

# **Social policy, welfare in urban services in South Africa.**

A case study of free basic water, indigency and citizenship  
in Eastwood, Pietermaritzburg, KwaZulu-Natal  
(2005-2007).

Submitted by Julie Smith  
Humanities, in the Institute of Social and Economic Research

In fulfilment of the requirements for the degree of Doctor of  
Philosophy, Rhodes University

March 2009

## *Abstract*

This is an in-depth case study of urban water services to poor households and their interactions with local state power in the community of Eastwood, Pietermaritzburg, in the province of KwaZulu-Natal, South Africa, for the period 2005-2007. It draws especially on the experiences of poor women, exploring the conceptions and implications of the movement of municipal services into the realm of welfare-based urban service concessions. It interrogates what value municipal services, framed in the language and form of welfare but within a commodification milieu and in the context of shifting citizen-state relations offer the state apparatus and how such free basic service offerings are experienced by poor households at the level of domestic, social and economic functioning. The study adopts a fluid mixed-methodological approach to optimise exploration and interpretation. It argues that the interface of state service delivery and citizens is fraught with contradictions: core to this is the nature of state 'help.' Free basic water encompassed in the social wage did not improve the lives of poor households; instead it eroded original water access. Free basic water stole women's time spent on domestic activities; compromised appropriate water requirements, exacerbated service affordability problems and negatively affected household functioning. Poor households experienced the government's policy of free basic services as containment and punishment for being poor. The Indigent Policy activated the state's surveillance, disciplinary and control apparatus. In the absence of effective national regulation over municipalities and with financial shortfalls, street-level bureaucrats manipulated social policies to further municipal cost recovery goals and subjugate poor households. Social control and cheap governance were in symmetry. Citizens, desperate for relief, approached the state. Poor households were pushed into downgraded service packages or mercilessly pursued by municipally outsourced private debt collectors and disconnection companies. Municipalities competing for investments brought about by favourable credit ratings abandoned the humanity of their citizens. Such re-prioritisation of values had profound implications for governance and public trust. Citizens were jettisoned to the outskirts of municipal governance, resulting in a distinct confusion and anger towards the local state – and with it, major uncertainties regarding future stability, redistribution and equity.

## *Acknowledgements*

I would like to express my sincere thanks and appreciation to those who assisted in my study. I am especially indebted to the following persons:

My friends in Eastwood and Pietermaritzburg: Fred, thank you for trusting me. This study was made possible by the space opened by you. You provided my access to spaces I wouldn't have been able to go by myself. Thank you for this. Fred, you were so free and generous with your thoughts and so much fun. Your guidance and insights were instrumental. Fred, thank you so much. Queenie, Cynthia and Bongani: for your generosity, your passion, militancy and zest. Queenie, you were so very kind to me. Thank you. Cynthia, when times were really bad, you were always there for me.

Thank you to the brave and bold women of Eastwood, ever patient and generous with your thoughts and time. Special thanks to Joyce, Lubabalo, Mr Ngubane, Kathryn and Jennifer for your strength and honesty. Louis, Dana and Jacky, for your insights. Smonty for your patience and wisdom. Nan, your experiences with negotiating with the municipality were incredibly illuminating- thank you for sharing them with me. Chris, thank you for spending a freezing weekend teaching me how to liberalise the municipal domestic water supply system. Tiny, thank you for your generosity of spirit, raw honesty, sense of irony and trust. Elizabeth, your prayer at our meeting with the Mayor was beautiful and brilliant and tragic. Thank you for your faith. To Juanita, Katelyn and Jackelyn: I am ever grateful for your commitment, passion, insight, guidance and friendship –thank you. Thank you also to the many women and men who spent time with me but preferred that your names not be mentioned.

Mark thank you for your wisdom. You taught me so much. Vela, for your insight into municipal processes, your passion and loyalty. Sibulethu, thank you my friend, my comrade. Your trust, honesty and strength were my constant companions. Filo, thank you for your beautiful soul and gentle friendship.

My friends in Cape Town and Johannesburg: Mukelani and Parvathi, thank you for helping me access the municipal data. For your calls and emails, letters and faxes, thank you for your persistence and tenacity. Hamedha, for your common sense and great insight. For your intimate knowledge of people and process. For your inspiration and passion. Mostly for encouraging me to laugh in the madness. Ebrahim, thank you for your long and intricate email advice on PAIA. Jackie, thank you also for your assistance in steering me to find the right people to help me and also sharing your knowledge regarding water legislation as it related to Pietermaritzburg.

At University of KwaZulu-Natal: Prof Green, thank you for your guidance, confidence and laughter. For giving me time and space to learn and grow. At University of East Anglia: Steve, for your understanding and quiet guidance. Ken, for your couch, coffee and Cuba and especially your praxis. Jock and Piers, I sat through three months of epistemology and I wish I could go back and do it all again. Thank you.

My friends at Rhodes University: Debbie, you are wonderful. Thank you for everything. For your generosity, your ability to laugh at yourself and with others, thank you for your kindness and friendship. Hallelujah! Derek, all my calls to inquire about policies, legislation or general municipal knowledge were met with quiet patience and generosity. Thank you. Katie, for your sensitivity, friendship, immense sincerity and gentle but bold spirit. Hermine, for your friendship, humour and solidness. Babalwa, Sandra and Sony, thank you for your friendship and solidarity. Chris, for our crazy conversations, your horror and humour and impossibly engaging spirit. Judith, thank you for all that you do for all of us, for your incredible energy and for your spirit. Valerie and Nova, thank you for your gentle kindness. Jamie, thank you for your acceptance, quiet conversation and confidence.

Prof Radloff, for giving so patiently and so generously of your time and expertise to my study. I thank you infinitely. Brenda, you have been a blessing to me. Thank you for your wondrous resourcefulness and your impeccable eye for detail. You did not simply edit my work; you engaged with it. Your insights into the municipal financial apparatus were particularly valuable. Thank you for the time, energy, intellect and emotion you committed to my study. Greg, you gently guided me into a new world of fascinating literature. You are an incredible scholar with a magical capacity to excite and share your knowledge and insights with your students. Thank you so much for the space you gave me but also bringing me back in and helping me move forward. Thank you for your time and commitment to this study.

My family: Malcolm and Lee, thank you for your tremendous and unbounded generosity in allowing me a home in Grahamstown. Without your support and kindness I would not have been able to complete my study. Jean and Ken, thank you for your interest and support. Jean, especially for your impatience and encouragement to stay the course. Mum and Dad, Emma, Kath and Gran. Thank you for your support over all the years. For listening, laughing and worrying. For the phone calls to your nomad daughter and sister, for your acceptance of my life, for your warmth, love and friendship. Thank you.

Babs, you are beautiful. Thank you for your zest and curt wisdom. The phone calls and hugs, love, laughter and tears, thank you boy. Mimi – my rock. Thank you. You moved mountains to facilitate the completion of this thesis. Any obstruction or difficulty impeding my work was always countered with possibility. Laptop, software, internet, phone calls, books, people, air tickets, an ear, supper, an escape, a hug, a bottle of wine, a cry and laughter. Thank you. For always challenging me and very seldom agreeing. Thank you for home, for being just you and your wise counsel. Mostly, for your patience and incredible friendship – thank you. You are a brilliant, remarkable woman and still ... after all these years, as mysterious as ever.

