

WE ARE BUILDING A CITY

**THE STRUGGLE FOR SELF-SUFFICIENCY
IN LEPHALALE LOCAL MUNICIPALITY**

MOSA PHADI | JOEL PEARSON



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Acknowledgements and dedication

This report was compiled by Mosa Phadi and Joel Pearson.

We would like to extend our thanks to Emma Monama for her contribution and to Ivor Chipkin and Mbongiseni Buthelezi for their patience.

This report is dedicated to all the officials we interviewed and gave of their their time to assist us. Without you this research would not have been possible.

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Photograph: Joel Pearson

Preface

In 2006, Eskom unveiled plans for a new multi-billion-rand mega-project: the construction of the Medupi coal power station in the small town of Lephalale in Limpopo Province. The once-quiet town near the Botswana border was rapidly inundated with massive new developments and an influx of people from around South Africa and the world. The expansion caught the small semi-urban municipality unawares, and brought with it both crisis and opportunity. The municipality's incapacity to deal with some of the effects of the boom revealed unresolved historical legacies of a segregated town managed by and strongly dependent on two major corporations: the multinational Exxaro and the parastatal, Eskom. The boom also inspired big dreams for the future of Lephalale: to become the first post-apartheid city.

This report will examine how a municipality born without ownership of land and basic service infrastructure has attempted to overcome its history and carve out a greater space of self-sufficiency. It will show how negotiation and compromise have characterised the operation of the municipality since its inception and reveal how local governance is shaped and reshaped by the complex entanglements of government, party politics, private property owners, developers and the grander forces of capital.

This research forms part of a three-year project that explores emerging dynamics of local government in areas of growing mineral extraction, particularly in Limpopo Province. In June 2015, the Public Affairs Research Institute (PARI) began work in Lephalale. We were granted permission to interview a range of officials working within the municipality. In addition, we conducted interviews with former officials, mayors, Exxaro employees and a variety of townsfolk who have lived in Lephalale for many decades. Our research is supplemented by archival material contained in the municipality's record-keeping division.

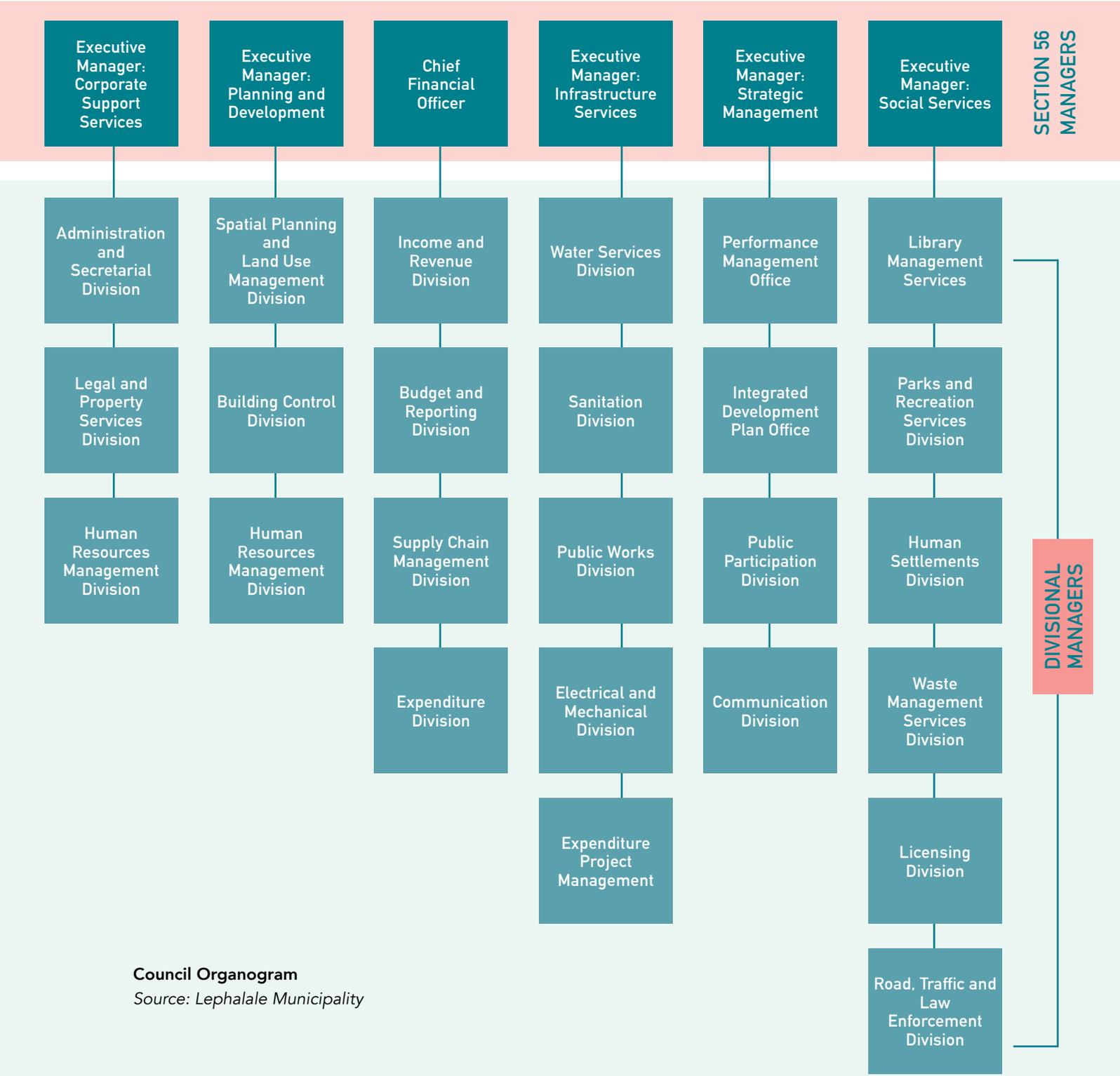
Chapter I describes a history of the Lephalale Local Municipality: the establishment of the first council of Ellisras in 1986 in the context of Iscor and Eskom's predominance in the area; the transition to democracy and the amalgamation of the municipality; and the beginning of Medupi and the boom that followed. Chapters II and III examine some of the legacies of this history and how they have affected land use, spatial planning and the provision of bulk services. Chapter IV discusses the municipality's difficulty in overcoming this legacy, asserting its role as the determining driver in the unfolding developments and realising its ambition of building a city.

Officials interviewed

Eben Badenhorst	Environment, Health and Safety Officer (Waterberg District Municipality)
Valerie Cillier	Manager: Communications Division
Joshua Hlapa	Manager: Waste Management Services Division
Eddie Jacobs	Manager: Electrical and Mechanical Division
Malesela Langa	Manager: Income and Revenue Division
Charles Lekaka	Chief Financial Officer
Mpho Lekoalane	Manager: Housing Division
Nakkie Maartens	Manager: Administration and Secretarial Division
Thabiso Mabale	Manager: Building Control Division
France Mabotja	Integrated Development Plan (IDP) Officer
Gerben Makgamatha	Manager: Human Resources Division Acting Executive Manager: Corporate Support Services
Kedibone Makholwa	Human Resources Officer
Mabu Manaka	Manager: Supply Chain Division
Atty Mathebula	Manager: Internal Audit Division
Ditlhokwa Enos Matsoma	Manager: Performance Management Division
Joseph Moaloshi	Manager: Legal Division
Lucas Monene	Admin Clerk: Electrical Division
Khoroshi Motebele	Former Executive Manager: Strategic Management
Catchlife Mutshavi	Manager: Land Use and Spatial Planning Division
Johanna Ndoweni	Manager: Library
Nthabiseng Ndlovu	Manager: Project Management Unit (PMU)
Rudzani Ngobeli	Manager: Public Works Division
Gabo Ntoampe	Senior Labour Relations Officer
Maggie Ntoampe	Manager: Budget and Reporting
Charity Radipabe	Manager: Local Economic Development (LED) Division
George Rametsi	Secretary to the Mayor
Maite Sefala	Risk Officer
Thomas Seodisa	Skills Development Officer
April Shiko	Manager: Water Services Division
Lawrence Tlhako	Executive Manager: Infrastructure Services
Edith Tukakgomo	Municipal Manager

Group interviews were conducted with representatives from the two municipal unions active in Lephalale – the South African Municipal Workers Union (SAMWU) and the Independent Municipal and Allied Trade Union (IMATU). Additional interviews were conducted with:

Paul Coetzer	Former Maintenance Officer Iscor/Exxaro
Kalotua Kandorozi	Former Mayor: 1998-2000
Johan Kruger	Owner and Manager: Speedy Dry Cleaners
Therence Mohale	Maintenance Officer: Zeeland Water Treatment Works
Pastor TW Papo	Living Letters Ministries, Lephalale
Ferdie Pretorius	Exxaro Training Manager, Lephalale.
Steven Ratlou	Former Mayor: 1996-1997
Dries de Ridder	Former Manager: Town Planning Division
Ferdi Steyn	Pharmacist: Koedoe Apteek Ellisras
Tienie Loots	Former Manager: Electrical and Mechanical Services Division
Johan Wepener	General Manager: Exxaro Grootegeluk Mine



Council Organogram
 Source: Lephalale Municipality

Abbreviations and acronyms

ANC	African National Congress
AWB	Afrikaner Weerstandsbeweging
CFO	Chief Financial Officer
CoGHSTA	Department of Cooperative Governance, Human Settlements and Traditional Affairs
CP	Conservative Party
CRU	Communal Residential Unit
DLA	Department of Land Affairs
DME	Department of Minerals and Energy
DWA	Department of Water Affairs
GMEP	Grootegeluk Medupi Expansion Project
HDA	Housing Development Agency
IDP	Integrated Development Plan
LDA	Lephalale Development Agency
LDF	Lephalale Development Forum
LED	Local Economic Development
MCWAP	Mokolo–Crocodile Water Augmentation Project
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
NP	National Party
PGP	Provincial Growth Point
PMU	Project Management Unit
RDP	Reconstruction and Development Plan
SDF	Spatial Development Framework
SEZ	Special Economic Zone
SLP	Social Labour Plan
SIP	Special Infrastructure Projects
SPLUMA	Spatial Planning and Land Use Management Act
WSA	Water Services Authority

Chapter I: A Private Town

The town of Ellisras has its beginnings in the late 1920s when it served as a railway and road rest-stop between Vaalwater and Stokpoort.¹ Economic activity at the time was for the most part agricultural. According to Dries de Ridder, who was once town-planning manager for the Lephalale Municipality: “When the farmers started here it was all cattle farming [...]. It’s a semi desert area, very hard with not much water.”²

The black communities that were living in the area were forced over time into villages 40 to 70 kilometres outside the growing town.³ In the late 1950s, with the imposition of the Lebowa Bantustan, segregation was formalised.

The discovery of “vast reserves of metallurgical and non-metallurgical coal” in the 1940s brought radical change to the area.⁴ In 1957, the South African Iron and Steel Corporation (Isacor),⁵ a parastatal, acquired the property rights to six farms in the area.⁶ In the mid-1970s, Isacor began development of the Grootegeluk open-cast coal mine, which was officially commissioned in July 1980.⁷

Development of the mine was coupled with the construction of a new town situated between Ellisras and the mine. As E.F.W Buermann noted in an article he wrote in 1982: “[...] at Grootegeluk, the existing infrastructure was inadequate and not economically viable for extensions. Therefore, as far as the mining project was concerned, infrastructure had to be established as if no other existed.”⁸

In the process, Isacor purchased vast tracts of land from local farmers. It purchased the farm of Onverwacht to establish a new township to accommodate white labourers, technicians and professionals: “[...] some 2 100 domestic sites and all appurtenant facilities such as school and business sites [...] Initially, some 350 houses, single quarters, an apprentice training centre, and full recreational facilities (e.g. club, golf course, etc.)”⁹ In addition, Isacor coordinated the construction of roads, a sewerage disposal plant, a water purification plant, a railway line and an airfield.¹⁰ According to the current district health-inspector and long-time resident, Eben Badenhorst: “The mine developed all these farms and built everything – the roads and infrastructure.”¹¹

1 Lephalale Local Municipality. *IDP Review. 2008-2009.* p.6.

2 Dries de Ridder. Former Manager: Town Planning Division, Lephalale Local Municipality. Interviewed on 17 September 2015.

3 Black communities include groups that could be broadly described as ba-Pedi, Ndebele, ba-Tswana and Herero migrants from German South West Africa (present-day Namibia).

4 Alberts, B.C., 1982. The planning and establishment of the Grootegeluk Coal Mine. *Journal of the Southern African Institute of Mining and Metallurgy*, 82(12), pp.341-352. p.344.

5 The coal-mining operations of Isacor would later be assumed by Exxaro after privatisation and a series of unbundlings.

6 Alberts, B.C., 1982. The planning and establishment of the Grootegeluk Coal Mine. *Journal of the Southern African Institute of Mining and Metallurgy*, 82(12), pp.341-352. p.344.

7 Ibid. p.341.

8 Buermann, E.F.W., 1982. The establishment of infrastructure for the Grootegeluk Coal Mine. *Journal of the Southern African Institute of Mining and Metallurgy*, 82(12), pp.353-355. p.354.

9 Ibid. p.354.

10 Ibid. pp.354-355.

11 Eben Badenhorst. Waterberg District Municipality Environment, Health and Safety Officer. Interviewed on 7 October 2015.

The original purpose of the mine was to supply Iscor with the coking coal it needed to produce iron and steel, but it would soon assume a pivotal role in power generation. In 1981, the state's electricity generator, Eskom, began work on Matimba, a 4 000 MW, steam-powered, air-cooled power station close to the Grootegeluk colliery. Eskom acquired land from Iscor for the power station.

