

DISCUSSION DOCUMENT
on the
RATIONALISATION
of
ROAD AUTHORITIES
in
SOUTH AFRICA

A PERSONAL VIEWPOINT

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ROAD SECTOR RATIONALISATION

- Constitutional context
- Right of existence of second-tier government in a “Developmental State”
- Institutional principles
- Administrative reform principles
- Governance
- Why rationalisation of road authorities?
- RISFSA options
- A possible approach
- Where to from here?

CONSTITUTIONAL CONTEXT

- South Africa – a unitary State with strong federal characteristics as a result of compromise in 1910 and 1994
- Constitution gives strong original powers to three levels of government – not a common situation worldwide
- Nine provinces, though three major centres of concentration, and urbanisation trend leading to increased role for metropolitan government
- Ruling party has raised the issue of “the role of provinces”

Examination of the “right of existence” of second tier governmental in a “Developmental State”

Decentralisation of services is essential, but to what level and in what fashion?

Are services best provided by local authorities, regional authorities or decentralised branch of central government

Administrative dangers of too many levels of authority

- inefficiency
- non-accountability
- inequity
- weakening of State’s territorial integrity
- reduced ability of State to pursue National goals and broad uniform policy

Some generic administrative-institutional principles of relevance

- Overall policy prescribed by central government
- Unnecessary duplication leads to inefficiency
- Second level administration - de-centralised extensions of central government arrangements
- Financial resources mainly raised at central level hence second level dependant on Exchequer
- Some metros are financially larger than “encompassing province”
- Nine provinces – a major drain on limited professional resources
- Need to control local authorities by provinces is a spurious argument

Broad principles for administrative reform

- Strive for minimum number of administrative units
- Create environment for sound and cost-effective management
- Clearly define responsibilities
- Sustainable financing is essential
- Provide adequate professional personnel capacity to provide effective and efficient delivery
- Foster culture of concern for users and minimum political interference
- Recognise important role of metros in urbanisation era
- Arrangements for sound governance is a necessity

GOVERNANCE

- Institutional arrangements MUST promote sound governance
- Governance – “conducting the affairs of an organisation”
– primarily about LEADERSHIP
- Characteristics
 - independence
 - accessibility
 - transparency
 - discipline
 - responsibility

Why Rationalise?

Ten RAs for an inter-city surfaced road network less in extent than the State of Texas, USA

Serious lack of capacity to deliver road programmes and maintain road network

Some indications

- Annual SAICE infrastructure scorecard
- SAICE publication – “Needs and Numbers”
- PMS results (where available)
- Research Studies
- Public opinion and comments by leading politicians and other “opinion formers” on road conditions

SAICE report and Research Study

Ineffective institutional arrangements in general exemplified by:

- Lack of leadership, decisiveness, professional capacity and ability to implement
- Poor road network management
- Undue political interference
- Poor financial management and network performance monitoring
- Inability to further developmental goals of country

NOTE THAT THESE DO NOT APPLY IN TOTAL TO ALL PRAs

HOPED FOR IMPACT

- More efficient and effective delivery
- Better matching of needs and resources
- Reduction in administrative costs
- Market related services
- Greater accountability
- Minimisation of structural conflicts

Factors to consider in rationalisation of government functions – in general

Need to effectively use limited resources

Lack of independent financial resources at second tier government

This leads to a strong and logical case for:

- Increase in powers and functions for metropolitan level government
- Significant reduction in number and form of “second tier” authorities, if not replacement by “branch” offices of central government departments

RISFSA options for RA rationalisation

All options distinguish between “developed” and “developing” municipalities and provinces

- ❖ **Agency model** – incorporates an agency approach towards assisting “developing” authorities
- ❖ **Provincial delivery model** – suggests “developed” provinces providing services for “developing” municipalities
- ❖ **Sphere-based model** – suggests “service delivery entities” (agency?) providing assistance to “developing” RAs
- ❖ **Integrated model** – embraces an “SDE” (agency?) for provincial and municipal “developing” authorities and also incorporates a RCB for the co-ordination of all road planning and implementation

Problems with RISFSA proposals

Political “turf protection” has prevented progress in RA restructuring during the past 6 years

No firm ‘direction” given by DoT

Problem with defining “developed” and “developing” road authorities

Based on COTO experience, RCB is a non starter

A possible approach – for discussion

- Declared National (primary) roads - SANRAL
- Secondary surfaced inter-city roads - New Agency
- Arterial roads in Metro areas, other than declared national roads - Metro authorities, but with increased powers and financial resources
- Tertiary (non –surfaced) roads
- ❖ Regional offices of “capacity-enhanced” DoT
or
- ❖ A modification of old “Regional Service Councils” based on district offices of current provincial authorities

WHERE TO FROM HERE?

- Much work to be done
- Need for leadership, clear vision and consistent endeavour in DoT – a political champion needed
- Political acceptability needs fostering – put interests of the road sector above turf protection
- Capacity will need to be fostered and developed
- Key to process is ACCOUNTABILITY for performance with clear targets