be legally constituted and registered, and are appointed on a two year 'performance contract'.
- In terms of the members and composition of the WSP, only persons available on a full-time basis are eligible for WSP selection where priority is given to unemployed persons. WSPs must comprise 30% women, 10% youth and 1% disabled persons.
- PSCs, which are established during project implementation, are responsible for communication, operations and maintenance activities until the WSPs are established and / or appointed.
- The first and primary contact between the municipality and the community is through ward councillors who are also responsible for liasing with Tribal (Traditional) Leaders.

ANDM's Water Services Authority (WSA) function

According to VLAP, the primary function of ANDM as WSA is that of *'legislation and policy making, as well as the provision and funding of water services and the monitoring thereof'*. It further states that the WSA is responsible for planning and regulating water services. Even though other institutions have been contracted to fulfil the water services provision functions, the municipality remains responsible for ensuring that services are provided. Based on the Water Services Act, the VLAP defines the WSA function:

- Ensure that WSPs are established.
- Appoint and fund SSAs to assist the CBO WSPs.
- Establish and manage 'Management Contracts' (term tenders) for the provision of specialist services such as the maintenance and repairs of electrical and mechanical equipment.
- Administer, manage and monitor the WSP and SSA contractual relationships.
- Fund the WSP operations.
- Upgrade, extend and rehabilitate existing infrastructure.
- Undertake macro planning and feasibility studies.

Functions of the CBO WSP

VLAP describes the functions as:

- Customer relations (dealing with complaints, surveying customer needs and dispute resolution).
- Administration and management (reporting, human resource development, internal organisational development and decision making).
- General maintenance of the project (excluding specialised maintenance activities).
- Minor repairs.
- Routine operation of the water supply system.
- Sanitation and solid waste awareness and monitoring.
- Liaison with the customer and the WSA via the SSA.
- Submit detailed management and financial reports to the WSA via the SSA every six months

Purpose and functions of the SSA

According to VLAP the **purpose** of a SSA is twofold:

- To ensure that CBO WSPs have the necessary skills, legal status, structures, systems, capacity and ability to effectively fulfil the WSP functions within their respective contract areas within two years of signing the contract with the SSA.
- To set up communication, financial management systems and procedures between the WSA and the CBO WSPs for efficient water service provision. This will include an institutionalised WSP, project specific operations manuals, WSP consumer charter, water services authority / provider contracts, establishment of SSA area office, financial and communication procedures.

The VLAP outlines the **basic functions** of an SSA as:

- Mentoring of the WSPs.
- Administration and management.
- Link between the WSPs and the WSA.
- Assist the WSA in monitoring the WSPs.
- Facilitate flow of funds from the WSA to the WSP.
- Assist WSPs with the procurement of material and services.
- Capacitate and monitor the sanitation initiative at WSP level.

Further functions that may be contracted to an SSA are:

- Setting up of WSP structures.
- Training and capacity building of WSPs.
- Assisting the WSA with policy development and implementation.
- Other specialised services.
- Fulfilling certain WSP functions.
- Auditing WSP books and operations.
- Setting up project specific systems and manuals.
- Medium and Major maintenance and Repairs.

Structure of a CBO WSP

The VLAP highlights that "*the common thread of agreement was that water services provider structures should be adequate to fulfill all the required functions, but at the lowest possible cost*". Community participation in determining and accepting the WSP structure is also emphasised as being of critical importance. The CBO WSP comprises a 'board' and appointed staff. The board is the legal body with whom the District Municipality enters into a contract. Currently the CBO WSP boards do not have sufficient capacity to select and appoint the necessary staff (namely water operators, sanitation promotion agents and administrators) and therefore this process is undertaken by the SSA "*in conjunction with the water services provider and the ward councillors*" and with "*final approval by the water services authority*".

Tasks of board members and staff

Board members: In terms of the VLAP, the function of the board members is to represent the WSP at the WSA and community level. Specific tasks include:

- liaison with the WSA;
- customer relations;
- ensure sustainability of water project;
- conflict handling;
- contractual obligations;
- manage the staff members;
- ensure that local government policies and by-laws are adhered to.

Staff members: Within the Alfred Nzo District Municipality model, each CBO WSP model has three staff members: an administrator, a water operator and a sanitation operator. The responsibilities of the staff members as outlined in the VLAP are as follows:

Administrator: To fulfil the required financial and administrative functions, including collection of tariffs. The summarised job description states:

- Bookkeeping, financial control
- Management of stores
- Manage tariff collection system
- Filing and administration

Water operator: To operate, maintain and repair the village reservoirs and reticulation systems. The summarised job description states:

- Inspect all works
- Routine maintenance
- General cleaning
- Health and Hygiene
- General repairs

Sanitation operator / promotion agent: To maintain the awareness momentum from the sanitation programme. The summarised job description states:

- Inspect all VIP's
- Encourage routine maintenance
- Encourage general cleaning
- Health and Hygiene promotion
- Solid waste management

Conclusions and comment

The municipality (and its SSAs) were faced with a range of challenges in implementing its community management model. Many of the villages are very remote and not easy to access. Establishing community based structures and the necessary financial mechanisms proved to be time consuming and more complex than anticipated. Given the different circumstances in the different villages the implementation process was not always according to the Village Level Action Plan, however the basic CBO / SSA institutional model was implemented across all 33 pilot villages and is currently being extended to cover the whole municipal area. This model is the most appropriate option for the rural villages in the municipality's area since it brings management to the village level and any other option is unlikely to be financially feasible. Whilst in the longer-term the municipality may aim to reduce the role of the SSAs, it is imperative that the SSAs still remain part of the institutional model.

A standardised model was developed for the number of board members and operators and the associated costs for each CBO. However, this model results in distortions in terms of costs per capita across the CBOs since some CBOs serve very small villages (80 people) whilst others serve much larger villages (4000). The financial viability of the model will also require ongoing assessment given that it is almost entirely dependent upon the subsidy from the national fiscus, which amount will probably be insufficient once the model is extended across the entire district.

One of the major challenges faced by the municipality is legislative compliance. Even though South African policy identifies CBOs as one of the mechanisms for the delivery of municipal services, local government legislation requires a competitive bidding process before appointing CBOs as service providers. Whilst the model as outlined in VLAP achieved community management of the water services, the implementation of the model did not fully address legislative requirements. ANDM (with support from DWAF) have tried to amend the model to achieve this, but this has lead to significant deviations from the original model that has been proven to work in practice.

How replicable this model will be, remains to be seen, but this is a "test case" from South Africa and the Department of Water Affairs and Forestry will continue to work with the municipality to make it work and to ensure lessons learnt are fed into national policy, properly shared and replicability analysed.

Despite the legal and other challenges, the approach and model illustrates that it is successful in providing basic water services to the ANDM rural communities. With ongoing commitment from all parties, including the Department of Water Affairs and Forestry, a sustainable solution will be found.

For more information about this case, refer to the case study "*Scaling up community management in South Africa – Alfred Nzo District Municipality Case Study*". This case study was a joint initiative of International Water and Sanitation Centre (IRC) and the Department of Water Affairs and Forestry South Africa. It describes and examines the approach in great detail. The case is available on both organisations' websites.

References

Department of Water Affairs and Forestry, 1998, *Framework for establishing water services providers in rural areas,* Pretoria, South Africa.

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Jean de la Harpe, 2003: *Scaling up community management in South Africa – Alfred Nzo District Municipality Case Study,* International water and sanitation institute and Department of Water Affairs and Forestry,

Legislation of the Republic of South Africa:
- *Water Services Act, 1997*
- *Local Government : Municipal Systems Act, 2000*

Footnotes

[1] DWAF, 1998: Sustainable Management of Rural Water Supply and Sanitation Services: Framework for Establishing Water Service Providers in Rural Areas (Condensed Version)

[2] DWAF, 1998: Guidelines for District Councils relating to the Provision of Water Services, Guideline 1, Overall Roles and Responsibilities of District Councils.

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