Although technically the area fell under the jurisdiction of a peri-urban council, the mine's executive fulfilled the functions of a local municipality. Dries de Ridder remarked: "The mine manager is [the equivalent of] the municipal manager, the resident engineer is [the equivalent of] the head of the infrastructure department [...] so they actually did what the municipality did, except if I was a mine manager, because it's a private town, it belongs to me – I can make my own rules."¹²

The Creation of the *Stadsraad*

In 1986, Iscor's role in managing the town changed. As both the older Ellisras settlement and the new "recreational suburb" of Onverwacht grew, the national government saw the need for a *stadsraad* (municipal council) to coordinate development of the burgeoning town. According to De Ridder, the decision was met with resistance from Iscor executives: "The government forced it on [Iscor] and said, 'You cannot run this as a mining town anymore' and some old [Iscor] officials were upset about that decision because they had their own rules." After negotiations led by Johan Erasmus, the first *stadsklerk*,¹³ De Ridder said a number of "big officials from Iscor" became councillors in the municipality: "So it happened smoothly – although not without a fight – but at least they didn't start shooting each other and going to the police and attorneys. It happened in an orderly way."¹⁴



First Municipal Council of Ellisras, 1986

Source: Lephale Municipality

12 Dries de Ridder. Former Manager: Town Planning Division, Lephale Local Municipality. Interviewed on 17 September 2015.

13 The Afrikaans title for what would become the position of Municipal Manager.

14 Dries de Ridder. Former Manager: Town Planning Division, Lephale Local Municipality. Interviewed on 17 September 2015.

The first election took place in 1986 and the headmaster of the local high school was appointed as the first mayor, leading a council dominated by the Conservative Party (CP). The civic centre was built in Onverwacht to accommodate the newly-established municipality that governed the two towns of Ellisras and Onverwacht.

But the mine's pre-eminence in delivering basic services to the town endured. Provision of water, for example, remained in the hands of Iscor. As long-serving municipal official, Nakkie Maartens, noted: "They already installed everything and it was already done here. So when the municipality came in to play, you can't now create a new system and do your own water-treatment works. It will be foolish to do it. So we purchased water from [Iscor] which is in fact not supposed to be, but it's how it has worked over the years."¹⁵

Land, for the most part, also remained under Iscor's ownership. Steve Ratlou, who was mayor of Ellisras during the transition, recounted: "If you come look for land you might find that one of the pieces of land you're buying either belonged to the central government then or either Iscor or Eskom, period!"¹⁶

The mine's pervasive control over basic resources – especially water provision and land ownership – and in the operations of the municipality itself, is the foundation of the historical legacy that underpins local governance in the area today.

The Conservative Party sought to preserve strict racial segregation and maintain Ellisras and Onverwacht as exclusively white areas – "lily-white towns".¹⁷ By the late 1980s, however, this commitment conflicted with Eskom and Iscor's need for black labourers who lived closer to the workplace; the nearest former Lebowa settlements were approximately 75 kilometres away.¹⁸



Map 1: Aerial view of Marapong, Onverwacht and Ellisras

Source: Google Earth

15 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

16 Steve Ratlou. Former Mayor Lephalale Local Municipality, 1997-1998. Interviewed on 10 October 2015.

17 Dries de Ridder. Former Manager: Town Planning Division, Lephalale Local Municipality. Interviewed on 17 September 2015.

18 Lephalale Local Municipality. *IDP Review 2008/2009*. p.6.

De Ridder said their proposal to establish a black township – Marapong – was met with opposition from the CP council: “This area was a very conservative area so most people here voted for the old CP, so there was a lot of fights going on because [Iscor] and Eskom went to the government to say: ‘We have got the land and we need a black township for our labourers to stay.’”¹⁹

In 1992, Marapong was eventually established behind Matimba power station, some distance from the white towns. It remained outside the jurisdiction of the municipality and received basic services from Eskom. Marapong would only be incorporated into the municipality during the transition to democracy.

Transition and Amalgamation: From Ellisras to Lephale

In this local municipality the road to democracy was characterised by tense negotiation.

The CP was extremely resistant to change and often hostile to the incoming ANC leadership. Right-wing elements were very active in the region. The incoming ANC national government classified these areas (including Potgietersrus and Ellisras) as “strategic areas” because of prevailing white fundamentalist threats. “You could have thought this was AWB world!” said Ferdi Steyn, the local pharmacist. “There were strong boers here. You know what I mean?”²⁰

Manager of the Electrical and Mechanical Division, Eddie Jacobs, recalled the extent of the conflict: “We did get lot of fights because, like myself, we were one of the first people who started to come and live in town, so some of our colleagues were being beaten by the Boers. We couldn’t move during the night.”²¹ The ANC deployed local representatives that included a host of future mayors to undertake negotiation processes, which often played out on a knife’s edge.²²

After the 1995 elections, an Ellisras–Marapong transitional council was established. There was no outright winner, so it was decided to revolve the position of the mayor on an annual basis between the ANC and the CP until 2000, when the municipality was formally constituted.²³ One of the ANC’s former mayors, Kalotua Kandorozi, explained:

Our negotiations went well even though we had challenges from the CP. The National Party [NP] then were more cooperative but unfortunately they didn’t have councillors, so they joined us in the negotiations. So we started with ten councillors – five from the CP and five from the ANC – but we took one councillor from the NP to be part of the councillors because we thought the NP had information which we required as the ANC to govern the municipality.”²⁴

19 Dries de Ridder. Former Manager: Town Planning Division, Lephale Local Municipality. Interviewed on 17 September 2015.

20 Ferdi Steyn, Pharmacist: Koedoe Apteek, Ellisras. Interviewed on 6 October 2015.

21 Eddie Jacobs. Manager: Electrical and Mechanical Division, Lephale Local Municipality. Interviewed on 15 September 2015.

22 Kalotua Kandorozi. Former Mayor, Lephale Local Municipality, 1998-2000. Interviewed on 8 October 2015. Steve Ratlou. Former mayor, Lephale Local Municipality, 1997-1998. Interviewed on 10 October 2015.

23 Kalotua Kandorozi. Former Mayor, Lephale Local Municipality, 1998-2000. Interviewed on 8 October 2015; Steve Ratlou. Former Mayor Lephale Local Municipality, 1997-1998. Interviewed on 10 October 2015.

24 Kalotua Kandorozi. Former Mayor, Lephale Local Municipality, 1998-2000. Interviewed on 8 October 2015.



Second Transitional Council of Ellisras–Marapong. November 1997

Source: Lephhalale Municipality

The ANC's choice to include the NP councillor mirrored the kinds of compromises the national leadership made during the initial post-apartheid transition. If, for example, the mayor for the year was from the ANC, the chairperson of the council would be drawn from the CP.²⁵

The ANC used the transitional phase to familiarise itself with the mechanics of governance. According to the former ANC mayors we interviewed, the old guard of the CP and long-serving administrators tried to overwhelm them with enormous council meeting agendas filled with technicalities they thought the ANC would be incapable of grasping. In response, Kandoroza said, the ANC resorted to its own political caucuses, interrogating each agenda until the early hours of the morning before council meetings: "We would take the agenda to the caucus, we would caucus and then from there we would go to the management committee where we would tell our decisions and tell the officials what to do. Then we would take those [resolutions] that must go to council for approval, and then we would have an open debate." Kandoroza said these lengthy debates were "not child's play".²⁶

The operation of council was characterised by negotiation, compromise and persuasion. Ratlou, who was the first black mayor, explained that because the council was split between the CP and an ANC–NP alliance, "[...] we had to bring them along to where you wanted to go, by engagement. Because your vote would not necessarily work – you would have a tie throughout your life. If you work on the basis of ties, it means that the municipality will be put to a complete stop."²⁷

Ratlou and Kandoroza believe the circumstances forced compromise from both sides and enabled a space for mutual exchange. Said Kandoroza: "The transition was a very advantageous forum where we learnt from these people because the guys had vast experience on how to run municipalities and they knew everything."²⁸

For many within the organisation, however, the tide of change was not without tension. In 2000, when Ellisras, Onverwacht, Marapong and 38 local rural villages were amalgamated into one municipality – Lephhalale Local Municipality – the size of the council increased dramatically and shifted the demographic

25 Kalotua Kandoroza. Former Mayor, Lephhalale Local Municipality, 1998-2000. Interviewed on 8 October 2015.

26 Kalotua Kandoroza. Former Mayor, Lephhalale Local Municipality, 1998-2000. Interviewed on 8 October 2015.

27 Steve Ratlou. Former Mayor Lephhalale Local Municipality, 1997-1998. Interviewed on 10 October 2015.

28 Kalotua Kandoroza. Former Mayor, Lephhalale Local Municipality, 1998-2000. Interviewed on 8 October 2015.

make-up of the electorate and councillors. Maartens recounted that the council grew from six councillors to an amalgamated council of 18. Today, the council consists of 26 councillors.

This growth significantly strengthened ANC representation and massively reduced the power of the CP. Dramatic changes were made to the structure of the administration, with the introduction of Section 56 managers – a layer of contracted senior executives inserted above the existing divisional heads.²⁹ With the new arrangement, these divisional heads, once exclusively white, now had to answer to black executives. According to Maartens, the ANC leadership “[...] did not make any secret. They straight up told us that we will not be appointed as executive managers – the white people – so either you accept it or you look for something better.”³⁰

Although many divisional heads resented the imposition and left the municipality, a small number remained. Contestation also emerged over the decision to change the name of the municipality to Lephalale, after a local river. Some of those aligned to the CP felt the Ellisras “[They] had built [...]” was being erased. Tienie Loots, former manager of the Electrical and Mechanical Division, said he was uncomfortable with the changes: “It was Ellisras. There was no political attachment to the name at all [...]. Nowadays, politicians make it to sound as a political name of white people – racist [...] – but there was no connotation with anything of that on it. And the word ‘Lephalale’, now, nobody knows what it means.”³¹

Although the CP has disappeared, a legacy of conservatism and resistance to change persists in the fabric of the town. This is evident in the narratives of many of those who have left the municipality and still frame the municipality’s problems in racist discourse.

The post-apartheid history of Lephalale Local Municipality began with compromises between the ANC and a conservative old guard. Negotiation is still integral to the way it operates today. Even with an ANC majority in council and new administrators, council is still forced to negotiate with local stakeholders who are antagonistic to black government. Also, because the municipality was established when Iscor and Eskom controlled water and land, municipal service provision depends on continued engagement with these entities. These arrangements were stretched to capacity as the town expanded and Iscor, once a parastatal, reconfigured itself into a privatised entity.

29 Municipal Systems Act 32 of 2000.

30 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

31 Tienie Loots. Former Manager: Electrical and Mechanical Division, Lephalale Local Municipality. Interviewed on 8 October 2015.



Medupi under construction

Source: Aleita.co.za

The Arrival of Medupi

Several parastatals were privatised during South Africa's transition. Iscor was privatised in 1989, and in 2001 listed on the Johannesburg Stock Exchange as Kumba Resources Limited. In 2006, Kumba branched off into Kumba Iron Ore and Exxaro Limited. Exxaro took over coal-mining operations throughout the area.³² In the same year, spurred on by the threat of severe power shortages in the country, Eskom unveiled plans to construct two 4 800 MW air-cooled coal power stations: Kusile in the Nkangala district of Mpumalanga, and Medupi in Lephalale.

Medupi means “the rain that soaks the parched lands, giving prosperity”³³ and the most immediate beneficiary of this prosperity was Exxaro, when it announced the expansion of its nearby Grootegeluk mine to service the coal needs of the new power station.³⁴ When construction began and consultants, contractors and labourers poured into the small town, local business owners also profited immensely. “It started with Medupi and then everything went skyrocket [...]. We doubled our turnover – double, triple – we made a lot of money,” said a local dry-cleaner.³⁵

The development also benefited the local municipality. Revenue grew from R83 789 in the 2007/8 financial year to R212 268 in 2013/14.³⁶

32 Exxaro. “About Our Business: History”. Available at: <http://www.exxaro.com/index.php/about-our-business/history/>.

33 Rafey, W. and Sovacool, B.K., 2011. Competing discourses of energy development: The implications of the Medupi coal-fired power plant in South Africa. *Global environmental change*, 21(3), pp.1141-1151. p.1141.

34 Called the Grootegeluk Medupi Expansion Project (GMPE)

35 Johan Kruger. Owner: Speedy Dry Cleaners, Ellisras. Interviewed on 6 October 2015.

36 Dineo Faku. “Eskom Plant Brings Boom to Lephalale”. *Independent Online*. 14 October 2013. Available at: <http://www.iol.co.za/business/companies/eskom-plant-brings-boom-to-lephalale-1591263>

For officials and politicians, however, development brought the challenge of providing services to a rapidly increasing population. According to the most recent census, the population rose by 35.8% between 2001 and 2011.³⁷

In an article written in 2014, municipal spokesperson Victor Monyepao was quoted as saying that the population was higher than official statistics suggested: “With these developments, economic activities are taking place locally you will have it fluctuating, in fact always increasing on a daily basis.”³⁸

Executive Manager of Infrastructure Services, Lawrence Tlhako, said almost 17 000 people were employed [in Medupi’s construction], and half of them brought their whole families. According to Tlhako’s estimate, about 32 000 additional people had to be provided with services.³⁹ Many undocumented job-seekers have also settled in the area, which is a further strain on municipal resources.

The municipality was not sufficiently prepared for the magnitude of the changes sparked by Medupi. According to the current Municipal Manager, Edith Tukakgomo: “Medupi power station was imposed on the municipality. What we were supposed to have done as government was to actually prepare the municipality to carry these developments, but no preparations were made on the ground and they expected a small municipality without capacity to carry that kind of development. That was not correct.”⁴⁰ Former manager of Strategic Management, Khoroshi Motebele, agreed: “When Medupi started there was no time to prepare the municipality – it was all of sudden. People realised ‘Damn it, we’ve got a crisis. Now we have to do this thing.’ There was no time to prepare the municipality in terms of infrastructure [...]. You can’t do long-term planning because you are in crisis mode.”⁴¹

The municipality soon faced potential catastrophe on several fronts. Motebele and Jacobs both gave examples of how ill-prepared the ageing infrastructure was for the population explosion: “Our pipes started bursting because they are the old asbestos pipes”⁴² and, “Electrical cables were bursting because the old cables couldn’t handle the usage.”⁴³ Officials said the sewerage system was placed under severe pressure and spillages became routine. Existing roads deteriorated with the steady flow of trucks carrying materials to the power station. Traffic congestion increased significantly.⁴⁴ Because of the acute scarcity of accommodation for newcomers, illegal occupation of land spiralled. Contractors’ camps, unregistered guest houses and a flurry of developments sprang up across the town. The property market was skewed by exorbitant land prices and stoked by a rash of developers and speculators. House prices were at one point comparable to those in the wealthy seaside town of Knysna in the Western Cape.

37 eNCA. “Township Life Next to an Eskom Power Station”. 13 August 2014. Available at: <http://www.enca.com/gallery-township-life-next-eskom-power-station>

38 eNCA. “The Battle for Jobs in Lephale”. 17 August 2014. Available at: <https://www.enca.com/battle-jobs-lephale>

39 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephale Local Municipality. Interviewed on 1 September 2015.

40 Edith Tukakgomo. Municipal Manager, Lephale Local Municipality. Interviewed on 13 October 2015.

41 Khoroshi Motebele. Executive Manager: Strategic Management, Lephale Local Municipality. Interviewed on 16 September 2015.

42 Khoroshi Motebele. Executive Manager: Strategic Management, Lephale Local Municipality. Interviewed on 16 September 2015.

43 Eddie Jacobs. Manager: Electrical and Mechanical Division, Lephale Local Municipality. Interviewed on 15 September 2015.

44 Mpho Lekoalane. Manager: Human Settlements Division, Lephale Local Municipality. Interviewed on 14 September 2015. France Mabotja. Integrated Development Plan (IDP) Officer, Lephale Local Municipality. Interviewed on 1 September 2015.

The small municipality had to grapple with a shortage of staff and, with this, a scarcity of skills. A lack of town-planners, for example, meant that there was a backlog in the approval of building plans. Lack of regulation led to poor-quality buildings, fragmented development patterns and urban sprawl. At the time, the municipality had only one traffic engineer; the traffic department had only dealt with issuing licences and had no experience with coordinating large-scale traffic movement.⁴⁵

Although Medupi has brought a range of critical challenges to this small municipality, it has also broadened their vision of the future. “We are building a city” was the mantra repeated by many of the interviewees from the municipality. Consecutive Integrated Development Plans (IDPs) since 2011 boast the vision: “To build a vibrant city and be the energy hub of Africa”.

The promise of becoming South Africa’s first post-apartheid city is emboldened by the prospect of more mining firms showing interest in the area. According to Local Economic Development Manager, Charity Radipabe: “We are looking at plus-minus nine mines, others are operating, others are still on construction and others are still looking for mining rights.”⁴⁶ Transnet is undertaking improvements in the rail capacity of the existing Lephalale–Thabazimbi–Rustenburg–Pyramid line, with R7 billion budgeted for the next five years.⁴⁷ The municipality is seeking recognition as a Special Economic Zone (SEZ) under the Department of Trade and Industry (DTI), and is also planning to greatly expand the local tourism and agricultural sectors.⁴⁸ The municipality envisions harnessing these economic opportunities in the creation of the first post-apartheid city.

Yet the municipality’s ability to make this vision a reality is constrained by a range of factors chief of which are the ownership arrangements that can be traced back to the founding of this “company town”, a town which has allowed land, water and electricity – basic resources key to the operations of any municipality – to default to private ownership.

45 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

46 Charity Radipabe. Manager: Local Economic Development (LED) Division, Lephalale Local Municipality. Interviewed on 22 September 2015.

47 Lephalale Local Municipality. *IDP 2016/2017*. p.102.

48 Edith Tukagomo, Municipal Manager. Interviewed on 15 October 2015



Photograph: Joel Pearson

Chapter II: Land and Planning for the Post-Apartheid City

We need to deal with the land issue.

We want to develop this town, but our hands are tied.⁴⁹

Many interviewees said the municipality's lack of land ownership was a critical obstacle to its capacity to guide the development of the area. This phenomenon can be traced back to the municipality's inception in a company-dominated town.

When Iscor established itself in the area, it purchased large swathes of land from farmers.⁵⁰ To develop the Matimba power station, Eskom bought land from Iscor. In the mid-1990s, coinciding with the transition in local government, both companies decided to sell portions of their residential property. Former town-planning manager, Dries de Ridder noted: "Today there are still Exxaro and Eskom people here but you also get a lot of private residents as well."⁵¹ Most farms surrounding the semi-urban areas also remain under private ownership.

Land in the villages is largely communal. At 10% of the municipal surface area, this land is technically vested in the national government but administered by traditional leaders.⁵²

Much of the land owned by the municipality has been acquired through purchases or donations from Iscor/Exxaro and Eskom.

It is in the context of rapid expansion that lack of land ownership has become particularly acute. Even simple municipal responsibilities are obstructed. In 2015 for instance, when both municipal landfill and the Marapong cemetery were approaching capacity, the municipality was forced to request land from Exxaro.⁵³ The municipality has also been forced into difficult negotiations with local farmers to build pipelines and roads on their land. Some have remained uncooperative, insisting on high purchase prices or threatening court action.⁵⁴

More broadly, however, overwhelming private ownership of land has meant developers and property owners exert predominant influence over the route development takes and has limited the municipality's ability to integrate historically segregated areas. When combined with a lack of internal planning and oversight capacity, and the jurisdictional limitations imposed by the framework of intergovernmental relations, the municipality finds itself largely incapable of decisively determining the shape of development in the area. In what follows, we examine how both spatial integration and housing provision have been determined by the prevailing system of land ownership.

49 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephalele Local Municipality. Interviewed on 1 September 2015.

50 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalele Local Municipality. Interviewed on 18 September 2015.; Dries de Ridder. Former Manager: Town Planning Division, Lephalele Local Municipality. Interviewed on 17 September 2015.

51 Dries de Ridder. Former Manager: Town Planning Division, Lephalele Local Municipality. Interviewed on 17 September 2015.

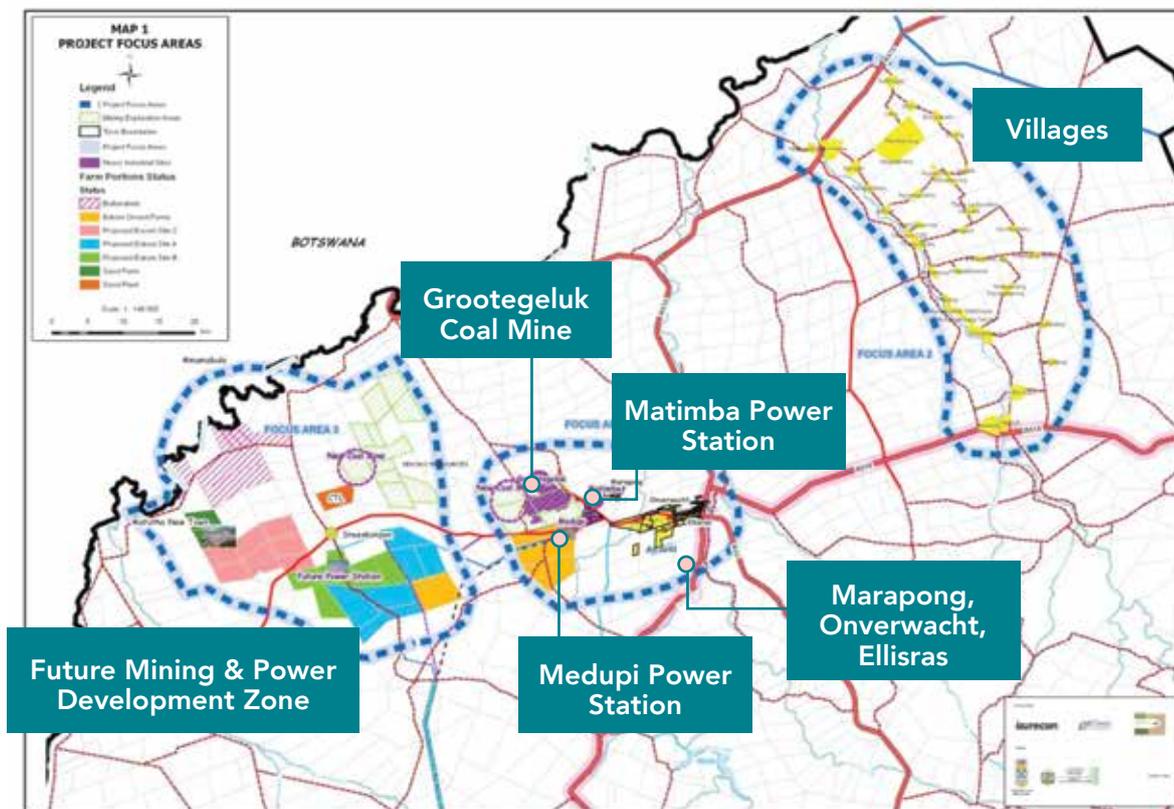
52 Lephalele Local Municipality. *IDP 2016/2017*. Pp43.

53 Lephalele Local Municipality. See A165/2014[10]

54 Tienie Loots. Former Manager: Electrical and Mechanical Division, Lephalele Local Municipality. Interviewed on 8 October 2015.

Spatial Integration

Lephalale town, with Marapong, Onverwacht and Ellisras as its nodes, is classified as a provincial growth point (PGP) due to the anticipated industrial and residential expansion in the area. Growth points are marked on Map 2.



Map 2: Anticipated growth points in Lephalale Local Municipality

Source: Lephalale Municipality. IDP 2016/2017.

Municipal Manager, Edith Tukakgomo, said fragmentation is a challenge to spatial integration.⁵⁵ Development in Lephalale is visibly patchy; large tracts of land separate the residential areas of Ellisras, Onverwacht and Marapong. The villages are between 40 and 70 kilometres away.

These divides are historical. The first town in the area was Ellisras. When Iscor was planning to develop a suburb for its employees in the late 1970s, it considered buying land around Ellisras but farmers refused to sell, forcing the company to develop the farm of Onverwacht, ten kilometres away. The gap between these two areas remains.

The distance that divides Marapong and Onverwacht, on the other hand, stems from a legacy of segregationist town-planning, which ensured that there was a buffer between the black township and the white suburb. Tukakgomo noted that the two farms that lie between Marapong and Onverwacht acted as this buffer zone.⁵⁶ Marapong was built directly adjacent to Matimba power station, designed so that it would be accessible by only one road.

⁵⁵ Edith Tukakgomo. Municipal Manager, Lephalale Local Municipality. Interviewed on 13 October 2015.

⁵⁶ Edith Tukakgomo. Municipal Manager, Lephalale Local Municipality. Interviewed on 13 October 2015.

The large distances that separate the villages and town are a legacy of the forced removals that took place across the country in the early twentieth century. According to a local pastor: “With the Land Act of 1913, the majority of blacks were crowded to the villages [...] now that’s where they were grouped and slowly pushed out totally.”⁵⁷ This division was formalised by the apartheid government when the Lebowa bantustan was established in the late 1970s. It persists today, largely unchanged. Many still rely on buses and taxis to travel up to 70 kilometres to work in town.

The divides are high on the list of ills that Lephalale Municipality seeks to remedy. The 2016/2017 IDP notes the need to address “Sparsely distributed rural settlements which are not functionally linked”; and the “Fragmented nature of current urban development found in Lephalale between Marapong, Onverwacht and town [Ellisras]”.⁵⁸ As such, according to its 2012/2013 annual report, the municipality has adopted an “infill approach for integrated human settlement”.⁵⁹

The plan will inevitably be constrained by the fact that the open land between the various nodes is privately owned. Manager of Local Economic Development, Charity Radipabe, believes closing the gaps between Lephalale’s residential areas depends on the willingness of the people or entities that own this land to sell or develop it: “Now obviously if you are a land-owner and with huge percentage, obviously you will have control over developments. That’s your piece of land and if government says we want this, it is upon you to decide [...]. They have more decision-making powers.”⁶⁰

According to De Ridder, some property owners have remained intransigent: “This owner here who owns all these properties is fast asleep. He did nothing! The portions belonging to private people, they woke up and said ‘Oh!’”⁶¹

Some of the owners who want to develop are at a disadvantage because their land is far from existing infrastructure (especially roads and bulk services), which makes development prohibitively expensive. Infrastructure services manager, Lawrence Tlhako said it is incumbent upon the developers to extend existing water, sewerage, roads and electricity infrastructure: “Because we don’t have land we can’t be the one to develop this infrastructure. Once the developers have completed this, they hand over such assets to the municipality [for continuing maintenance].”⁶²

57 Pastor TW Papo. Living Letters Ministries, Lephalale. Interviewed on 14 October 2015.

58 Lephalale Local Municipality. *IDP 2016/2017*. p.48.

59 Lephalale Local Municipality. *Annual Report, 2012/2013*. p.72; Lephalale Local Municipality. *IDP 2016/2017*. p.58.

60 Charity Radipabe. Manager: Local Economic Development (LED) Division, Lephalale Local Municipality. Interviewed on 22 September 2015.

61 Dries de Ridder. Former Manager: Town Planning Division, Lephalale Local Municipality. Interviewed on 17 September 2015.

62 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephalale Local Municipality. Interviewed on 1 September 2015.

Planning Capacity

Chief Financial Officer, Charles Lekaka said the land issue and the reliance of the municipality on private developers has robbed the municipality of its regulatory function: “[...] You rely on private people to drive the development. You end up just being a sort of adviser. Because the land is not yours, you cannot [determine the route they take].”⁶⁶ However, according to the 2012 Spatial Development Framework (SDF) ratified by provincial and local government, the municipality should regulate land usage far more stringently to “provide general direction to guide integrated development planning and decision making as well as actions over a multi-year period, and create a strategic framework for the formulation of an appropriate land-use management system.”⁶⁷ Lack of planning capacity has restricted the municipality’s ability to firmly enforce its role as mediator between property owners and developers and guide development effectively.

When Tukakgomo, who is a qualified town-planner, first arrived in Lephalale, she said she could see planning was not properly done. She said it was, “Totally off the line. You can see how the town is not growing accordingly.”⁶⁸

The planning function in the municipality has been throttled by a persistent shortage of skilled personnel. The position of Executive Manager of Development and Planning, for example, was vacant for several years before 2012.

Gerben Makgamatha, manager of the Human Resources Division, explained why attracting experienced town-planners was difficult, particularly given the relatively municipal low salaries: “You come to town-planning section; there have been movements all the time [...]. So the challenge has been our salaries. [Town-planners] are more in demand than the engineers. [...] Town-planners: we are always restarting. All town-planners are fresh from school. I’m sure they’ve got two and three years’ experience amongst them. Those that have experience left.”⁶⁹

It was at the height of instability in the planning department that construction of Medupi began. Developers rushed to build townhouse complexes and business and contractor camps. The municipality flooded with building, rezoning, sub-division, township establishment and special consent applications, which it was unable to process timeously.

“We were trying to deal with a backlog,” said Catchlife Mutshavi, Manager of the Land Use and Planning Division, referring to the peak in rezoning and building applications between 2007 and 2010.

Manager of the Buildings Control Division, Thabiso Mabale, explained that in the face of months-long delays in processing applications, developers went ahead with their building plans, undeterred by the potential R2 000 fine they would face when discovered.

Mabale said many developers simply did not wait to get approval: “They continued to build [...] so we had a problem there. There are a lot of illegal buildings constructed and everything.”⁷⁰ Developments cropped up sporadically, with insufficient oversight from municipal officials.

Exxaro stepped temporarily into this regulatory vacuum by providing two town-planners to speed up the processing of planning applications: “Exxaro was ready to pay them whatever they wanted, said Makgamatha: “[These] town-planners were being paid R60 000 a month – very experienced people – but we cannot afford that.”⁷¹

66 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

67 Lephalale Local Municipality. *Annual Report, 2014/2015*. p.96

68 Edith Tukakgomo. Municipal Manager, Lephalale Local Municipality. Interviewed on 13 October 2015.

69 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephalale Local Municipality. Interviewed on 3 September 2015.

70 Thabiso Mabale. Manager: Buildings Control Division. Lephalale Local Municipality. Interviewed on 8 October 2015

71 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephalale Local Municipality. Interviewed on 3 September 2015.

This plan to boost municipal capacity was enabled through the Lephale Development Forum (LDF), a structure set up within the municipality to bring local business representatives and government officials together. The role of the LDF will be discussed in detail in Chapter IV.

The planners hired through the LDF have since left and the town-planning and land-use divisions are still understaffed and overworked. Mutshavi said they were still struggling to deal with applications, which are subjected to a long, multi-stage process that involves many stakeholders: “The backlog doesn’t get better. Some of the applications were not processed accordingly because of, [for instance] outstanding documentary proof [...]. We are trying to replace the two town-planners we got from Exxaro.”⁷²

This is just one of the many times the municipality has had to rely on private companies to assist in providing short-term relief to immediate challenges.

The planning department, however, seems to continually operate in crisis mode and the municipality has not found sustainable solutions to the problem of staff incapacity. In 2012, the municipality established a mayoral planning committee made up of members of the executive committee of council and managers of directorates in an attempt to halt unchecked development. Each application was to be considered by the committee and site visits undertaken for quality assurance but because of the sheer number of applications, many sites could not be assessed in person.

The mayoral committee was closed down with the introduction of the Spatial Planning and Land Use Management Act (SPLUMA) No. 16 of 2013, which requires that municipalities establish a planning tribunal to consider development applications. According to the Act, the tribunal must be constituted with 13 members. The tribunal explicitly excludes councillors but may include senior management from municipalities.

Although the province completed SPLUMA readiness assessments for each municipality, and Lephale was deemed ready to establish its own tribunal, the municipality itself felt it was not sufficiently equipped with staff and skills. As an interim measure, Lephale opted to join a district-wide tribunal. Catchlife Mutshavi explained that since the municipality could not readily secure the various professionals required for the tribunal – attorneys, accountants, environmental specialists and town planners – the municipality decided it would “form part of the district municipality [as a] kind of mentorship for us to establish our own [tribunal], having acquired particular experience [...]”⁷³

SPLUMA also requires the municipality to align relevant by-laws to the requirements of the Act. According to Mutshavi, this delays participation in the tribunal: “We need to conclude our by-laws to be able to implement the Act to the satisfaction of its objects [...]. We need to make sure that for the operation of the tribunal, all aspects are concluded accordingly [...]”⁷⁴

Two years later, at the time we were doing our research, the tribunal was yet to be constituted.

72 Catchlife Mutshavi, Manager: Land Use and Planning Division. Lephale Local Municipality. Interviewed on 5 October 2015.

73 Catchlife Mutshavi, Manager: Land Use and Planning Division. Lephale Local Municipality. Interviewed on 5 October 2015.

74 Catchlife Mutshavi, Manager: Land Use and Planning Division. Lephale Local Municipality. Interviewed on 5 October 2015

Housing

Provision of housing is central to development in an urban area. Lephalale Municipality's IDP anticipates a massive increase in housing requirements in coming years, with a potential "six-fold increase in households in and around Lephalale town, from 5 000 in 2007 to 32 000 in 2020".⁷⁵

When construction on Medupi commenced in 2007 there was clearly not enough existing housing to cater for the expansion. Housing in Ellisras and Onverwacht became exorbitantly expensive partly because Eskom provides lavish housing subsidies and partly because of speculation based on expected population growth. A local businessman explained that in the wake of the boom people spent their money on houses: "[...] Four, five, ten [houses]. There's a guy who has 25 houses. They made a lot of money."⁷⁶

Mpho Lekoloane, Manager of the Human Settlements Division, argued that when Medupi started, the municipality should have done something to control the market value of the area and said he felt the developers were taking over [...].⁷⁷ Risk officer, Maite Sefala, said even professionals were excluded from the property market in town: "None of the municipal officials can afford those houses so they need to encourage the affordable houses."⁷⁸

Exxaro and Eskom have built a number of housing schemes to accommodate their workers, including temporary contractor's camps. However, for lower income groups and indigent people, existing housing options are simply unaffordable. The municipality is confronted with the challenge of dealing with a rising population of people who have no homes.

In the absence of affordable housing, large shack settlements have emerged, which has triggered service provision and spatial planning crises. A study commissioned by the Housing Development Agency (HDA) found that the primary driver of growing settlements was the need to be closer to work and access cheaper accommodation.⁷⁹ At a council meeting in 2014 it was noted: "Rentals in the Lephalale area are very expensive. People cannot afford them and they resort to squatting."⁸⁰

There are at least three shack settlements in the area, the largest of which is in Marapong. The municipal manager noted that before 2007 and the advent of Medupi, Marapong had no informal settlements: "Because of Medupi, within one year the whole area was invaded. That is because we didn't prepare the municipality properly."⁸¹ Lekoalane warned of the potential political crisis that could follow unregulated expansion of shack settlements and compared conditions to those that preceded the Marikana massacre of 2012.⁸²

75 Lephalale Local Municipality. *IDP 2016/2017*. p.118.

76 Johan Kruger. Owner: Speedy Dry Cleaners, Ellisras. Interviewed on 6 October 2015.

77 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

78 Maite Sefala. Risk Officer, Lephalale Local Municipality. Interviewed on 16 September 2015.

79 Human Development Agency. "Informal Settlement Upgrading: Marapong Social Facilitation". Study conducted by Kayamandi Development Services. April 2015. Included in Annexure 2 of Agenda Item A90/2015[6] for Executive Municipal Committee and council meetings held on 30 June 2015.

80 Lephalale Local Municipality. Agenda Item A10/2014[1]

81 Edith Tukakgomo. Municipal Manager, Lephalale Local Municipality. Interviewed on 13 October 2015.

82 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015



A shack settlement in Marapong

Photograph: Joel Pearson

A 2015 report commissioned by the HDA noted: “The municipality does not have ownership of well-located land for housing around the provincial growth point areas.”⁸³ Shack settlements have emerged on land owned by Exxaro, which has forced the municipality to negotiate with the company to donate land.

Johan Wepener, mine manager at Grootegeluk told PARI he would not donate land. He said he told the municipality he would make a portion of land available to the municipality to manage the squatters there, but his stipulations were as follows: “You must manage the influx. You must provide bulk services in terms of water, in terms of sanitation, in terms of rubble removal. You must fence the area. I’ll charge you a R100 a month, or a R100 a year if need be, but only for three years. In those three years you must provide decent living conditions for people because human settlement is a governmental issue, not my issue.”⁸⁴

The municipality is duty-bound to provide basic services to these settlements. Maggie Ntoampe, manager of Budget and Reporting said that even if this was a temporary arrangement it put a strain on the fiscus: “We end up not getting any revenue for that [...] but we don’t have an option. As the municipality, we have to provide them with services.”⁸⁵

The municipality has investigated the possibility of upgrading some of the shack settlements that have emerged on the land it owns. During our fieldwork, the provincial Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) agreed to more fully fund a project to construct more than 500 communal residential units (CRUs) in Marapong on land acquired by the municipality.⁸⁶

83 Human Development Agency. “Lephalale Local Municipality Informal Settlement Upgrading Plans: Assessment and Categorisation Report”. February 2015. p.23. Included in Annexure 2 of Agenda Item A90/2015[6] for Executive Municipal Committee and council meetings held on 30 June 2015.

84 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

85 Maggie Ntoampe. Manager: Budget and Reporting Division, Lephalale Local Municipality. Interviewed on 15 September 2015.

86 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015. Thabiso Mabale. Manager: Buildings Control Division. Lephalale Local Municipality. Interviewed on 8 October 2015



Map 4: Site for the planned Altoostyd mixed housing development

Photograph: Google Maps

Attempts by the municipality to deal substantively with the housing problem are constrained not only by its lack of land but also by intergovernmental jurisdictional boundaries. Housing provision is a responsibility of the provincial government and, according to Chief Financial Officer, Charles Lekaka, municipalities earmark specific land for CoGHSTA to develop. Because Lephalale Municipality has no land, it is not able to do this. “If you do not have land, how do you start allocating for low-cost housing – you do not. You again rely on province. You say to them ‘We think this is the prime land to buy strategically.’”⁸⁷

An example of this process and its attendant difficulties can be seen in the Altoostyd housing development. In 2008, CoGHSTA and the Department of Land Affairs (DLA) purchased Altoostyd Farm from a private owner to build mixed-income housing. Lekoloane called it their “problem-solver” land.⁸⁸

The Altoostyd development is modelled on the Cosmo City project in Johannesburg, which combines social housing with accommodation for middle- and high-income groups. Project roll-out is in two phases. In the first phase, 5 000 housing units are to be built with a budget of R1.2 billion on a three-year basis.⁸⁹ Phase 2, to begin between 2015 and 2020, provides rental housing.⁹⁰

Mutshavi explained: “If Altoostyd takes off and develops within five years, that will also impact positively to the city that we are trying to build.”⁹¹ According to Lekoloane, people from Marapong informal settlement as well as most of the people renting in town will be accommodated in Altoostyd.⁹² Officials like CFO Charles Lekaka felt it was important for the project to get off the ground as soon as possible – “Once you do that, you’re going to start pulling people from the informal settlement and put them in town, close to work”⁹³ – but the project has been plagued by delays.

87 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

88 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

89 Lephalale Local Municipality. *Annual Report, 2012/2013*. p.72

90 *Northern News*. “Living in Altoostyd Will Soon be a Reality”. 24 May 2016. Available at: <http://www.noordnuus.co.za/articles/news/36991/2016-05-24/living-in-altoostyd-will-soon-be-a-reality>

91 Catchlife Mutshavi, Manager: Land Use and Planning Division. Lephalale Local Municipality.. Interviewed on 5 October 2015

92 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

93 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

Dries de Ridder said the consultants they appointed did not do a good job: “The flood-line determination was wrong. Surveying, engineering designs and the planning was wrong. They changed it about three times.”⁹⁴

Jurisdictional issues are also partly to blame for errors and prolonged delays. Mutshavi said CoGHSTA did not stipulate plans or budgets for water and electricity: “Infrastructure investment money must be made available for bulk services before you can even go for internal reticulation.”⁹⁵

Even though Altoostyd offers solutions to the housing and integration issues afflicting the area, the municipality is limited in its capacity to fast-track the process and emerges merely as a junior partner to CoGHSTA in these initiatives.

There have been difficulties in the relationship between CoGHSTA and Lephalale Municipality in the past. For example, when CoGHSTA built RDP houses in Thabo Mbeki Village, the municipality found them to be of poor quality. Later, it was discovered that the houses were built in a flood zone, which has become an ongoing source of crisis. The only thing the municipality could do was to write letters to inform the department of the poor quality and request a structural audit, with the hope of “blacklisting that contractor or [instructing the] contractor to come back on site to fix them.”⁹⁶

As he pointed to various objects in his office, Executive Manager of Strategic Management, Khoroshi Motebele offered us an analogy of these jurisdictional conflicts. “Let’s say we are running this office,” he said. “We are responsible for that carpet, the table and this chair. But if that door is broken, the door belongs to the provincial government, we can’t touch it. The municipality doesn’t have authority to make decisions on human settlement. If you decide you are going to build a city, you need to [be allowed to] make decisions on all those things.”⁹⁷

The fact the municipality has to apply to CoGHSTA for the budget to purchase land for housing is a major constraint. Tukakgomo lamented the way in which the jurisdiction of CoGHSTA impedes the ability of the municipality to put long-term plans in place: “CoGHSTA said, ‘No, but we bought you land, you don’t need land now’ and we said, ‘No, but we have a long-term vision.’” Tukakgomo believes the municipality should not have to “budget for land from outside” if they are to truly achieve their long-term goals: “Even if I leave, plans should be there so that people don’t have to do damage control all the time [...]”.⁹⁸

CFO Charles Lekaka believes the problem is deeper, tied to history of land ownership in the area: “Exxaro cannot claim that they have purchased the land – it was given to them by the government when they were Iscor. The bigger argument is that we need to start saying: ‘Exxaro, you have got a lot of land here that you are not using – and you did not purchase it. Give it to the government’. The same as Eskom: they are sitting with a lot of land around, why not take that land back?”⁹⁹

Strategic manager, Khoroshi Motebele, argued in a similar vein: “It’s a legacy of apartheid that the land is in the hands of white people [...] so it is linked to the broader national question of ‘Now how do we deal with the land question?’”¹⁰⁰

94 Dries de Ridder. Former Manager: Town Planning Division, Lephalale Local Municipality. Interviewed on 17 September 2015.

95 Catchlife Mutshavi, Manager: Land Use and Planning Division. Lephalale Local Municipality. Interviewed on 5 October 2015

96 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

97 Khoroshi Motebele. Executive Manager: Strategic Management, Lephalale Local Municipality. Interviewed on 16 September 2015.

98 Mpho Lekoalane. Manager: Human Settlements Division, Lephalale Local Municipality. Interviewed on 14 September 2015

99 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

100 Khoroshi Motebele. Executive Manager: Strategic Management, Lephalale Local Municipality. Interviewed on 16 September 2015.

Mine manager, Johan Wepener, on the other hand, insisted that the municipality has failed to develop the land it already has: “Everybody will say Exxaro owns all the land, which is not true. They [the municipality] own Altoostyd, which ranges from next to Matimba power line right up to Onverwacht part [...]. They’re pressing me to release land for housing [...] although they sit with the [Altoostyd] farm. So I’m saying let us first develop what you have because I only own have land for my own strategy [...]. We don’t buy land to hold land, we buy land to use land.”¹⁰¹

Wepener also said that, as a business, the mine cannot simply “give up” the land: “I have got a mining activity going so I need to create a buffer zone between me and my neighbours, otherwise it becomes a hog fight [...]. We didn’t buy land to hold on to land, we bought land to execute our long-term strategy and our vision for this area. That’s all the land we have.”

Land in Lephalale is highly contested; more so if one considers the ongoing struggle over the deeper history of forced removals in the area. The most recent IDP states that approximately 197 831 hectares – 14.1% of the total municipal area – is subject to land claims, and thus: “There is still a skewed distribution of land among the residents of the municipality, especially on racial basis.”¹⁰²

101 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

102 Lephalale Local Municipality. *IDP 2016/2017*. p.43.





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Photograph: Joel Pearson

Chapter III: Infrastructure and Bulk Services

According to Lephale's municipal IDP: "The construction of Medupi power station which started in 2007 has already put tremendous pressure on the municipality for the provision of more potable water, electricity and expansion of waste water treatment systems."¹⁰³ Mpho Lekoloane, Human Settlements Manager, pointed to the lack of infrastructure in the growing town: "We have to increase the water capacity, increase sewer capacity and now they are busy with the substations to increase the capacity of electricity [...]"¹⁰⁴

But much of this expansion is beyond the direct control of the municipality and hugely reliant on continuing negotiations with various stakeholders. Because of the strategic importance of Medupi for the national electricity grid, national and provincial government have stepped in to provide support for major infrastructure upgrades. When these mega-projects are completed, the municipality stands to benefit from potential new sources of revenue. However, the timelines of these projects are continually shifting, delaying the municipality's ability to provide services to the growing population.

Plans are underway to transfer the ownership of key infrastructure to the municipality, but it remains to be seen whether the organisation has sufficient skills for sustaining smooth operation and maintenance.

Electricity

Lephale Local Municipality provides electricity to Onverwacht and Ellisras, which it buys from Eskom's Matimba power station. This buying and selling on of electricity, said Lawrence Tlhako, is the municipality's main source of revenue, although it has ended up being overburdened with demand.¹⁰⁵

The rapid growth of the town means the municipality's supply has reached its maximum capacity (29.5 MVA), with little reserved for new developments. According to the 2012/2013 annual report: "The current load growth based on applications for new connections will be approximately 10 MVA per year over the next five years for the existing and planned reticulated area. The load growth from 2008 to 2013 is about 200%."¹⁰⁶

In May 2015, Eskom began supplementing the supply with a mobile generator to make up for shortfalls in the interim. There are also plans for permanent capacity upgrades set out in the 2016/17 annual report: "Major new developments to the extent of 120 MVA until 2017 (four times the current demand of the entire Lephale) are currently being negotiated with Eskom."¹⁰⁷

103 Lephale Local Municipality. *IDP 2013-2016*. p.41

104 Mpho Lekoalane. Manager: Human Settlements Division, Lephale Local Municipality. Interviewed on 14 September 2015

105 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephale Local Municipality. Interviewed on 1 September 2015.

106 Lephale Local Municipality. *Annual Report, 2012/2013*. p.66; Lephale Local Municipality. *Integrated Development Plan 2016/2017*. p.92-93.

107 Lephale Local Municipality. *IDP 2016/2017*. p.92



Road to Marapong with Matimba Power Station.

Photograph: Joel Pearson

During our fieldwork, the municipality was in the process of acquiring the licence to provide electricity to Marapong, a service currently provided by Eskom. It is hoped that this will supplement their revenue in two ways: firstly, by expanding its consumer base and secondly by providing the municipality with a mechanism for recovering debt related to water consumption. Lekaka, the CFO, explained: “People are consuming water, but if they do not pay I cannot switch off electricity because Eskom [provides it directly]. So my debts keep on rising in Marapong.”¹⁰⁸ According to Malesela Langa, Manager of Income and Revenue, the municipality has an outstanding debt of R150 million. If the municipality had an electricity licence in Marapong, consumers could have accounts and it would be possible to cut off the electricity supply of customers who default on water payments.¹⁰⁹ The municipality aimed to put this enhanced credit control in place by June 2017.

Debt collection is nevertheless a challenge, even in areas where the municipality does provide electricity.¹¹⁰ The municipality struggles to recoup the R13 million it owes Eskom each month because customers are only required to settle a bill within three months. “You get your R13 million after three months,” said Electrical Manager Eddie Jacobs, “but you as municipality you must pay every month. If you pass the due date, then Eskom will cut off the main sub[station], which will cut the whole town, the hospitals, the *fabriek* (factory), everything. Then everybody will fight the municipality [...]. We must take every punch for each and every customer who’s owing it.”¹¹¹

108 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

109 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephalale Local Municipality. Interviewed on 1 September 2015; Lephalale Local Municipality. “Lephalale Back to Basics Report”. Agenda of Exco and Council Meeting held on 29 May 2015, item A49/2015[5].

110 Malesela Langa. Manager: Income and Revenue Division, Lephalale Local Municipality. Interviewed on 14 September 2015.

111 Eddie Jacobs. Manager: Electrical and Mechanical Division, Lephalale Local Municipality. Interviewed on 15 September 2015.

The municipality is also facing substantial electricity losses. The Auditor-General's 2013/2014 report noted: "The electricity loss for the municipality is 20%, compared to the maximum acceptable percentage loss of 10%. The municipality is faced with deteriorating electricity infrastructure and poor management of electrical networks due to amongst other, illegal connections."¹¹²

The municipality has rolled out smart meters in an attempt to curb losses and expedite debt collection.¹¹³ With the construction of the Altoostyd housing development, CoGHSTA and Eskom have agreed to upgrade electricity supply to the area.¹¹⁴ Plans for full electrification of the villages are ongoing; the municipality has engaged in talks with Eskom and the (then) Department of Minerals and Energy (DME) to extend the existing network and assume control over revenue.¹¹⁵

Although the municipality has managed to coordinate mechanisms to deal with the shortfall of electricity, concomitant with the growth of the town, managing the expanded requirements for water and sanitation services has proved to be far more difficult.

Water

The Waterberg is an acutely water-scarce region. This scarcity affects both industrial growth and the community. Although Lephale Local Municipality is a classified Water Service Authority and Water Service Provider¹¹⁶ Exxaro and Eskom are the main providers of water in the municipality.

All the water for the urban areas originates from Mokolo dam. The dam was constructed in the late 1970s (as Hans Strijdom Dam) by Iscor's Grootegeluk mine, which also constructed the main supply lines, pump station, balancing dam and the Zeeland water-treatment works. The DWA sells raw water from the Mokolo dam to Exxaro.¹¹⁷ This water is purified at the Zeeland plant, and is then resold to Eskom and the municipality. This arrangement has been in place since the inception of the municipality.

In 1986, when the municipality was established, it agreed to buy purified water from Iscor for resale to Ellisras and Onverwacht. When Marapong was built, however, Eskom's Matimba power station began providing the township with water.

Strategic Manager, Khoroshi Motebele said the municipality inherited [the arrangement] from the apartheid days and that [Ischor/Exxaro] were simply left to operate that way because they were given a licence to do so.¹¹⁸ The agreement with Iscor was renewed in 1990 and is still in force today: "We are purchasing water from [Exxaro] because they are the owners of water treatment plants, so they supply our community [...] with potable water."¹¹⁹

112 Lephale Local Municipality. "Action Plan on the Findings of the Auditor-General for the Financial Year Ending 30 June 2014". Agenda for Exco meeting held on 29 May 2015, Item A64/2015[5].

113 Lephale Local Municipality. "Action Plan on the Findings of the Auditor-General for the Financial Year Ending 30 June 2014". Agenda for Exco meeting held on 29 May 2015, Item A64/2015[5].

114 Lephale Local Municipality. "Progress Report for Lephale Bulk Electricity Project". Agenda for Exco meeting held on 29 May 2015, Item A58/2015[5].

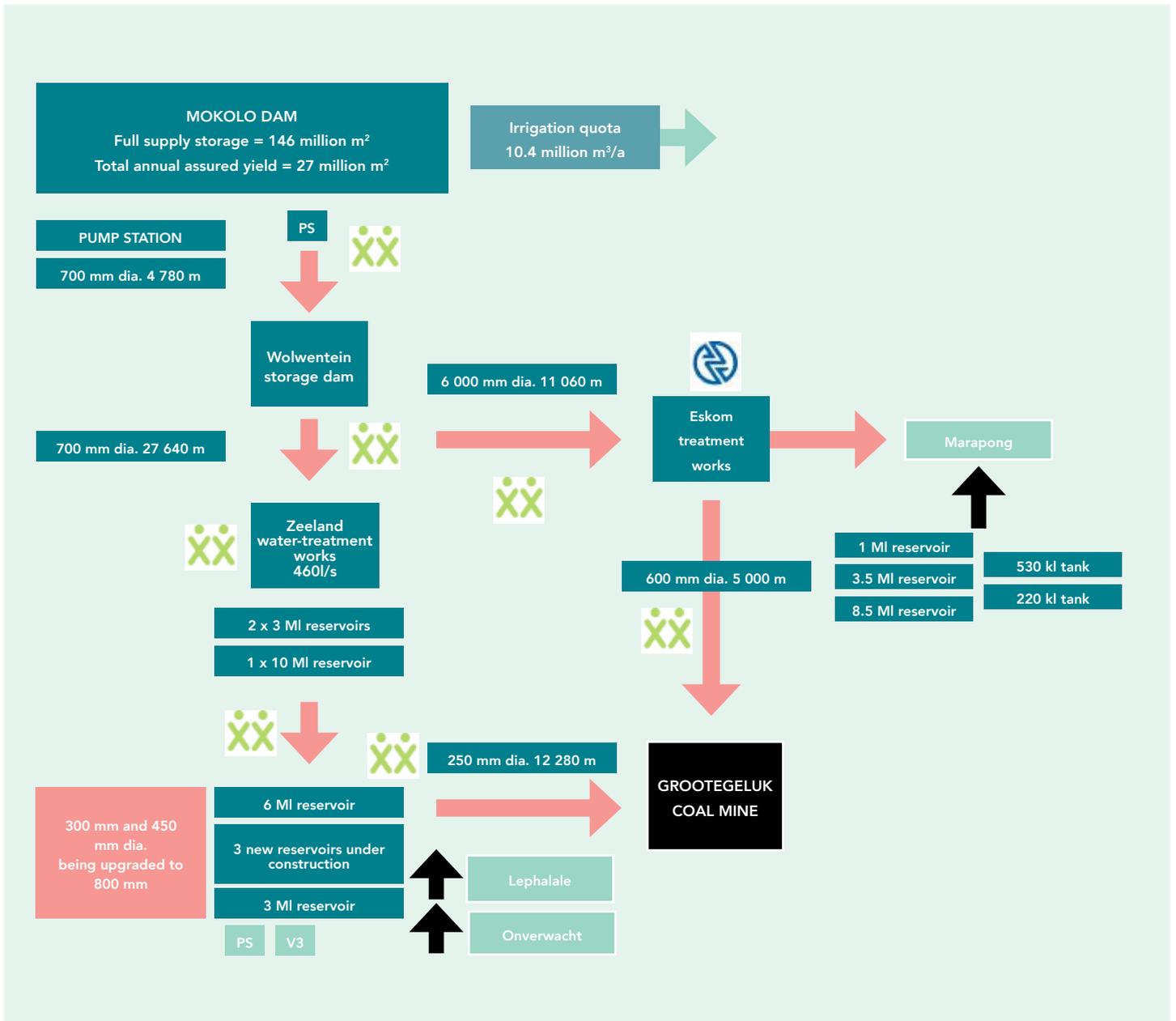
115 Eddie Jacobs. Manager: Electrical and Mechanical Division, Lephale Local Municipality. Interviewed on 15 September 2015.

116 Lephale Local Municipality. *Annual Report, 2012/2013*. p.57.

117 Ibid. p.57.

118 Khoroshi Motebele. Executive Manager: Strategic Management, Lephale Local Municipality. Interviewed on 16 September 2015.

119 April Shiko. Manager: Water Services Division, Lephale Local Municipality. Interviewed on 28 August 2015.



Schematic representation of existing bulk water components

Source: Lephalale Municipality

The growth that coincided with Medupi's construction brought mounting pressure on the municipality to expand revenue sources by gaining control of water provision – to optimise bulk arrangements and develop retail services to communities – in line with its status as a Water Service Authority (WSA).¹²⁰

The municipality currently gains little revenue from the Exxaro water it resells. Although Exxaro claims it does not profit from the water it provides to the municipality,¹²¹ it has nevertheless doubled the price of water in recent years, owing to the infrastructural upgrades it has undertaken.¹²²

According to Malesela Langa, Manager of Income and Revenue, the municipality is losing out on potential monthly revenue of 28 to 30 million rand that could be generated by selling water to the mines and power stations in the area.¹²³

April Shiko, Divisional Head of Water Services said the municipality wants to earn its WSA status: "Our aim is to be exercising our main activity: taking ownership. It means that such big users like Exxaro and Matimba, they will end up [buying water from] the municipality, generating revenue."¹²⁴ Charles Lekaka feels that if the municipality supplied the industrial areas it would be more sustainable.¹²⁵

A report drafted by the municipality in 2014 noted, however, that the "limited access to capital funding to proceed with procurement processes" and "lack of institutional capacity, skills and processes to maintain and operate bulk systems" are crucial obstacles to delivering on its WSA status.¹²⁶

Both obstacles are evident in a current major project – the transfer of the Zeeland Water Treatment Works from Exxaro to the municipality – which has the potential to provide a major boost to municipal revenue.

In 2012, the Zeeland plant was upgraded to cater for the expanding demands of the growing town. After the upgrade was completed and commissioned, negotiations for a transfer agreement were finalised between the municipality and Exxaro. In 2010, it was agreed that the municipality would make "payment of an agreed fair value for the existing Zeeland WTW to Exxaro" over a "fixed term of 15 years".¹²⁷

Although some funds have been provided by National Treasury, Provincial Treasury and the DWA, according to Lekaka, most of the cost will be borne by the municipality, which is paying installments to Exxaro as part of a negotiated loan agreement: "The loan is about 93 million that we have done for the water purification plant and with interest and redemption. We are paying about 4 million for redemption and about 14 million with interest."¹²⁸

120 Lephallale Local Municipality. 2014. "Report for Section 78(3): Water and Sanitation Service Delivery Options – Funding for Transactional Adviser". Agenda for Exco and Council Meeting held on 28 October 2014, Item A160/2014[10].

121 Exxaro. "Mining Lekgotla Presentation". August 2014. Available at: <http://www.exxaro.com/wp-content/uploads/2014/08/Mr-Mongezi-Veti-Mining-Lekgotla-2014-Presentation-Final.pdf>

122 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephallale Local Municipality. Interviewed on 18 September 2015.

123 Malesela Langa. Manager: Income and Revenue Division, Lephallale Local Municipality. Interviewed on 14 September 2015.

124 April Shiko. Manager: Water Services Division, Lephallale Local Municipality. Interviewed on 28 August 2015.

125 Charles Lekaka. Chief Financial Officer, Lephallale Local Municipality. Interviewed on 31 August 2015.

126 Lephallale Local Municipality. 2014. "Report for Section 78(3): Water and Sanitation Service Delivery Options – Funding for Transactional Adviser". Agenda for Exco and Council Meeting held on 28 October 2014, Item A160/2014[10].

127 Lephallale Local Municipality. 2010. "Bulk potable water agreement with Exxaro". 2010.

128 Charles Lekaka. Chief Financial Officer, Lephallale Local Municipality. Interviewed on 31 August 2015.



Zeeland water-treatment works with Medupi in the distance.

Photograph: Joel Pearson

A lack of requisite skills within the municipality is an additional hurdle to the handover of the plant. As it is, the municipality has struggled to maintain the infrastructure that already exists in the town, much of which is in a dilapidated state. In the absence of the necessary capacity, which was repeatedly referred to by the Manager of Water Services, April Shiko, Exxaro retains charge of operation and maintenance of Zeeland.^{129,130} Charles Lekaka warned that the municipality needs to start getting its own internal people to start operating Zeeland: “Come fifteen years, if we finish paying the plant, are we going to still be giving it to somebody [else] to operate it, at a premium? To me it is not correct.”¹³¹

In the next chapter, we will return to the challenge of the shortage of skills in the municipality.

Rapid industrial expansion has prompted the national government to initiate a scheme to increase water supply in the region by augmenting the Mokolo Dam with water from the Crocodile West River catchment. The Mokolo–Crocodile Water Augmentation Project (MCWAP), initiated by the DWA, involves two phases. In the first phase, which is complete, a R2.1 billion water pipeline from Mokolo Dam was constructed to supply water to Medupi and Matimba power stations. The second phase, which has been delayed, will see development of an abstraction facility on the Crocodile River to boost water supplies and a new bulk pipeline to areas in the municipality for domestic use and for future mines and power stations.¹³²

129 Lephalele Local Municipality. 2010. “Bulk potable water agreement with Exxaro: Annexure C”. 2010.

130 April Shiko. Manager: Water Services Division, Lephalele Local Municipality. Interviewed on 28 August 2015.

131 Charles Lekaka. Chief Financial Officer, Lephalele Local Municipality. Interviewed on 31 August 2015.

132 City Press. 2015. “Crucial Medupi Water Supply Delayed”. 29 April. Available at: <http://www.news24.com/Archives/City-Press/Crucial-Medupi-water-supply-delayed-20150429>

Former town-planning manager, Dries de Ridder does not believe the Crocodile West scheme will be in place by 2018 and said water provision would become critical. “The town is going to expand, the power station is going to come online and the next thing will be the water problem.”¹³³

According to Shiko, the municipality is preparing for the arrival of MCWAP-2 by undertaking water-reticulation projects, building up storage facilities, laying pipelines in the rural villages and maintaining the pumps on a daily basis.¹³⁴ But until the proposed bulk supply from MCWAP-2 materialises, the municipality has undertaken short-term measures to ease the shortage of water – especially critical in the context of a prolonged drought.

The villages are acutely affected by the lack of water. Even with a system whereby water is pumped from wells and boreholes to storage reservoirs owned and operated by the municipality, many village residents are still forced to carry water from taps. According to the 2012/2013 Annual Report: “35.6% of the rural population does not have water that falls within the RDP standard of maximum cartage distance of 200 metres from point of use.”¹³⁵ These sources of water are not purified but rather chlorinated with line feeders.

Yet again, in this vital and basic municipal mandate of providing water to its residents, the municipality must operate in crisis mode while it waits for long-term, sustainable solutions from the provincial and national governments.

Sanitation

The 2012/2013 annual report noted that with the increasing population, new rural extensions were developing without access to reliable water services and sanitation facilities.¹³⁶ Sanitation in rural areas typically consists of informal pit latrines or ventilated improved pit (VIP) toilets. The area does not have sufficient water resources to accommodate a waterborne sanitation system. Wastewater management poses challenges across the municipality, with existing sewerage systems coming under severe pressure. According to the 2016 IDP: “The majority (94%) of the waterborne sanitation infrastructure in the municipality is over 20 years old. Approximately 15% of the sanitation network has been identified as being in a poor to very poor condition.”¹³⁷ Since the rapid expansion of the town, burst pipes and overflowing sewerage have become regular occurrences. The IDP notes: “These assets will have experienced significant deterioration and may be experiencing impairment in functionality and will require renewal or upgrading.”¹³⁸

In 2010 and 2011, the municipality attempted to improve Marapong’s wastewater infrastructure by using funds from the Municipal Infrastructure Grant (MIG) to construct a reservoir and upgrade the oxidation ponds. However, the minutes of a municipal executive committee meeting in June 2015 state: “To date, both projects are dysfunctional. Poor oversight of the contractors resulted in failure to conclude the both projects and efforts to get the contractors to come and conclude the projects were unsuccessful. These were MIG-funded projects with a total value of about R21 million. The projects were intended to deliver services to the needy Marapong residents and as a result the Marapong community is still suffering due to these projects’ failure.”¹³⁹

133 Dries de Ridder. Former Manager: Town Planning Division, Lephallale Local Municipality. Interviewed on 17 September 2015.

134 April Shiko. Manager: Water Services Division, Lephallale Local Municipality. Interviewed on 28 August 2015.

135 Lephallale Local Municipality. *Annual Report, 2012/2013*. p.59; Lephallale Local Municipality. *IDP 2016/2017*. p.82.

136 Lephallale Local Municipality. *Annual Report 2012/2013*. p.51.

137 Lephallale Local Municipality. *IDP 2016/2017*. p.90.

138 Lephallale Local Municipality. *IDP 2016/2017*. p.90.

139 Lephallale Local Municipality. “Unblocking blocked projects: Marapong Reservoir and Wastewater Treatment Works”. Agenda for a municipal executive committee meeting on 30 June 2015, item A96/2015[6].

Skills deficiencies have led to a recurring problem in contract management; quality control is often not strictly enforced and is evident throughout Lephhalale Municipality. A shortage of skilled personnel also undermines the maintenance of existing infrastructure; a risk management assessment undertaken by the municipality found that there was a “lack of regular servicing of pumps and sewer systems”.¹⁴⁰

This vital maintenance has been disrupted in particular by prolonged instability in the infrastructure department. From 2007 until late 2012, Infrastructure Services had no permanent executive manager, after the previous manager took a severance package. The position was then rotated between divisional heads. During this time, development of the Lephhalale Mall began and the municipality approved expansion of the existing sanitation infrastructure to service the new complex. During construction, however, it came to light that the scope of the approved plans was inadequate and specifications had to be changed mid-construction. “Usually a change of scope requires another sitting of the [bid] adjudication panel,” explained Executive Manager of Infrastructure Services, Lawrence Thlako, “but this was apparently not done.”¹⁴¹ Instead, the then municipal manager simply approved the amendment of the plans. In our interview with Thlako, he recalled: “When the auditors came to check, they found no approval. But those involved thought it was not necessary and that no variation was necessary to be declared. It was technicalities. Nobody wanted to take accountability: the municipal manager, manager sanitation, the acting manager of infrastructure, and the managers of supply chain management and water.”¹⁴²

Thlako said the findings of the Auditor-General prompted the municipal manager to initiate a forensic investigation, which revealed that there was money paid “without proper procedures for variation”.¹⁴³ As a result, the municipal manager was placed on special leave and eventually left the municipality.

During our fieldwork, disciplinary hearings were still continuing for the four divisional managers from Infrastructure Services, who were suspended in 2013. Thlako said juniors had acted in their positions until their return in July 2015: “That on its own puts a great deal of strain on how we operate.”¹⁴⁴

With the manager of the Sanitation Division on suspension, the maintenance of sewerage pumps and pipes had been adversely affected. The municipality has had to find ways to manage overflow of treated sewerage onto agricultural land. Municipal council minutes from July 2015 note the extent of the problem: “Effluent is currently being discharged into the privately-owned properties/farms. This poses a serious health hazard as the water is damming at the low points which results into swamps. The effect of the water damming for a long time also creates a threat to nearby households, though the effluent is treated sewerage water.”¹⁴⁵

As a result of the spills the municipality is dealing with massive lawsuits. According to Gerben Makgamatha, who was Human Resources Manager at the time: “We’ve been in and out of court several times with some developers when [treated sewerage] spills out to their developments.”¹⁴⁶ Nakkie Maartens admitted that the municipality had been slow to resolve the problem: “I think you’ve heard about sewerage spillage and everything and it’s because the things are not proper around here but it is the

140 Lephhalale Local Municipality. *Annual Report 2012/2013*. p.51.

141 Lawrence Thlako. Executive Manager: Infrastructure Services, Lephhalale Local Municipality. Interviewed on 1 September 2015.

142 Lawrence Thlako. Executive Manager: Infrastructure Services, Lephhalale Local Municipality. Interviewed on 1 September 2015.

143 Lawrence Thlako. Executive Manager: Infrastructure Services, Lephhalale Local Municipality. Interviewed on 1 September 2015.

144 Lawrence Thlako. Executive Manager: Infrastructure Services, Lephhalale Local Municipality. Interviewed on 1 September 2015.

145 Lephhalale Local Municipality. “Request to utilise final effluent from Paarl wastewater treatment works by Temo Coal Mining (Pty) Ltd.”. Agenda for a special municipal executive committee meeting on 21 July 2015, item A100/2015[7].

146 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephhalale Local Municipality. Interviewed on 3 September 2015.

municipality's fault – we are guilty.”¹⁴⁷ The municipality has had to embark on urgent damage-control, using “honeysuckers” – trucks equipped with vacuum hoses – to remove the effluent.

Maartens said that in efforts to create a more sustainable solution, the municipality negotiated with Eskom to have the system upgraded: “We swapped seven hectares of land with Eskom [in exchange] for them doing the upgrade of the sewerage works, which cost millions of rands so we entered into an agreement with them [...]”¹⁴⁸

Exxaro also aided in the upgrade of the Paarl Waste Water Treatment plant. Grootegeluk mine manager Johan Wepener said of the deal: “The municipality did not allow us to own an agreement for the operation and maintenance, therefore we are paying the price [...] and we are picking up big problems and big complaints are coming in. I’m planning to renegotiate that with the municipality to say that at least let me sponsor a knowledgeable person that can transfer training and know-how so that at least the town does not get mentioned around in terms of sewage water treatment.”¹⁴⁹

The municipality has also engaged with Resource Generation (Resgen) and its operating company Ledjadja Coal, who intend to develop the new Boikarabelo mine about 60 kilometres west of Lephalale. Makgamatha explained their intention to allow mining companies to manage waste water: “The plan we have now is to turn that water over to other mining companies who must come in – not a total takeover – but take over our purification plants, put right human resources and pay them... they then get our purified water”.¹⁵⁰ As recorded in the municipal IDP for 2016/2017, Ledjadja Coal has agreed as part of its Social Labour Plan (SLP) to a “phased-in expansion of the oxidation pond to a 16ML/d waste water plant for Marapong area on a 30-year build, maintain and transfer contract”. The IDP further notes that an agreement has been reached and a consulting engineering firm has been appointed to do a feasibility study.¹⁵¹

Here again, to find a solution to a critical problem, the municipality has had to depend on interests tied to Lephalale's extractive potentials to provide the resources to manage basic services in the rapidly expanding town.

While Exxaro and Eskom were once the main actors in assisting the municipality, as the town expands and plays host to various new enterprises the municipality has found new avenues for spreading the responsibility for basic service-delivery. As Tukakgomo said, “The fortunate part is that we've got investors that are coming, for example, Boikarabelo mine. It's already on the ground in terms of establishing itself.”¹⁵²

New opportunities, however, are unlikely to break the municipality's overwhelming dependence on private entities to fulfill its basic mandate. In the concluding chapter, we highlight the struggle of a municipality that seeks greater self-sufficiency in the midst of considerable economic uncertainty. Although it remains invested in the idea of building a city, the municipality is faced with both internal and external factors that may frustrate this vision.

147 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

148 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

149 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

150 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephalale Local Municipality. Interviewed on 3 September 2015.

151 Lephalale Local Municipality. *IDP 2016/2017*. p.88.

152 Edith Tukakgomo. Municipal Manager, Lephalale Local Municipality. Interviewed on 13 October 2015.



Chapter IV: The Struggle for Self-Sufficiency

Internal human-resource constraints, particularly in combination with local land and infrastructure ownership arrangements, have been a major factor in limiting the ability of the Lephalale Municipality to guide development of a post-apartheid city.

As we have seen, a shortage of staff in the town-planning division meant the municipality was unable to cope with the flurry of building applications in the wake of the Medupi boom. Lack of personnel has also delayed the transfer of the Zeeland water treatment works, which in turn has postponed increases in municipal revenue, and instability in the Infrastructure Department has enabled many of the sanitation problems that have arisen in recent years.

The manager of the Human Resources Division, Gerben Makgamatha, said small municipalities rarely attract the caliber of skills that provincial and national departments do and salaries have remained uncompetitive: “Let me take you to infrastructure. There was a point where when we recruit; with salaries that we had we couldn’t recruit externally.”¹⁵³

Town-planning is another area in which the municipality cannot afford the going rate. A benchmarking exercise in March 2015 boosted remuneration in an attempt to attract qualified people, but SAMWU representatives noted continued dissatisfaction with the relative levels of pay across different municipalities.¹⁵⁴ The manager of the Waste Management Division, Joshua Hlapa, said resource constraints prevented him from recruiting two environmental officers, without whom, he believes, adequate monitoring of carbon emissions, air and water quality cannot be achieved.¹⁵⁵

While the municipality offers training programmes to upskill existing municipal employees, several managers noted the difficulty in retaining personnel. After gaining work experience, many either move on to other sectors of government, or to the private sector. “We’ve become a training ground,” said Makgamatha.¹⁵⁶

Executive Manager, Khoroshi Motebele pointed to other demotivating factors in the daily life of a municipality. He said many municipal workers find local government over-regulated, while the political atmosphere can be stifling: “Bright people do not want to stay in such environments, they want challenges.”¹⁵⁷ Motebele believes the extent to which the municipality has the capacity to steer the creation of an integrated, more equitable city is hugely constrained by the dearth of appropriate skills:

I mean I’ve been to and coordinated our strategies sessions. You can’t with a law degree go and sit and strategise on how to build a new city. You need more than that. You need people who’ve been there and done that and who know what’s wrong with our current cities and what it is that we need to do differently. If you build a city here, you are going to build a city that is surrounded by villages. There is a number of issues because if you build a city you must take a hundred-year view at the very minimum. I don’t think at the moment the municipality is capacitated to drive that process.

153 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephalale Local Municipality. Interviewed on 3 September 2015

154 SAMWU Representatives. Interviewed on 15 September 2015.

155 Joshua Hlapa. Manager: Waste Management Services Division, Lephalale Local Municipality. Interviewed on 14 September 2015.

156 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephalale Local Municipality. Interviewed on 3 September 2015.

157 Khoroshi Motebele. Executive Manager: Strategic Management, Lephalale Local Municipality. Interviewed on 16 September 2015.

Legal Services Manager, Joseph Moaloshi, who has seen multiple projects delayed or unfinished, noted that often a lack of sufficient skills impedes rigorous monitoring and oversight of consultants and contractors: “When you manage the project it should be very hands-on to that particular project, to make sure that the contractor does the work according to the specifications. And if they need to do some variations to the project whatsoever it must be done procedurally. So what we’re experiencing now it’s some kind of lack of project management skills with our officials”¹⁵⁸

Nthabiseng Ndlovu, Project Management Unit Manager, said unscrupulous contractors sometimes cut corners during construction: “Some of the things – it’s not easy to spot them right there and there [...] in most cases the monitoring is left to the consultants – but it’s our duty to monitor the consultants [...] from what I’m understanding there is a gap.”¹⁵⁹

Council is meant to provide an additional level of oversight, but CFO, Charles Lekaka feels councillors are often not equipped for this role: “Councillors are decision-makers. There must be some skills that they need to possess, [otherwise] you can prepare agenda but if people do not read it [...]. You need specific skills because there is a lot of documents that you get and you need to go and read them and you to have patience to go through them.”¹⁶⁰

Aside from an absence of skills, a high turnover of staff at the managerial level of the administration also constrains capacity. The position of municipal manager was vacant from 2013 to 2015. Bob Naidoo, who acted as municipal manager from 2011, was placed on special leave in 2013 as a result of the forensic investigation of the Lephale Mall sanitation procurement contracts. In the interim, three different acting municipal managers were appointed from among the executive managers. They had dual responsibilities: maintaining their own departments, and managing the municipality-at-large.

One consequence was disruption of budgeting processes. Maggie Ntoampe, manager of the Budget and Reporting Division, noted that each acting manager wants to do things differently – acting municipal managers rotate on a three-month term – which has an adverse effect on the spending of the budget.¹⁶¹ In one example, because an incoming acting municipal manager was reluctant to approve the MIG expenditure plans of the previous municipal manager, Lawrence Tlhako noted, the National Treasury took back R7 million, which it put down to “underspending”¹⁶²

The absence of a permanent municipal manager brought instability to many levels of the administration. “Not having a permanent municipal manager gives such a headache because we only have a municipal manager for three months,” said Skills Development Officer, Thomas Seodisa, “You find that some projects fail because of those unstable leaderships.”¹⁶³

New municipal managers often want to completely rethink the municipal organogram, which further obstructs completion of projects.¹⁶⁴

Divisional managers say the significant instability at executive management level brings uncertainty to their work. The contractual nature of the appointment of Section 56 managers¹⁶⁵ exacerbates capacity

158 Joseph Moaloshi. Manager: Legal Services Division, Lephale Local Municipality. Interviewed on 28 August 2015.

159 Nthabiseng Ndlovu. Manager: Performance Management Unit, Lephale Local Municipality. Interviewed on 21 September 2015.

160 Charles Lekaka. Chief Financial Officer, Lephale Local Municipality. Interviewed on 31 August 2015.

161 Maggie Ntoampe. Manager: Budget and Reporting Division, Lephale Local Municipality. Interviewed on 15 September 2015. p.10.

162 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephale Local Municipality. Interviewed on 1 September 2015; Maggie Ntoampe. Manager: Budget and Reporting Division, Lephale Local Municipality. Interviewed on 15 September 2015. p.10; Nthabiseng Ndlovu. Manager: Performance Management Unit, Lephale Local Municipality. Interviewed on 21 September 2015.

163 Thomas Seodisa. Skills Development Officer, Lephale Local Municipality. Interviewed on 7 September 2015.

164 Gerben Makgamatha. Manager: Human Resources Management Division; Acting Executive Manager: Corporate Support Services, Lephale Local Municipality. Interviewed on 3 September 2015.

165 Managers appointed to comply with Section 56 of the Systems Act.

deficits in the municipality. Most senior managers interviewed complained about the difficulty of sustaining these positions. Tlhako noted that managers on a five-year contract often started looking for alternative employment in their third year, anticipating that their contract would not be renewed.¹⁶⁶

This insecurity stems in part from political interference in the appointment of executive managers. There is widespread acknowledgment that Section 56 posts are filled by deployees of the ANC, who are entangled in broader factional politics. As a result, increasing turmoil in the ANC leadership at multiple levels of party and state is often felt amongst this echelon of municipal management. Those in opposition to incoming mayors are likely to be replaced. “I’ve never seen someone who completed a five-year term since I came to this municipality,” said Public Works Manager, Rudzani Ngobeli. “In three years they get fired. Every mayor wants his own executive managers.”¹⁶⁷

As factional battles within the ANC have become more entrenched, the separation between political and administrative interfaces has become more ambiguous. Lephalale has not been immune to the upheavals of provincial factional politics. The decline and eventual collapse of the provincial administration of Cassel Mathale from 2011 to 2013, for example, brought new divisions in the municipal council and greater political intrusions into the administration. Moaloshi said: “When I got here [...] there was a political instability because there was some kind of a clash between the former mayor and the current mayor so there was some kind of a division, some divisions in council and all that, so it was very difficult [...] where you know your political wing is not stable – if there is a split amongst them – that will obviously affect your administration of the institution. So there will be times where there would be clashes up there with politicians and if that happens it always comes down to affect us as administrators.”¹⁶⁸

Political interference affects recruitment of lower-level positions as well, which also compromises aspects of service delivery. The political wing has increasing sway over the recruitment of technicians. Eddie Jacobs said he was instructed to “take somebody” even if that person did not perform. “I must just take him even if he doesn’t have the relevant qualifications.”¹⁶⁹ It has also affected the level of performance of municipal officials, said Lekaka: “As long as we appointed that way not in terms of competency – yes, you say it’s political appointment – people come in and start relaxing immediately.”¹⁷⁰

In an attempt to manage skills shortages and human resource instability, the municipality created a forum to coordinate new and ongoing projects in the face of rapid expansion of the town and institutional capacity constraints in the local government. Initially created in the mid-1990s as a platform to partner with Iscor and Eskom on development projects, the Lephalale Development Forum (LDF) was re-energised by the growth associated with Medupi.

“We saw that there is capacity constraint within the municipality,” said Johan Wepener, general manager of the Grootegeluk mine, “and we brought to life what we call LDF, which was jointly funded between Eskom and ourselves to manage [...] that was a facilitation body between the needs of business and the needs of the municipality and the needs of the community [...] to prioritise these needs and to stage the implementation in a sustainable manner. The funding is done solely by Exxaro.”¹⁷¹

166 Lawrence Tlhako. Executive Manager: Infrastructure Services, Lephalale Local Municipality. Interviewed on 1 September 2015.

167 Rudzani Ngobeli. Manager: Public Works Division, Lephalale Local Municipality. Interviewed on 31 August 2015.

168 Joseph Moaloshi. Manager: Legal Services Division, Lephalale Local Municipality. Interviewed on 28 August 2015.

169 Eddie Jacobs. Manager: Electrical and Mechanical Division, Lephalale Local Municipality. Interviewed on 15 September 2015.

170 Charles Lekaka. Chief Financial Officer, Lephalale Local Municipality. Interviewed on 31 August 2015.

171 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

The Lephalale Development Forum

The Lephalale Development Forum (LDF) constitutes a parallel structure of the municipal administration and is not included in the organogram of the municipality. With the endorsement of the provincial government, the LDF has positioned itself as an independent body ostensibly insulated from the fluctuations of politics and the red tape of bureaucracy.

The mayor and councillors are excluded from its working groups. Its main task is to leverage the resources and skills available to the big companies in the area to assist the municipality in applying for funding, completing projects, aligning the social labour plans (SLPs) of existing and incoming mines with the municipality's IDP, and building capacity in the local administration in the long term.

Senior managers sit on the various committees of working groups and the municipal manager chairs the forum. There are five working groups: local economic development, infrastructure, social services, labour and skills, and environmental sustainability. Each working group includes local business representatives and officials from relevant departments. The projects the LDF coordinates and implements range from major infrastructural developments – the upgrading of the Nelson Mandela Road to the developing heavy industrial area, for instance – to socioeconomic interventions, such as a rape and trauma centre and a new radio station, among others.¹⁷²

Exxaro is principal funder of the LDF. An independent coordinator employed by the company fulfills a secretariat function: coordinating reports, scheduling meetings of the various working groups and liaising with a range of stakeholders. Although the coordinator is paid by Exxaro, the municipality has given him office space to execute his tasks. Having an independent coordinator alleviates bureaucratic blockages and speeds up implementation of projects outside the rigid legislative framework of local government.

Wepener explained that because the LDF is non-governmental and solely funded by business, it is not obliged to adhere to all the municipal rules or by-laws and go through all the approval processes. “We jointly agree on priorities, obtain the funding, help the municipal lodging for funding at provincial at national level and then we oversee the construction and the project phase of implementation.”¹⁷³

We have already discussed how the LDF intervened to address the shortage of town-planners during the peak of Medupi's construction. A quarterly report issued by the LDF at the end of 2014 highlights its broader contribution: “The LDF has been instrumental in the identification and facilitation of projects to the value of more than R500 million over the past six years. The results of these projects had a major positive impact on the area in general, and ensured that a number of critical support services could successfully be delivered by the [municipality] to the ever-expanding community.”¹⁷⁴

A number of executive managers have praised the role that the LDF, particularly the secretariat, has played in assisting the municipality. “They are making really huge contribution,” said Khoroshi Motebele.¹⁷⁵ Nakkie Maartens affirmed this. “[The coordinator] is doing a massive job and he's assisting a lot with the projects for the benefit of the community.”¹⁷⁶ “I will say LDF is the driver of solving problems,” said Rudzani Ngobeli, manager of the Public Works Division.¹⁷⁷

172 Lephalale Local Municipality. “Quarterly Feedback Report to Council from the Lephalale Development Forum (LDF) for the Quarter from October 2014 to December 2014”. Agenda for municipal executive committee meeting held on 29 May 2015, item A57/2015[5].

173 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

174 Lephalale Local Municipality. “Quarterly Feedback Report to Council from the Lephalale Development Forum (LDF) for the Quarter from October 2014 to December 2014”. Agenda for municipal executive committee meeting held on 29 May 2015, item A57/2015[5].

175 Khoroshi Motebele. Executive Manager: Strategic Management, Lephalale Local Municipality. Interviewed on 16 September 2015.

176 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

177 Rudzani Ngobeli. Manager: Public Works Division, Lephalale Local Municipality. Interviewed on 31 August 2015.

The LDF is not without its critics, however. The exclusion of councillors and mayors from LDF processes has caused contestation. According to Nakkie Maartens, some politicians resent the perceived insularity of the structure: “[The LDF] came in from the start to avoid the political thing, which can easily be created. No councillors are supposed to be part of the LDF and I think that is a big problem also for some of our councillors and also our mayor.”¹⁷⁸ Their resentment stems from the lack of influence they have over some LDF projects.

There are also concerns among some of the administration’s senior management, including the municipal manager. The LDF’s independence has created tensions, especially in terms of reporting lines, that stems in part from a structural issue: because the LDF is not a permanent structure of the municipality it is immune from institutional accountability.

This immunity is most obvious in the relationship the LDF has with the Local Economic Development (LED) division of the municipality. The LED division falls under the Strategic Management Department and is mandated to attract potential investors into the area and coordinate development of projects that are undertaken in partnership with the private sector. While the LDF and LED functions overlap in many respects, LED Manager, Charity Radipabe, has identified a crucial gap: “[The LDF coordinator] has information. Now, as an LED manager you don’t have [sufficient] information to write a report to council [...]. That line of reporting to me is still missing. So, I think the municipal manager and management and council need to work on that and see how they close that gap because that’s my worry.”¹⁷⁹

Municipal Manager, Edith Tukakgomo, said Radipabe was struggling to penetrate the LDF. “When I came here nobody [from senior management] was participating in the LDF. [The coordinator] was not reporting back to the municipality.”¹⁸⁰ She said the LDF’s independence – she called the LDF a “privatised” forum that isolates the municipality from key decisions – has become a major obstacle for the municipality: “LDF was formed with good intentions but unfortunately, people who were leading the LDF manipulated the LDF systems and privatised LDF and the unfortunate part is that the officials of the municipality who were supposed to be carrying the LDF also allowed that to happen. LDF was then seen as a private initiative run by Exxaro which was not supposed to be the case.”¹⁸¹ From Tukakgomo’s point of view, the quarterly reports the coordinator has submitted to council to outline projects initiated through the LDF do not constitute adequate engagement with the municipality. As such, reporting on the activities of the LDF has remained opaque, exacerbated by the prolonged absence of a permanent municipal manager during a crucial period of development, which further impaired the flow of information and increased the insularity of the LDF.

Tukakgomo believes that to achieve its vision to build a city the municipality must wrest control of the processes of the LDF from Exxaro. She has begun reining in the powers of the coordinator by instructing him to attend weekly reporting meetings. She has informed all governmental structures that nothing is ever to be decided on behalf of the municipality: “If any private sector needs to come and do something in the government, they will never do it without the municipality, no decision.”¹⁸² In the medium term, Tukakgomo intends to establish a transitional structure to “localise” LDF functions which she believes is necessary because the coordinator, who was sourced by Exxaro, answers principally to his firm and does not come from the region.¹⁸³

Tukakgomo’s plans are centered around tensions over the need for the municipality to have greater

178 Nakkie Maartens, Manager: Administration and Secretarial Division, Lephalale Local Municipality. Interviewed on 18 September 2015.

179 Charity Radipabe. Manager: Local Economic Development (LED) Division, Lephalale Local Municipality. Interviewed on 22 September 2015.

180 Edith Tukakgomo, Municipal Manager. Interviewed on 15 October 2015

181 Edith Tukakgomo, Municipal Manager. Interviewed on 15 October 2015

182 Edith Tukakgomo, Municipal Manager. Interviewed on 15 October 2015

183 Edith Tukakgomo, Municipal Manager. Interviewed on 15 October 2015

autonomy to sustain itself beyond the historical relationships of dependency. “We need not be reliant on externals,” Charity Radipabe explained. “That is my main worry, we need to make sure that we have potential inside, we capacitate [...]. We need to be more self-sufficient.”¹⁸⁴

Transforming the LDF is, however, an ongoing discussion. In 2014, council put forward the possibility of converting the forum into the Lephalale Development Agency (LDA) to ensure “localisation of structure, transitioning of secretariat and sustainability of LDF function”.¹⁸⁵ This prompted a backlash from Exxaro. Grootegeluk mine manager, Johan Wepener said the proposal was regarded as an attack on the LDF: “It is seen as – I don’t know – some kind of agent of some self-interest or something and it is totally not true. [...] I don’t know whether they saw that as some kind of way of making money out of structures but we just take that and we said, ‘Unfortunately if that’s the way to go, I withdraw, because I need independence.’”¹⁸⁶

Despite Tukakgomo’s bold attempts to control the power of the LDF are evident in statements she made in our interview with her – “Exxaro will never take over the municipality. That I can assure you. As long as I’m still the municipal manager here”¹⁸⁷ – much of the bargaining power remains with the mine and other major businesses, especially given the enormous financial and human capital at their disposal and the relative weakness of the municipality in both respects.

184 Charity Radipabe. Manager: Local Economic Development (LED) Division, Lephalale Local Municipality. Interviewed on 22 September 2015.

185 Lephalale Local Municipality. “Quarterly Feedback Report to Council from the Lephalale Development Forum (LDF) for the Quarter from October 2014 to December 2014”. Agenda for the executive municipal managerial committee meeting held on 29 May 2015, item A57/2015[5].

186 Johan Wepener. General Manager: Exxaro Grootegeluk Mine, Lephalale. Interviewed on 6 October 2015.

187 Edith Tukakgomo, Municipal Manager. Interviewed on 15 October 2015

Conclusion: Unravelling the Past in the Present

Recently, thanks to the efforts of the Economic Freedom Fighters (EFF), the motion to amend the Constitution to allow for appropriation of land without compensation was acceded to in Parliament, with the support of the ANC. It is not known what mechanisms will be used to implement this proposal. The Constitutional Review Committee has suggested public hearings to accommodate the concerns of various stakeholders – like food security and private property rights – before the motion becomes law. It is ironic that as this parliamentary decision brings public debates on agricultural land to the surface, there is seldom any discussion on land reform within the urban landscape.

The story of Lephalale reveals the complex picture of a municipality that sees itself as a future city but is physically hemmed in by private agricultural land and mining land. It also reveals a Gordian Knot – a complex set of circumstances that binds together the history of apartheid with new development frameworks introduced by democracy.

Lephalale is struggling to untangle a legacy of skewed ownership and segregation. Opportunities to break established dependencies and build an integrated, post-apartheid city have emerged with the development of Medupi power station and the potentially massive growth of mineral extraction in the area. However, the municipality's capacity to fully seize these opportunities has been inconsistent. Its erratic response stems from its weak position with respect to the corporate world and higher levels of government with which it must continually negotiate to achieve its basic mandate of service delivery, let alone fulfil its desire to become a city.

Ultimately, the municipality emerges as the underdog in these relationships, which undermines its long-term quest for self-sufficiency and leaves it at a loss for the bargaining power to disrupt historical patterns of land ownership and distribution networks for water and electricity.

The land debate needs to include a discussion of the precarious position of municipalities like Lephalale. How should the state deal with a municipality that seeks autonomy but owns no land, particularly when this happened because a parastatal was privatised and the private property clause protects its claim to what was once public land?

There are signs that the municipality might still emerge to play the leading role in guiding the creation of a city. Medupi has brought with it major infrastructural improvement plans for Lephalale (principally the MCWAP pipeline project) and recognition as a national growth point and potential special economic zone (SEZ). This may bring additional support from other levels of government and increase municipal revenue, which will in turn enhance its self-sufficiency.

The municipality also stands to benefit from new mines and industries. Already, Exxaro's plans to expand its mines and establish Thabametsi power station as an independent power producer (IPP) are nearing finalisation.¹⁸⁸ This may strengthen the position of the municipality, but it remains to be seen whether the economic boom will, in the final analysis, merely perpetuate the existing disparities in land ownership. Lephalale has demonstrated that, in this context at least, the notion of economic growth as a solution to spatial segregation and a means to promote local self-determination is a false one.

One might also raise concerns about whether the promised boom will materialise at all. The growth of the Lephalale economy and the vision of a future city is perhaps more precarious than many officials acknowledge. Will the massive economic boom brought during Medupi's construction retreat as suddenly as it arrived?

Steph Beyers, director for development at the Moolman Group, which built the Lephalale Mall, feels that the economic bubble is likely to burst.¹⁸⁹ There are signs that the massive workforce is beginning

188 Lephalale Local Municipality. *IDP 2016/2017*. p.102

189 Dineo Faku. "Eskom Plant Brings Boom to Lephalale". *Independent Online*. 14 October 2013. Available at: <http://www.iol.co.za/business/companies/eskom-plant-brings-boom-to-lephalale-1591263>

to leave in large numbers. In addition, some developments have also been delayed or shelved entirely – largely as a result of the uncertainty of water provision.

In 2016, for instance, Sasol announced that it had decided against establishing a coal-to-fuel plant in Lephalale, citing carbon emission considerations.¹⁹⁰ This poses a threat to the sustainability of the town and possible shrinkage of sources of revenue for the municipality. Some have likened this period to the phase after the construction of Matimba when many houses stood empty and Lephalale was labelled a ghost town.¹⁹¹

Although Khoroshi Motebele does not think this will happen and anticipates continued growth with the expansion of new mines in the area, he does not believe a city will materialise any time soon: “I just don’t see it in our life time”. He also warned of the dangers of an over-reliance on mineral extraction, expressing his hope that the Lephalale of the future will be more than just a resources town, but one in which the commercial sector also grows: “So that it also builds some kind of cushion and stability for us.”¹⁹²

Lephalale offers us an example of how complex the operation of local government can be, burdened – as it continues to be – with the stubborn legacies of apartheid. Even within new democratic frameworks, implementing expanded distribution of services to those once excluded from even basic amenities remains a process of compromise, and negotiation with those who continue to wield far more power, land and resources than the local state.

190 Lucky Biyase. “Solving the Coal-Water-Rail Equation”. *Sunday Times*. 30 October 2016. Available at: <http://www.timeslive.co.za/sundaytimes/businesstimes/2016/10/30/Solving-the-coal-water-rail-equation>.

191 Valerie Cillier. Manager: Manager: Communications Division, Lephalale Local Municipality. Interviewed on 6 October 2015; Ferdi Steyn, Pharmacist: Koedoe Apteek, Ellisras. Interviewed on 6 October 2015.

192 Khoroshi Motebele. Executive Manager: Strategic Management, Lephalale Local Municipality. Interviewed on 16 September 2015.

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