

# **Participatory Budgeting in Stellenbosch Municipality (SM) South Africa**

## **Background**

Stellenbosch Municipality (SM) is a medium sized local municipality situated in the Western Cape Province. A large proportion of the SM population are not working with 36.8% not economically active and 10.8% unemployed. In addition more than half the population is without income and a large percentage of people earn only between 801-1600 rands per month.

## **Mechanisms for participation**

The process of community participation in Stellenbosch Municipality is different from Buffalo City Municipality due to the fact that the municipality has undergone a number of transitions since its formation in 2000. Ward Committees were established only at the end of 2003 as a result of a political change in Council due to the crossing of the floor legislation which allowed councilors to change political allegiance.

The Ward Committees were established in November 2003 replacing the Representative Forum and Area Forums which were the previous community participation structures. Each Ward Committee consists of a Ward Councilor and ten members who are elected by the community. The purpose of the Ward Committees is to be a formal communication channel between the community and the Council. The committees also vary in the way they function with some operating very well while others are struggling. All Ward Committee members had attended a workshop which explained the rationale behind the ward committee system and how they should function.

However there is still need for further capacity building especially in terms of participation in the Integrated Development Plan (IDP) and budget processes. For the 2004/05 budget process, ten public meetings were held to obtain community input as the Ward Committees had been established. These forums were not, however, conducive to obtaining input as they were too large and tended to be dominated by a small minority. The budget was taken to the Ward Committees in April; but at this stage committees had only recently become operational and were not yet in a position to give meaningful input from the community. Nevertheless, from the meetings that were held community priorities were identified.

## **Budget Preparation Process**

In 2003 the budget process began in September but the ward committees only started functioning in December 2003. This meant that some of the steps in the IDP/Budget process were completed without ward committee involvement. The community was, however, consulted during October 2003 by means of ten public meetings in different locations in the municipal area. Consultation with the ward committee occurred for the first time in April 2004, and from comments received from ward committee members the consultation consisted of information dissemination rather than actual participation and obtaining input from the community. This is understandable under the circumstances, as at that stage the Ward Committees had just started being operational.

## **Impact of participation**

Community participation in the Stellenbosch budget process relates largely to the capital budget, however there is a small percentage of the operating budget that is allocated to Integrated Development Plan projects which may be influenced. Essentially 87% of the operating budget is non-discretionary spending for items such as salaries, bulk water purchases, etc. The community does have the opportunity to influence almost 90% of the capital budget by identifying needs and priorities through the IDP review process. However, the level of input received from the community relates more to specific service delivery issues rather than looking at the broader impact of capital spending on the municipality.

The Ward Committee system is still a new process in Stellenbosch and the committees are not functioning as optimally as they should be. It appears that not all Councillors and Ward Committee members have a clear understanding of the budgeting and planning processes and therefore cannot give input which is informed and meaningful. Thus input from the officials still tends to dominate the budget process.

## **Challenges**

Community participation in Stellenbosch Municipality is still in its initial stages and people are not yet familiar with participatory approaches.

Challenges facing the municipality include:

- A lack of capacity in terms of skills and logistics;
- Diversity within the community;
- Insufficient time to make a meaningful input into the budget process;
- A lack of transport to meetings;
- Power dynamics within the community and between Ward Councillors and members;
- A lack of communication with farm workers;
- Keeping people interested in municipal issues;
- Safety of people attending meetings which are held at night; and
- Funding for Ward Committees to operate effectively to ensure ongoing participation.

### **Conclusion and Recommendations**

Community participation in planning and budgeting processes is still fairly new in South Africa. Formalized participation began only in the latter part of 2001 in Buffalo City Municipality and in Stellenbosch Municipality. Effective participation through Ward Committees have only been in operation since the beginning of 2004. At the same time local government has become more developmental in nature. Due to both of these factors it is difficult to assess the influence that community participation has on planning, resource allocation, and taxation and tariff policies. Thus far, the participation process has made an impact on the planning process in terms of identifying needs and priorities but the impact on resource allocation and tax policies is unclear.

*Source: Fatma Yusuf, Foundation for Contemporary Research and Good Governance Learning Network, South Africa*