Funding for my study was made possible by The National Research Foundation, British Council and Rhodes University's Department of Humanities – thank you.

*Dedication*

*For Mimi*

## Table of Contents

Abstract .....	i
Acknowledgments .....	ii
Dedication .....	iv
List of Figures .....	ix
List of Tables .....	ix
List of Appendices .....	x
<b>Chapter 1: THE PROBLEM AND ITS SETTING .....</b>	<b>1</b>
1 INTRODUCTION AND RESEARCH CONTEXT .....	1
2 RESEARCH OBJECTIVES.....	2
3 SCOPE AND STRUCTURE OF THESIS .....	4
<b>Chapter 2: REVIEW OF LITERATURE AND CONTEXT .....</b>	<b>7</b>
1 PRE-2001 ECONOMIC AND SERVICE DELIVERY CONTEXT.....	7
2 POST-2001 ECONOMIC AND SERVICE DELIVERY CONTEXT .....	11
3 REVIEW OF DEVELOPMENT TO WELFARE LITERATURE.....	16
4 THE THIRD WAY: INTERNATIONAL WELFARE TRENDS AND SOUTH AFRICA.....	18
5 THE UTILITY OF WELFARE FOR STATES .....	20
6 SOUTH AFRICAN WATER RIGHTS.....	21
7 FREE BASIC WATER IN SOUTH AFRICA .....	24
7.1 How much is enough – the debates .....	26
8 WATER TARIFF DESIGNS: AN OVERVIEW .....	31
9 THE LOCAL STATE.....	34
<b>Chapter 3: METHODOLOGY.....</b>	<b>36</b>
1 SAMPLING FRAME, DESIGN AND PROCEDURE .....	36
1.1 Study area.....	36
1.2 Study design .....	38
1.3 Survey sampling framework .....	39
1.4 Sampling procedures.....	39
2 DATA COLLECTION TECHNIQUES.....	43
2.1 Surveys.....	43
2.2 Lifestories.....	44
2.3 Municipal Data.....	47
2.4 Primary data .....	48
2.5 Quality control .....	49
3 DATA ANALYSIS .....	50

3.1	Qualitative analysis .....	50
3.2	Statistical analysis .....	50
4	EPISTEMOLOGICAL FOUNDATIONS OF STUDY .....	51

**Chapter 4: INSTITUTIONAL AND POLICY ARCHITECTURE FOR WATER  
IN MSUNDUZI MUNICIPALITY ..... 53**

1	POPULATION, FINANCE AND INSTITUTIONAL ARCHITECTURE.....	53
2	WATER SERVICE DELIVERY IN MSUNDUZI .....	55
2.1	Umgeni Water .....	56
2.2	Water volumes, sales, grants, revenues and expenditure.....	57
2.3	Service levels and backlogs.....	60
3	CONDITIONAL FREE BASIC WATER.....	62
3.1	Indigent Policy .....	64
3.2	Water tariff structures with free basic water and the Indigent Policy.....	67
3.3	Unaccounted-for-water and water availability .....	70
4	CREDIT CONTROL AND DEBT COLLECTION.....	71
4.1	Msunduzi municipal consolidated bills and payment procedures .....	71
4.2	Recovery rates .....	72
4.3	Debt collection procedures.....	73
4.4	Municipal debt collection consortia .....	74
4.5	Restricted water services .....	75
4.5.1	Flow rate through restriction washers .....	77
4.6	Electricity disconnections.....	77
5	CONCLUSION .....	79

**Chapter 5: EASTWOOD HOUSEHOLDS: BILLING AND CHARGES ..... 81**

1	MSUNDUZI TOTAL BILLS.....	82
2	MSUNDUZI WATER CHARGES .....	82
3	MSUNDUZI INTEREST CHARGES.....	85
4	MSUNDUZI SERVICE PENALTIES .....	86
5	MSUNDUZI VALUE ADDED TAX (VAT).....	89
6	MSUNDUZI AND EASTWOOD: CONSIDERING 'ALL' NON-SERVICE ITEMS .....	91
6.1	The municipal financialisation mechanism.....	93
7	CONCLUSION .....	94

**Chapter 6: EASTWOOD HOUSEHOLDS: PAYMENT RATES,  
AFFORDABILITY AND THE SOCIAL WAGE ..... 96**

1	PAYMENT RATES FOR ALL MUNICIPAL SERVICES.....	96
1.1	'All' households' payment rates.....	97

1.2	'Conventional' households' payment rates .....	98
1.3	'Indigent' households' payment rates .....	99
1.4	'Restricted' households' payment rates.....	100
1.5	'Tampered' households' payment rates.....	101
2	AFFORDABILITY THRESHOLDS .....	102
3	THE SOCIAL WAGE.....	104
3.1	Value of services component of social wage in Msunduzi.....	105
4	CONCLUSION .....	108

## **Chapter 7: EASTWOOD HOUSEHOLDS: WATER USE AND FREE BASIC**

<b>WATER ACCESS .....</b>	<b>110</b>
1 NOTIONS AND CONCEPTIONS OF WATER USE ACROSS SPACE AND TIME.....	110
1.1 Basic water requirement.....	112
2 VARIATIONS IN WATER CONSUMPTION BETWEEN GROUPS IN EASTWOOD.....	113
2.1 'Conventional' group: metered water consumption .....	113
2.2 'Indigent' households: metered water consumption.....	115
2.3 Restricted and tampered: metered water consumption comparison .....	116
2.4 Consumption and payment correlations .....	117
3 ACCESS TO FREE BASIC WATER: EASTWOOD AND MSUNDUZI .....	118
3.1 The size of the non-'indigent' household and free basic water: Eastwood .....	119
3.2 'Indigent' household access to free basic water: Eastwood .....	120
3.3 Free basic water access in Msunduzi.....	121
4 STATE CONCESSIONS VERSUS WATER REQUIREMENTS .....	122
4.1 Water requirements of Eastwood residents .....	122
5 CONCLUSION .....	124

## **Chapter 8: MICRO-IMPLICATIONS OF RESTRICTED WELFARE AND**

<b>HOUSEHOLD PERCEPTIONS THEREOF .....</b>	<b>127</b>
1 MICRO-IMPLICATIONS OF RESTRICTIONS: SOCIAL, PRACTICAL AND PERCEIVED..	127
1.1 Waiting ... time and households .....	128
1.2 Waiting ... to bath.....	129
1.3 Waiting ... to wash.....	130
1.4 Waiting ... to flush.....	132
1.5 Waiting ... for dignity .....	134
1.6 Waiting ... to die .....	135
2 HOUSEHOLD PERCEPTIONS OF RESTRICTION AND RELIEF .....	136
2.1 The tyranny of 'choice' .....	136
2.2 Household perceptions of the state in giving service welfare .....	139
2.3 Inconsistent gratitude: household perceptions of welfare services proper and free basic services.	141

3	HOUSEHOLD PERCEPTIONS OF THE LOCAL STATE.....	142
3.1	Attribution of blame.....	142
3.2	Household perceptions of accountability and crookery.....	146
4	MSUNDUZI'S PERCEPTION OF HELPING THE POOR.....	147
5	CONCLUSION.....	150

**Chapter 9: A STRENGTHENED GOVERNANCE APPARATUS, CITIZEN RESPONSES AND RESISTANCE..... 153**

1	LOCAL STATE STRATEGIES AND TACTICS TO REINFORCE STATE DISCIPLINARY APPARATUS.....	154
1.1	Panoptic.....	154
1.2	Algocratic.....	156
1.3	Bureaucratic.....	158
1.4	Fear and penalties.....	161
1.4.1	Monitoring compliance/non-compliance.....	163
2	BEATING THE SYSTEM OR BEING BEATEN: HOUSEHOLD RESPONSES AND STRATEGIES.....	165
2.1	Why households tamper.....	165
2.2	Why households don't tamper.....	169
2.3	Perceptions of households' tampering.....	169
3	CHANGING CITIZEN-STATE RELATIONS.....	171
3.1	Assault on community: individualisation and isolation.....	171
3.2	Space to protest.....	174
4	CONCLUSION.....	177

**Chapter 10: CONCLUSIONS ..... 178**

1	CORE CONTRIBUTIONS.....	178
1.1	Water tariffs, bills, payment and affordability.....	178
1.2	Free basic water and water use.....	180
1.3	Access to relief and citizen perceptions of the state.....	181
1.4	Strengthened governance apparatus, citizen responses and resistance.....	182
2	THEORETICAL AND POLICY IMPLICATIONS OF STUDY.....	184
2.1	Theory on free basic water.....	184
2.2	Theory on the social wage (and offering municipal services as welfare).....	186

**REFERENCES ..... 189**

1	PRIMARY DATA.....	189
2	SECONDARY DATA.....	195

**APPENDICES..... 208**

## *List of Figures*

Figure 3.1:	Location of field area.....	37
Figure 4.1:	Percentage of households without access to water on site.....	61
Figure 4.2:	Regulation example of rising block tariffs compared to Msunduzi 2005/6 tariffs.....	68
Figure 7.1:	Surveyed Eastwood households with access to free basic water (N=335).....	119

## *List of Tables*

Table 3.1:	Survey sampling categories.....	42
Table 4.1:	City average household size and numbers of households.....	54
Table 4.2:	Number of Msunduzi households with access to water by service level.....	60
Table 4.3:	Indigent services at 2005/6 tariffs (inclusive of VAT).....	67
Table 4.4:	2001/2 Msunduzi Municipal derivation of free basic water tariffs.....	69
Table 4.5:	Msunduzi water tariffs for standard versus 'indigents': 2005/6 (inclusive of VAT).....	70
Table 4.6:	Revenue collection versus revenue billed.....	73
Table 5.1:	Msunduzi Municipality total bill per grouping.....	82
Table 5.2:	Water as a percentage of the total bill by group.....	83
Table 6.1:	Payment rates: 'all' surveyed households (N=302).....	97
Table 6.2:	'Regular' payment responses across both bills '1' and '2' (N=302).....	97
Table 6.3:	Payment rates: 'conventional' households (N=252).....	98
Table 6.4:	Payment rates: 'indigent' households (N=35).....	99
Table 6.5:	Payment rates: 'restricted' households (N=11).....	101
Table 6.6:	Payment rates: 'tampered' households (N=28).....	101
Table 6.7:	Total bill, water and sanitation charges as a proportion of total household income.....	103
Table 6.8:	Potential social wage benefit (2005/6).....	106
Table 6.9:	Comparison of service scenarios: at 'conventional' tariffs; 'actual bill,' and actual social wage benefit.....	106
Table 7.1:	'Conventional' group: mean household and per capita consumption by household size $\leq 6$ (N=194).....	114
Table 7.2:	'Indigent group': mean household and per capita consumption per restriction status (N=34).....	115
Table 7.3:	'Restricted' and 'tampered' group: mean household and per capita consumption per restriction status (N=36).....	116
Table 7.4:	'Tampered' households: consumption and payment correlations (N=25).....	117

## *List of Appendices*

- Appendix A: Lifestory interviews
- Appendix B: Example of withdrawal of free water if 6kl exceeded, and disconnection warning
- Appendix C: Example of fixed sanitation and refuse charges
- Appendix D: Two examples of letters of demand sent by Natal Debt Corporation to households
- Appendix E: Restriction washers
- Appendix F: Example of disconnection and rates penalty, and historical debt
- Appendix G: Example of household receiving free water but charged standard sanitation tariff
- Appendix H: Applied indigent applications forms and concessions

## *Chapter 1*

### *THE PROBLEM AND ITS SETTING*

#### *1 INTRODUCTION AND RESEARCH CONTEXT*

This is a study of urban water services to poor households in Pietermaritzburg, in the province of KwaZulu-Natal, in South Africa. Households in the community of Eastwood, a historically working class community within Pietermaritzburg, will form the core site for the study. The study is framed against the milieu of South Africa's increasing inequality and poverty and in the context of increases in social expenditure since 2001, when the ANC launched a skeletal welfare system. Free basic water (FBW) was introduced in 2001 as a major 'pro-poor' intervention that forms part of the 'third way' between welfarism and neoliberalism. The FBW policy on the one hand seeks to provide all citizens, but particularly the poor, with a basic supply of free water (6 kilolitres per household per month) but on the other seeks to school the poor in values of responsibility. The policy was initiated by national government in 2001 to promote equity, to meet the constitutional right of South Africans to water and as a developmental concession in the context of post-apartheid redress. By 2003 the state argued that FBW was a component of the 'social wage' and was increasingly to be delivered to targeted populations on a means-tested basis through local municipal 'Indigent Policies.'

This study will explore the implementation of FBW and the intimate inflections of the commercialisation of water and welfare through the tap for domestic households and women. This thesis is broadly situated within the critical tradition of scholarship on the state and welfare. Via the optic of 'pro-poor' policies (free basic services, specifically free basic water and the Indigent Policy), this study considers what, how much and how services are offered. It examines the responses and perceptions of poor households. Core to such interrogation is the concept of state 'help' and whether and how such concessions have rendered affordable municipal bills to the poor. The question of the volume of free services offered and the implications for containment and restriction in relation to notions of water-related needs, dignity and gendered equity perceptions is explored. This is done not only via an analysis of consumption patterns as reflected in total municipal bills, but through examining the effects of such concessions within the functioning of homes and the broader community. Municipal services are understood as more than a resource and positioned within a closer proximity to poor households' notions of time, dignity and citizenship within the post-apartheid context.

In this regard, the thesis investigates what these new forms of welfare mean for poor households, and how the concessions and uptake conditions are viewed by households. How has the giving of free basic services affected the relationships between citizens, community and the local state: has this enhanced public trust or damaged it? Has the offering of a quantum of free municipal services opened the space for improved citizen/state engagement and negotiation? How do citizens experience and interpret the state, and, with the introduction of free basic services, have such relationships, responses and strategies changed?

Indeed, much of this thesis revolves around the study of the local state. It considers what the broader intentions of both national and local levels of the state are in granting free basic services, and interrogates the timing and form of such concessions and conditions. In short, the thesis explores how the giving of municipal services has served the state. For example: has the giving of free basic services expanded the reach of the state into the homes of poor households via an augmented surveillance and governance apparatus? If so, how, and what strategies are used by the state to reinforce and reproduce its force? Has the capacity of the state to grasp, contain, control, discipline and manage poor households been increased via the offering of state concessions? If so, how and what does this mean for poor citizens and their relationship with the state? In the broader realm of governance, has the provision of free basic services acted to secure the state against an unruly populace or has it exacerbated dissent and resistance? If so, what does this mean for the local state and its citizenry?

This study prioritises the perspective of poor households, particularly women, for whom the implications of this 'new form' of welfare has a greater effect on domestic life and citizenship. It is a case study of 336 households complemented by in-depth lifestories of 25 households in Eastwood.

## **2 RESEARCH OBJECTIVES**

The study will demonstrate how the offering of free urban water services, framed in the language of welfare, has afforded the state spaces and justification to intensify the proliferation of the state apparatus to discipline, control and govern poor households. The argument of this thesis is that pro-poor programmes often do not alleviate the poverty and struggles of poor households, but instead intensify the domestic, social and economic burden of the poor, particularly women. The research objectives are:

1. to explore the notions and conceptions of appropriate water needs of poor households in the context of the free basic water offering of 6kl per household per month
2. to explore the water tariffs and charges on total municipal bills for poor households, payment response characteristics and implications thereof for the household purse
3. to explore analytically and substantively the contribution of the municipal service component of the social wage to the alleviation of household poverty
4. to explore the micro-implications of restricted welfare in the form of free basic water and indigent subsidies for the homes and communities of the poor, particularly women, and their perceptions thereof
5. to consider the broader rationalisations of the state in imagining free basic services and indigent subsidies as a welfare measure and state strategies to enforce such an interpretation
6. to consider household and community resistance and coping strategies to the state's offering of free basic services.

This thesis will address six critical gaps in knowledge. The aim is to contribute to understanding the contested discourse on welfare in municipal services in South Africa from an angle substantially absent in contemporary scholarship. A praxis-based approach to the angles explored are listed below.

1. The study explores the issue of the volumes of water received by households to meet their appropriate water requirements. Here I engage not only with municipal consumption records but also with how women actually use water in the home. This moves a step beyond the quantitative 'basic water requirement' debates and contributes to a more robust picture of the water volumes within an understanding of the mode of delivery deemed appropriate (by poor women) in acting as a transformative measure (per household and per capita). That is, I move the debate beyond simple numbers on the adequacy of 6kℓ, to give expression to notions and conceptions of appropriate water needs from the perspective of women, in their own voices.

2. Analyses of free basic water have thus far failed to consider the impact of water tariffs beyond the 6kℓ offering of free basic water. Noting that the objectives of free basic water are not only to improve accessibility but also to jointly promote affordability in order to alleviate poverty, there is therefore a critical gap in knowledge in considering the full impact of free basic water on affordability thresholds and payment rates. To this end, the study will analyse household municipal service bills across diverse service packages to provide a more comprehensive and critical view of the financial impact of free basic water for poor households and the municipal financial apparatus.

3. There is as yet no substantial nor analytical valuation of the contribution of the municipal service component of the social wage to poverty alleviation (apart from Meth and Dias's [2004] examination). In response to the gaps identified in Meth and Dias's (2004) work, I will employ billing data (not arbitrary estimates) within a time frame that might show the real impact. In addition, I will compare those households receiving the social wage with those which are not in order to analyse the appropriateness of the social wage as a poverty alleviation tool. The exploration of the municipal services component of the social wage may also be valuable in understanding the proliferation of social delivery protests in South Africa (why they occur not how they occur).

4. There has not been a substantial exploration of the gendered<sup>1</sup> micro-implications of free basic services and their accompanying punitive measures as experienced and perceived by poor households in general and women in particular. Specifically, I will add knowledge about the prosaic everyday lives of women as they manage homes within the confines of the new welfare-linked services. Furthermore, women's perceptions of encountering the local state bureaucracy will be sought together with broader citizen perceptions of state help. In this regard, there is a lacuna in the localised study of the South African state and relations between citizen and the state. Such exploration will draw on the literatures of

---

<sup>1</sup> Deedat (2006) has explored the gendered implications of free basic water, yet more needs to be done to consider the 'day-to-day' lived experiences of poor women as they struggle within the confines of the social wage.

international scholars (Jessop, 1990; Foucault, 1991; Aneesh, 2002; Abrams, 2006; Althusser, 2006; Gupta, 2006; Painter, 2006; Rose, 2006; Weber, 2006) who provide great insight into the state apparatus.

5. Past analyses of free basic services no longer suffice; I conceptualise free basic services within the sphere of social services proper and not as a stand-alone redistributive measure undertaken by municipalities. By framing free basic services as a component of the social wage, I hope to move the free basic services debate beyond neoliberal critiques, to explore and interpret the new shifts to welfare and to position free municipal services within a critical reading of contemporary South African social policy. Core to such a qualitative exploration is what 'welfare through the tap' means for the poor, particularly women. In this regard Lund's (2001) suggestion that the poor often concede disproportionately more than they receive will be examined by a consideration of the restrictive or possibly onerous nature of the welfare concessions and conditionalities attached to them. Although such tensions have been extensively explored in critical international welfare literature (by Offe, 1984; Alcock, 1987; Goodin, 1988; Dean, 1991; Piven & Cloward, 1993; Walker, 1993; Gronemeyer, 1993; Brown, 2006; Rose, 2006), there has not been an adequate qualitative exploration of these dynamics in contemporary South African social policy, and in particular after 2001, where the provision of free basic services as a developmental measure was refashioned as a welfare concession.

6. Drawing on Ferguson's (2006: 271) thesis wherein poverty relief programmes are found to "serve to govern," (instead of "governing to serve"), I expand this interpretation by exploring the qualitative implications of the new procedures of regulation – an amalgam of bureaucratic, panoptic and algocratic power modes (Aneesh, 2002) – for poor households, with particular reference to free basic services. Here I consider the qualitative implications of an enhanced reach of the state into the homes and spaces of the poor and explore the perceptions and responses of poor households to such intrusions. Drawing on the local social control literature of, in particular Naidoo and Veriava (2005), Ruiters (2005) and Naidoo (2007), who have begun to interrogate whether the offering of free basic services simply provides the state space to grasp control of unruly populations, this thesis will explore what type of value the offering of free or subsidised municipal services has afforded the national and local state, in the shape of welfare and in the current socio-political milieu.

### **3 SCOPE AND STRUCTURE OF THESIS**

The geographic scope of the study is one community, Eastwood, in Pietermaritzburg, KwaZulu-Natal, allowing for in-depth interpretation and analysis, primarily concentrated at the household level. Eastwood is urban and poor. The inquiry is limited to domestic residential households which received billed, metered and in-house water supplies before and after the introduction of the Free Basic Water and Indigent Policies. The study covers the period from January 2005-June 2007.

The thesis has ten chapters. Chapters 1-4 provide the framework for the study. Chapters 5-9 present the results of the study and Chapter 10 concludes the study.

**Chapter 1** gives an overview of the study, outlines the research objectives and identifies gaps in knowledge.

**Chapter 2** presents a review of study-related literature and provides the broader research context for the study.

**Chapter 3** outlines the epistemological and methodological theories as applied in the study. It further outlines the sampling frame and procedure, study design, data collection techniques and data analysis undertaken.

**Chapter 4** presents the institutional and policy architecture contextualising the delivery of municipal services in Pietermaritzburg. This chapter serves as a policy and implementation reference point for the thesis.

**Chapter 5** analyses what selected Eastwood residents are charged for their municipal services (water, electricity, refuse, sanitation and rates) and the additional ‘non-service items’ such as interest, service penalties and Value Added Tax levied on total bills.

**Chapter 6** explores how selected Eastwood residents respond to such charges. Moreover, it considers payment rates in relation to affordability thresholds and concludes with an exploration of the contribution of the municipal service component of the social wage to the alleviation of household poverty for ‘indigent’ households.

**Chapter 7** considers the notions and conceptions of water usage, the actual volumes of water used (per household and per capita), comparisons across and within groups, and problems around the adequacy of free basic water. It further considers the influence of restriction, tampering and payment scope on consumption levels; and analyses under what conditions households access free basic water. Lastly, limited water volumes are contextualised within a broader framework of the containment of poor households.

**Chapter 8** explores the micro-implications of restricted welfare for the homes and communities of the poor and their political attitudes to welfare and the state. This chapter considers the social, practical and perceived micro-implications of water restrictions for poor households. The whole spectrum of water activities is considered. Thereafter the perceptions of households to free basic services and indigent subsidies and conditions are explored as are household perceptions of the local state. I close the chapter with a consideration of the perceptions of municipal bureaucrats and staff to the poor and that of the services and subsidies given.

**Chapter 9** explores how free basic services and indigent subsidies have strengthened the control and disciplinary apparatus of the state and explores the resistance responses and strategies employed by poor

households thereto. It further considers the broader rationalisations of the state in imagining free basic services and indigent subsidies as a welfare measure, state strategies to enforce such an interpretation and the implications thereof for community cohesion.

**Chapter 10** offers conclusions for the study. It reviews the core contributions in line with identified gaps in knowledge and study objectives, and provides further theoretical implications consistent with the study's review of literature and context.

## *Chapter 2*

### *REVIEW OF LITERATURE AND CONTEXT*

The aim of this chapter is to review the various literatures on municipalities and services in South Africa but also to consider international literature to provide a wider lens on social policy, water services and welfare. The chapter presents the national context in which social policy has evolved since 1994 so that the significance of the shift to free basic water and indigent policies might be assessed. As part of the context we will review various studies of poverty and social policy in South Africa. The chapter does not seek to provide a definitive interpretation of shifts in macro-economic policy.

#### *1 PRE-2001 ECONOMIC AND SERVICE DELIVERY CONTEXT*

Before 2001 all water actually consumed had to be paid for, since the new government only committed itself initially to the Reconstruction and Development Programme's (RDP) objective to providing access (i.e. infrastructure) (African National Congress [ANC], 1994; DWAF, 2002b). People had to pay for all their water and their ability to pay restricted access even when infrastructure was offered (Kasrils, 2001b).

In 1993 the Congress of South African Trade Unions (Cosatu) presented its version of the RDP to the ANC with the intention of it being used as the ANC's 1994 election platform (Gumede, 2005: 76). The ANC retained the social equity tenets initially proposed by Cosatu, such as land redistribution, basic service delivery, housing, education, health, telecommunications and the democratisation of the state and society (ANC, 1994), yet revised it many times, attempting to make it more market-friendly and therefore more acceptable to business (Gumede, 2005: 76).

From its first year in office the ANC was under severe pressure from local and international business. The RDP's ambitious social and economic targets were always going to be difficult to achieve, given the government's resource constraints (Marais, 2001; Gumede, 2005) and the economy, in the view of the ANC, was far more fragile than initially thought (Sparks, 2003). It was concluded that social spending and redistribution would have to wait (Marais, 2001). The ANC was still viewed with scepticism. International capital demanded more concessions and assurances that the ANC was committed to establishing a market-friendly economy and had eschewed its traditional revolutionary alliances (with the Soviet Union, Eastern Europe, Cuba and Socialist African states) and that the ANC had changed its apparently nationalist, communist and socialist nature (Gumede, 2005). Bond (2004a) contested the assumptions of this 'no space for manoeuvre' scenario. Bond (2004a: 45) argued that the ANC had two possible routes forward, and abandoned the first – distinctly people-centred and based on social justice and redistribution – in favour of the "neoliberal capitalist path." This resulted, according to Bond (2004a: 47), in limited contestation of the global capitalist discourse and meant that South Africa made certain choices which cemented an economic policy based on principles of neoliberalism, which simply moved state policies of "racial apartheid" into the realm of "class apartheid." Bond (2004a: 54) argued that the path chosen by the South African government, dictated by the International Monetary Fund (IMF),

actually made the country weaker, by actively permitting capital flight and signing on to accords which eroded national sovereignty and strength: silencing calls for nationalisation; committing to the repayment of apartheid debt; ratifying the General Agreement on Tariffs and Trade (GATT) and moving faster than required; abolishing exchange control; freeing up the independence of the Reserve Bank and allowing local and indeed South Africa's biggest companies to move their financial headquarters outside South Africa to London.

In December 1994, at the ANC's national conference Mbeki and his band of centrists – Manuel, Mboweni and Erwin – staged a ruthless coup, convincing delegates that the delivery targets of the RDP would not be met unless government changed tack. This move had the support of Mandela (Gumede, 2005). According to Habib (2004: 5) "The greatest policy shift in the history of the ANC" (Calland, 2006: 114) was facilitated by the fact that there was a lack of "substantive uncertainty," in the electorate. That is, the ANC's political base was solid and therefore the leverage of the vote of the black majority demanding "poverty alleviation, service delivery and transformation" ceded to that of foreign investors and domestic business demanding "privatisation, deregulation, financial and trade liberalisation, and low budget deficits" (Habib, 2004: 3). With declining economic prospects, Mbeki was tasked with drawing up a 'growth and development strategy,'<sup>2</sup> one which would inspire business confidence and stabilise the macro-economy (Gumede, 2005: 85-87). Jay Naidoo's RDP office was jettisoned and Mbeki, with his commissioned team of economists, under the watchful eye of the IMF and World Bank, set about crafting an orthodox, market-friendly economic policy, essentially a stabilisation package favourable to domestic and international finance corporations (Gumede, 2005: 86-87).

The Growth Economic and Redistribution Strategy (GEAR) sought to attract foreign direct investment and improve South Africa's credibility via improved industrial competitiveness, greater fiscal and monetary discipline, the removal of tariff barriers and greater trade liberalisation, the expansion of privatisation, stabilisation of the exchange rate, increased labour flexibility, reduction of the budget deficit to contain debt servicing obligations, counter inflation and the reprioritisation of public expenditure (RSA, 1996a). Yet, as Marais (2001) argued, GEAR was flawed: the policy itself was rushed, lacked rigour and was based on shaky assumptions about the linkages between fiscal austerity, growth, job creation and social equity. Despite all the compromises made and concessions given by the ANC to international capital with GEAR; the promised investment was not forthcoming (Gumede, 2005). The left critique held that by reducing the fiscal deficit, dramatically cutting corporate tax and keeping inflation low; GEAR effectively ensured that growth and job creation slumped and social spending was pushed to the margins (Bond, 2000; Marais, 2001; McDonald, 2002a).

Despite critical contestations on the left regarding the direction the South African government was going, in 1996, GEAR subsequently replaced<sup>3</sup> the 1994 RDP. It was introduced by the ANC without consultation with its labour or civic allies (Gelb, 2005; Calland, 2006). It was shaped by the thinking of

---

<sup>2</sup> See Marais (2001), Sparks (2003) and Bond (2004a & c) for a comprehensive account of processes and policy documents leading up to the adoption of GEAR.

<sup>3</sup> The ANC claims that the GEAR strategy was already pre-figured in the RDP (Sparks, 2003).

the IMF and World Bank, whose influence over the private sector and neoliberal local and international consultants substantially shaped the texture and direction of certain infrastructure policies (Khosa, 2000). The GEAR strategy indicated a broad ideological shift to the right, steered South Africa away from a developmental state, ushered in a new era of institutionalised neoliberalism and resulted in a period of fiscal austerity, leading to a reduction in social expenditure, stagnation of service delivery, the erosion of the public sector, widespread embrace of cost recovery and increased social conflict (Bond, Dor & Ruiters, 2000; Khosa, 2000; McDonald, 2002a).

While GEAR succeeded in achieving a certain level of macro-stability via fiscal restraint, improved international competitiveness, reduced tariffs and liberalised trade, lower budget deficits and stabilised inflation; growth and employment did not follow the same path: investment remained low, the currency floundered and interest rates remained high (Gumede, 2005: 93-94). There was always a chance that the magic foreign investment, no matter how much orthodoxy South Africa delivered, was never going to be forthcoming (Sparks, 2003). By pinning its success to the whims of finance capital with its ruthless globalised speculation and relaxing domestic controls, enabling the flight of locally-based capital (Marais, 2001); and in period of global downturn, the South East Asian Crisis, the emerging Zimbabwe crisis and a rampant HIV/AIDS pandemic; South Africa's economy staggered (Sparks, 2003). The panacea of the market, South Africa's economic and social delivery phoenix, stubbornly did not materialise (Sparks, 2003); the bird remained an ashen heap. Scholars pronounced that GEAR had failed in the delivery of its economic targets (Marais, 2001; Padayachee & Valodia, 2001; Gumede, 2005). Those closer to government were more circumspect: and confined GEAR's failures to the lack of job growth and investment (Hirsch, 2005).

Apartheid's policies of separate development ensured that services were delivered along racial lines, with black South Africans receiving inferior and inequitable services, or no services at all (Cottle, 2004). This resulted in a dual water service delivery challenge: to reduce the apartheid backlog<sup>4</sup> whilst concurrently raising the level of service delivered (Hemson, 2004). The delivery of water and electricity services, historically a duty of national government, was devolved to local government with national government now taking on a regulatory role (Department of Water Affairs and Forestry [DWAF], 2003). In effect, the local state chosen by national government to deliver on its promises of universal water access became a chief hindrance in this quest (Hemson, 2004).

In the early 2000s the critics diverged in their understandings of poor municipal delivery, although it would be simplistic to categorise such variances into separate 'schools of thought,' there were clear differences: some analysts emphasised the problems of reorganising and redemarcating the entire local government system after 2000 (Atkinson, 2002 & 2007; van Donk & Pieterse, 2006). Others, particularly

---

<sup>4</sup> The extent of the backlogs is contested, and the figures range from 10.6 million at the RDP standard of a tap within 200 metres of homesteads (Hemson, 2004: 10-11) to "down to just more than four million people," as reported by Mike Muller, the Director General of the Department of Water Affairs and Forestry (Muller, 2004: 32-33). Government statistics are frequently contested (see later in Chapter 4 & 7). This is not the place to debate the accuracy of such figures. suffice to indicate that water service delivery and beating the backlog presents a significant challenge.

on the left, located problems of delivery within a framework of the reduction of intergovernmental transfers of funds from national to local government and privatisation (Bond, 2000; McDonald, 2002a).

The former analysts, for example, highlighted problems with the municipal re-demarcation process, based, according to van Donk and Pieterse (2006: 115), on an “untested” “ideological” perspective that redistribution was best achieved via “linking municipalities with a tax base and significant institutional capacity to those that lacked a proper tax base and adequate human resources.” Thus in 1995, and then again in 1999,<sup>5</sup> Atkinson (2002) argues that South Africa went through a painful municipal re-demarcation process which resulted in the amalgamation of urban areas and their rural hinterlands, the combining of several urban areas within single municipalities, the consolidation of municipalities into effective spatial areas, and the coupling of richer and poorer areas. Together, rapid urbanisation and municipal re-demarcation meant that municipalities were to serve larger jurisdictions and significantly more people within those jurisdictions (Piper, 2006). Municipalities traditionally run and managed by white interests and serving relatively small white populations now had to rapidly transform to serve extensive black populations without the necessary proportional increase in capacity, skills and staff to support such population growth and service demands (Atkinson, 2007). Atkinson (2007: 70) provides a revealing racial slant and states: “... many white officials have been replaced by inexperienced [read black] officials, sometimes with little more merit than their political affiliation.” Furthermore, the role of local government has enlarged from delivering limited services (refuse removal, street cleaning, verge cutting etc.) to providing a full developmental function,<sup>6</sup> without the necessary national government support (Atkinson, 2007). They argue further that municipal governance became increasingly unwieldy and wholly complicated, basic statutory requirements were often impossible to attain (especially without the input of consultants), decisions often had to be made with the input of all four spheres of government [local (administrative and political arms), district, national council of provinces and national government and (sometimes) also unions and civil society] (Palmer, 2004; Piper, 2006; van Donk & Pieterse, 2006). In recent years the emergence of local government “corruption, nepotism and self-enrichment” has been added to reasons for local government failure (Atkinson, 2007: 66).

Critics of neoliberalism (the latter ‘school’) however, went further and pointed to reduced intergovernmental transfers (at a time when real increases were needed to meet backlogs and improve levels of racially-based service delivery) from national to local, showing that operating and maintenance grants to local government had “declined by 85% in real terms from 1991-1998” (Bond, 2000: 105). In addition, national government put caps on property rates (benefitting primarily white middle class residents, business and industry), which were traditionally a significant source of municipal revenue and a subsidy mechanism for the poor (McDonald, 2002a). Municipalities, having a limited tax base and few

---

<sup>5</sup> In 1995 South Africa’s 1 260 racially defined municipalities were amalgamated into 843 District Councils, Transitional Local Authorities and Transitional Rural Councils. In 1999 these 843 municipalities were further reduced to 284: comprising 6 metropolitan municipalities, 47 district municipalities and 231 local municipalities (Atkinson, 2002).

<sup>6</sup> Bond (2000) disputes Atkinson’s (2007) argument of an ‘enlargement’ and offers a rebuttal that apartheid-era municipalities catering to white residents were in fact much more developmental (offering water, electricity, housing etc) than implied by Atkinson (2007) and more so too than current municipalities.

alternative sources of income, and expected to implement unfunded mandates, transferred the pressures onto their citizens at a time when the relaxation of tariffs caused job losses to escalate and employment opportunities to become increasingly elusive (McDonald, 2002a). As McDonald (2002a) argued, a crisis was emerging, since the poor could not absorb the burden of paying for municipal services. Consequently municipal debt soared, revenue collapsed, tariffs increased, households defaulted, disconnections became rampant, all of which produced a vicious spiral into debt (Khosa, 2000; Bond, 2001; McDonald, 2002a). This led to the water supply of an estimated ten million South African citizens being cut off,<sup>7</sup> with an increasing number having their electricity disconnected and more than two million people evicted from their homes (McDonald, 2002b). Moreover, with local governments in crisis and scrambling to meet development mandates, public sector doors were thrown open for widespread commercialisation as an attempt to gain legitimacy with investors (McDonald & Ruiters, 2005). Critics such as Desai and Pithouse (2003) and Pithouse (2005) went as far as suggesting that the government had declared war on the poor:

... people have been putting their bodies in harm's way and fighting revolutionary struggles to stay in the places where apartheid put them, to retain access to basic services like water and electricity and resist exclusion from education. Not even the most cynical anticipated that the millennial hopes that fuelled the mass and micro struggles against apartheid would be crushed this quickly and this brutally (Desai & Pithouse, 2003: 3).

The payment boycotts, prominent in the 1980s and early 1990s, which formed a large part of the black majority's struggle for equity and citizenship, returned as a site of struggle – but this time the reasons were based on the financial inability of poor households to pay for their municipal services as well as a response, by poor households, to inferior service infrastructure and poor service delivery progress (McDonald, 2002a; Desai & Pithouse, 2003; Bond, 2006).

## **2 POST-2001 ECONOMIC AND SERVICE DELIVERY CONTEXT**

However in this context in 2001 national government made an apparent 'about-turn.' The principle that all services had to be paid for was reversed; there appeared to be a softening in government thinking regarding its aggressive pro-privatisation policy stance and a movement towards a more interventionist, Keynesian type of approach (Gumede, 2005; Padayachee & Valodia, 2001; National Treasury, 2004). Since 2001, along with free basic water, social welfare expenditure began to increase (Hirsch, 2005). The 2001 budget prioritised investment in roads, water and sanitation, employment and an expanded public works program (Padayachee & Valodia, 2001; Habib, 2004). For example: national government to local government transfers have increased, albeit slowly from a low 2.7% in 1999/00 (Intergovernmental Fiscal Review [IGFR], 2003) to 7.6% in 2007/08 (IGFR, 2008):

... local government is getting a rapidly rising proportion of nationally raised revenue, although it is starting from a low base. This realignment shows that the provision of basic services like water, sanitation and electricity is becoming more of a government priority (IGFR, 2008: 54).

---

<sup>7</sup> This figure has been contested by government (see Muller, 2004).

Scholarly explanations for this reversal pointed to (1) the declining traction of the Washington consensus; (2) policy debates following the 1997/8 global financial crisis; (3) pressures within the tripartite alliance, particularly regarding GEAR's impact on delaying social and economic transformation (Padayachee & Valodia, 2001); and (4) the increasingly embarrassing indices of poverty, inequality, underdevelopment and unemployment (Gumede, 2005).

Government and its advisors (Hirsch, 2005) explain that new investment in infrastructure and social expenditure from 2000 became possible because of the 'success' of GEAR: the reduction in government debt after 1999, improvement of public finances at the end of the 1990s as a result of the fiscal austerity of the Finance Ministry; improved public revenue collection in the early 2000s; prolonged reduction in government borrowing which allowed for renewed capital investment in the form of bonds. Moreover, GEAR's economic projections all focused on the period 1996/7-2000/1 (RSA, 1996a). Yet Bond (2004c) questioned GEAR's glorified claims of delivering a surplus and wondered whether the inherited deficit (9% of GDP) could have been maintained; whether apartheid-era debt should have been repaid; whether exchange controls should have been lifted if capital was short; and whether Keynesian multipliers could have been revoked.

Nevertheless, some still considered the shift too "timid" (Gumede, 2005: 116) and doubted government's insistence that policies were more expansionary (Gelb, 2005). Many suggested that the timing of progressive changes had to do with the run-up to elections, seeing these as an attempt to temporarily appease leftist elements within the tripartite alliance (Habib, 2004; Calland, 2006). Indeed, Marais (2001: 189) noted that social spending could improve periodically, if tax collection continued to improve and government redirected its past public expenditure 'savings' and recommitted them to social programmes (and indeed this was relatively consistent with Hirsch's [2005] explanation). Despite an apparent renewed commitment in 2001, to policies and targets to address poverty, and improve service delivery and employment levels; Habib (2004) and Gelb (2005) noted that the fundamental economic policy framework (prudent fiscal and monetary policy, financial and trade liberalisation and privatisation) remained in place. Perhaps what we were seeing is a 'third way' rather than a reversal of neoliberalism. In this regard Mbeki, an avid admirer of Britain's New Labour, under the helm of Tony Blair, is commonly held to have steered the ANC into its subscription to the third way (Gumede, 2005); albeit to a "third way of a special type"<sup>8</sup> (Marais, 2001: 271).

In line with this third way shift, South Africa in 2001 adopted a free basic services policy which saw a free package of basic municipal services (water, electricity, refuse and sanitation) extended to all South African citizens, but the primary target of the policy was poor households for whom free basic services represent a significant poverty alleviation measure; and poor households would benefit the most from an

---

<sup>8</sup> Marais (2001) posits four distinctions between the British and South African models: (1) South African unions are strong and vocal unlike that of Britain's, smashed under the Thatcherite realm; (2) South Africa has far less leeway with regards the impacts of globalisation, which render it far more vulnerable; (3) South Africa has a very different set of equity and social objectives rendering a greater sensitivity to social inclusivity, equity and affirmative action; and (4) instead of 'de-ideologising' politics based on class, South Africa has instead 're-ideologised' race as a basis for cohesion.

affordable basic water supply (ANC, 2000; DWAF, 2002a). The extension of free basic water to poor households was meant to improve public health, gender and equity (DWAF, 2002a): "... the provision of free basic amounts of water and electricity to our people will alleviate the plight of the poorest among us" (Mbeki: President's speech, 2001). The free basic amount approved by Cabinet was 6 000 litres/6 kilolitres [6kℓ] of potable water per household per month. Disaggregated 6 000 litres per household per month provides 200 litres per household per day, or 25 litres per member of an 8-member household per day (Kasrils, 2001a). If households consumed more than 6kℓ per month, they would be expected to pay for the additional water consumed at the standard tariff rate (DWAF, 2001).

Despite some initial trepidation, free basic services were seen as a major step towards overcoming apartheid inequities and developing meaningful social citizenship (Veotte, 2001; Bond, 2002a; McDonald, 2002b; Greeff, 2003). With free basic services and expanding welfare (the Child Support Grant, health and education-related initiatives), the ANC was seen to be recommitting to its freedom promises borne out of the Freedom Charter, the RDP and South Africa's Constitution. Those close to government (Muller, 2008) and scholars (Hemson, 2000; Mosdell, 2006) alike expressed that the shift was a major departure from past water policies, which prioritised water as an 'economic good,' and indeed, the preceding ANC policies themselves. For example: "The free basic services policy represents a dramatic shift in government policy in that previously, the approach had been that government would pay for the capital cost of schemes, provided that beneficiaries would undertake to pay the recurrent costs" (Mosdell, 2006: 283).

Some of this praise, however was linked to the fact that Kasrils (Former Minister of Water Affairs and Forestry), and his department had undertaken their quest to provide South African citizens with free water at a time when the international neoliberal paradigm was fiercely opposed to any intervention that might re-prioritise the public and 'social good' qualities of water (Muller, 2008). International finance institutions were afraid of the precedent it would set for financing water access, specifically the implications for cost recovery (as we will see later on, cost recovery proponents had no need to be alarmed). In March 2000, a month after Kasrils hinted at a Free Basic Water Policy, the World Bank's *Sourcebook on Community Driven Development in the Africa Region* was circulated. It indicated the Bank's position unequivocally: "work is still needed with political leaders in some national governments to move away from the concept of free water for all ... and [to] promote increased capital cost recovery from users ... and [to] ensure 100% recovery of operation and maintenance costs" (cited by Bond, 2002a: 242 & 254). In this regard, when criticisms started to emerge (see later) some civil society organisations initially defended Kasrils and felt that the sudden jump to questioning government intentionality was unfair (Greeff, 2003) and indeed Kasrils took criticism very personally. For example: (in response to an article arguing that "free basic water is a ploy") Kasrils (writing in *The Witness*: 20 November 2003) rejoined: "As someone who has spent the better part of his life fighting for freedom and democracy, I find ... [the] allegation insulting to our government's best achievements."

We now consider various interpretations that have been offered for the ANC's shift from full cost recovery to a more concessionary services regime. Those on the left suggested that the ANC was responding to the largest cholera epidemic in at least a quarter of a century, which infected 120 000 people and claimed 265 lives, in August 2000. It was caused by the introduction in 1998/9 of pre-paid water meters into formally free communal standpipes; poor people, unable to pay, were forced to drink from polluted rivers (Hemson, 2000; Cottle & Deedat, 2002). The consequences of the epidemic coincided with the joint South African Municipal Workers Union/Rural Development Services Network's (RDSN) 'Water for All' campaign for 50 litres free water per person per day, and the fight for other basic services by ordinary citizens which spawned a variety of concerned residents' movements (Veotte, 2001, RDSN, 2000). The epidemic together with the campaign for water rights and community protests forced a compromise. In this, the left claimed a class struggle victory forced out of national government through popular struggle (Veotte, 2001; Cottle, 2004).<sup>9</sup>

Not wanting to be seen to be backing down, Kasrils claimed that the concession was based on a personal epiphany<sup>10</sup> on seeing a woman collect water at a riverbed in Lutsheko, Eastern Cape (Kasrils, 2001b), thereby signalling a return to heroic nationalism (Kasrils, 2003) and the extension of the 'South African miracle' and recognition that despite progress in infrastructure implementation; affordability constraints still proved a barrier to access (Kasrils, 2001b). With the looming December 2000 municipal elections and citizen impatience and resistance growing, the ANC saw water as a key part of their electoral campaign. It announced that (the ANC-led) local government, "will provide all residents with a free basic amount of water, electricity and other municipal services, so as to help the poor" (ANC, 2000). Government has denied that the timing of the introduction of free basic water was related to election gains:

... the ANC's election promise of free basic services to the poor is not a hollow electioneering ploy nor an empty promise ... the provision of free basic water is not an opportunistic piece of electioneering but is part of a process to ensure that the legacies of apartheid in the water sector are addressed (Kasrils: media statement, 2000a).

Bureaucrats closer to the machinery of implementation of service delivery interpreted the shift as a pragmatic recognition of the failure of full cost recovery and the failure of punitive disconnections which resulted in increased civil militancy and threats to the security of the water infrastructure itself since many residents were illegally reconnecting to the water network: hence the realisation that it might be better to just give poor people some free water. This school of pragmatic thought was linked to a growing recognition of the apparent success of the 'Durban experiment,' the forerunner of free basic water (see later in section 7), which found that access to a limited volume of water could be given free whilst simultaneously making good economic sense (Sussens & Vermeulen, 2001; Bailey, 2003; Macleod,

---

<sup>9</sup> The landmark victory of *Grootboom vs Republic of South Africa* in 2000, whereby Irene Grootboom, a shack dweller in the Western Cape, challenged government to provide the poorest sectors of society with at least a lifeline supply of basic services to meet the constitutional rights of dignity, freedom and equity and voter apathy revealed in the 2000 National election added to government pressures to realise the rights of South African citizens.

<sup>10</sup> Expanded further in section 7.

2007) and engendering the good faith of the populace. Grounded in such a philosophy, free basic services was a type of administrative logic and strategy: in the words of then Director-General Muller:

... the free basic water strategy is an innovative approach that will enable us to separate the can't payers from the won't payers. Only the really proven poor should get these (free services) while anyone else should be forced to pay even at higher tariffs (Muller, 2001: 1).

Government proceeded to spin itself as being benevolent with noble intentions, doing its best to meet the needs of its people within its limited resources (Kasrils, 2004). In time, however, stronger criticisms surfaced from all sides of the ideological spectrum: on the right, conservatives and liberals expressed alarm at the idea of free services. They argued that it would undermine fragile cost recovery gains, decrease financial sustainability, limit individual economic 'choices,' increase environmental scarcity, overburden the state and erode market confidence (Still, 2001; Bate & Tren, 2002; Rogers, de Silva & Bhatia, 2002; Savenije & van der Zaag, 2002; Whittington, 2003; Bernstein, 2005). Government documents and statements however assured that free basic water was consistent with cost recovery. Municipal bureaucrats who contended that messages of free basic water would be construed by consumers as providing free rein to stop paying for all water volumes used were assured that this was not so. For example:

**What should consumers be told about the 'free basic water' policy?**

They [local government] should ... communicate to consumers that cost recovery remains a key objective of local government and that consumers will have to pay for services above the basic level (DWAF, 2001: 10).

Indeed, such pronouncements I will argue reflected a broader plan, which was that the introduction of free basic water would not only *not deviate* from the 'user pays' principle but could actually *strengthen* it (DWAF, 2001; DWAF, 2003).

... the free basic water policy strengthens the ["user pays"] principle in that it clearly requires consumption in excess of the basic water supply service to be paid for while enabling free access by the poor to a *basic water supply service* necessary to sustain life (DWAF, 2003: 29, their italics).

In this regard, as asserted by Schreiner (2007: 62), "Effective credit control is a critically important component of providing a reliable and effective service to all communities and consumers." Trade unions and the Left (leftist academics, social movements and broader civil society) drew on well-rehearsed anti-neoliberal critiques to criticise free basic services, and noted its continuity with cost recovery, but could not demonstrate this adequately. Fixated with quantitative delivery statistics, left critics questioned the timing of concessions, inadequacy of free service volumes offered (to meet, for example: water requirements of large households and increased water requirements of persons living with HIV/AIDS) and modes of delivery, access-linked concessions, geographic biases, and continuing household affordability constraints (Hemson, 2000; Bond, 2002a & b; McDonald, 2002b; Cosatu & Samwu, 2003; Harvey, 2003; McDonald & Ruiters, 2005; Smith & Green, 2005). It became clear, the left argued, that free basic water had become detached from the spirit in which it was apparently conceived and instead

reattached to 'help'. In Gronemeyer's (1993: 56) critique of 'help', situated within the economics of a calculated cost-benefit analysis, "... help owed its existence to the benefits which resulted for the giver." With free basic services, commercialisation could no longer be damned by questions of inhumanity and profits at the level of the poor – the poor were catered for via the securing of 'life sustaining' free basic services, and capital could continue its march unabated as the state's economic fundamentals were still in place (McDonald, 2002c; Pape, 2002; