

# Examining the Impact of Informal Settlements on Service Delivery in North West Province

## Executive Summary

### Background

Since 1994, South Africa has been working to consolidate and strengthen its democracy. However, South Africa remains among the most unequal societies in the world due to significant structural barriers that continue to politically and economically marginalize the majority of South Africans. These disparities are particularly visible in mining communities, where government service delivery is increasingly strained by rapidly growing populations, fueled in part by an influx of migrant labor from other provinces and neighboring countries. According to the Bench Marks Foundation, "the benefits of mining [do] not trickle down to ordinary people in terms of improved health and education, improved infrastructure and employment opportunities."<sup>1</sup> Local municipalities feel pressure to respond to the associated unemployment and infrastructure needs of their cities and informal settlement areas, but have so far struggled to respond adequately.

Following the 2012 Marikana labor unrest, President Jacob Zuma and Deputy President Kgalema Motlanthe initiated a consultative process that included mining companies, unions and other stakeholders to produce the [Framework Agreement for a Sustainable Mining Industry](#) in February 2013. The agreement is part of a larger government initiative to accelerate efforts to upgrade human settlements in mining towns and transform the migrant labor system, but splits in the African National Congress' (ANC) alliance have deepened during a period of slow growth, declining state capacity, and persistent allegations of corruption. Now, with local elections expected in August 2016, political campaigns may distort facts and impact public debate on the service delivery roles of mining companies and municipalities toward residents of formal and informal communities. South Africa's future as a vibrant and equitable democracy for all requires thoughtful responses from the mining industry and local governments to address resident concerns over labor, migration and other human security and development needs.

IRI's program, funded by the National Endowment for Democracy, provides a platform for honest discussion and debate on effective, transparent and credible mechanisms for engagement between mining companies, local communities and municipalities, to help prevent the causes of poverty and anxiety from further eroding confidence in South Africa's democracy.

### Methodology

IRI selected three South African researchers – Michael O'Donovan, a senior-level analyst at the Multi-Level Government Initiative in Johannesburg; Ncedo Mngqibisa, a senior ethnographer at the Human Science Research Council in Cape Town; and Dr. Crispin

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<sup>1</sup> A Review of Platinum Mining in the Bojanala District of the North West Province: A Participatory Action Research (PAR) Approach, the Bench Marks Foundation. Available at: [http://www.benchmarks.org.za/research/rustenburg\\_review\\_policy\\_gap\\_final\\_aug\\_2012.pdf](http://www.benchmarks.org.za/research/rustenburg_review_policy_gap_final_aug_2012.pdf).

Chinguno, a doctoral candidate in sociology from the University of the Witwatersrand in Johannesburg – to examine the intersecting issues of migration, informal settlement, local governance and service delivery in Rustenburg municipality, specifically focusing on Rustenburg’s informal settlement area of Ikemeleng, in North West Province. The research was conducted from December 2015 to February 2016 and validation workshops were held in Johannesburg and Rustenburg in March 2016.

Mr. O’Donovan examined census data, voting records, and municipal planning data to measure the extent of migration to and from Ikemeleng, and evaluate how the state responded to population change and community responses to the state’s development initiatives.

Dr. Chinguno assessed the challenges faced by migrants in accessing services in Ikemeleng, by conducting in-depth interviews with workers, municipality managers, residents and mining companies.

Mr. Mngqibisa interviewed key community informants, including local authorities and residents, to examine the extent and quality of engagement between migrants, residents, their local representatives, and mining companies.

## **Main Findings**

Local elections are scheduled for August 2016, with those in Rustenburg municipality expected to be especially competitive as the ANC’s majority in the municipality dropped significantly in the 2011 elections. O’Donovan analyzed previous election results, and noted ANC’s dwindling support in Rustenburg, suggesting that if the trend continues, the ANC may lose its absolute majority in that area. Since the last election, the population of Ikemeleng has grown to be more than half of Rustenburg ward 35, and therefore is an influential voting group for that ward.

O’Donovan found that, until 2011, there was almost no provision of basic services to Ikemeleng, especially in providing housing support which is required under the South African constitution. He also found the settlement experienced high levels of emigration and migration from 2001. That said, population growth in the settlement was only slightly above the provincial average. After 2011, the new Integrated Development Plan (IDP) included a dramatic increase in budgetary allocations to the informal settlements. The allocation to Ikemeleng increased from less than R10 million (roughly \$638,000 USD) to nearly R40 million (or more than \$2.5 million USD) for things such as the installation of roads, storm water drains, piped water and household electricity. In the local election following the 2011 increase in budget allocations to Ikemeleng, ANC’s share of the vote decreased by 20 percent. While there could be a number of explanations for this, it

corroborates 2015 Afrobarometer data that suggests that voters who receive improved service delivery may actually punish incumbents at the polls rather than reward them.<sup>2</sup>

From Chinguno's research, interviewees highlighted the need for clarity in the law on what services local government is required to provide for citizens in an informal settlement like Ikemeleng that is located on privately owned land. Additionally, there are identity issues at play whereby the definition of who is considered "local" and therefore has a right to access to services remains contested. The research suggests that there is a hierarchy of ethnicity and nationality among the migrants and discrimination against those considered to be "non-locals." Additionally, Chinguno highlighted the problem of the "missing middle" – the significant portion of migrants who do not qualify for government-subsidized housing or for a mortgage and therefore lack financial access to formal housing. The exclusion of migrants from housing service delivery results in a cyclical pattern of migrants moving from one informal settlement to the next. Without access to housing, these migrants are further ostracized because they lack formal housing and permanent status in the community, even if they prefer to become permanent residents rather than transient workers. The interviews also revealed the challenges associated with the unplanned development that has resulted from the informal settlement. For instance, because Ikemeleng is situated far from the main sewage system, the settlement will require the construction of a separate sewer and water system from the rest of Rustenburg.

Mngqibisa's research found that the housing shortage in Ikemeleng is not only detrimental to residents, but also to the wider community. Shortages of acceptable housing have physically divided the community between South African nationals who can legally receive subsidized housing, and foreign migrants who do not qualify for subsidies and must live in informal settlements. While local authorities have a mandate to engage with citizens during the community planning process, the research revealed that in reality the IDP process is not inclusive or effective in collecting citizen views. Community members expressed a lack of confidence in the local government's commitment to include diverse views in the IDP process. Meanwhile, the mining industry representatives do not seem to engage in the process or work directly with the local government to cooperate on development issues.

## Recommendations

While the Constitution encourages community participation in the development of IDPs, many citizens remain unaware of their right to participate, or are uneducated about the IDP process or its purpose. To correct these failures, the authors suggest the following actions:

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<sup>2</sup> Daniel de Kadt and Evan Lieberman, *Do citizens reward good service? Voter responses to basic service provision in southern Africa*. Afrobarometer Working Papers Series 161(2015). Cape Town: Afrobarometer, 2015.

*Empower citizens to understand their role in the IDP development process*

Addressing the needs of Ikemeleng and of migrants depends on increasing the technical support these communities receive to enable them to better leverage the opportunities presented by the IDP process. This means residents must gain an understanding of the process, specifically through civic education provided by nongovernmental organizations or local interest groups.

*Strengthen the role of community members in the IDP development process*

Once citizens understand their rights and responsibilities in the IDP process, they must then promote their interests by participating in drafting the IDP. The ability of community members to influence IDPs is central to the progression of their community's development. Local government officials must engage community members in the process of drafting IDPs, and in reviewing IDPs on an annual basis.

*Find and encourage commonalities between the interests of all stakeholders*

All beneficiaries of the IDP process – mining companies, local officials, permanent residents and transient migrants – have different interests in their community's development. These stakeholders must come together to find common social and economic interests that can benefit all parts of the community. Mining companies and local officials have often shared common economic interests and have typically been the only stakeholders to take part in the IDP drafting process, causing IDPs in greater Rustenburg to benefit only those groups. The more inclusive the IDP process is of all stakeholders' interests, the greater effect it will have on improving service delivery and other needs of all community members.

*Make housing policies inclusive of all community members in need of housing subsidies*

While the intended role of the IDP is to reverse the discriminatory development that occurred under Apartheid, the process is often manipulated by special interests. In order to avoid a continuation or worsening of Ikemeleng's current service delivery failures, future IDPs must not discriminate against community groups and must instead provide services to community members, regardless of their economic or migrant status.

*Municipalities must draft legislation that addresses the needs of groups who have been neglected*

Outside of housing policies included in the IDP, municipal policies often neglect the problems of certain community groups, such as unequal access to education, employment, land and healthcare. These neglected groups include migrant residents, but also undocumented migrants, children, and ethnic and racial minorities. If these groups are not included in and protected by municipal legislation, they will not benefit from the IDP. In order for the IDP to benefit the entire community, municipalities must draft legislation that accounts for the struggles of disadvantaged groups and promotes access to government services for all.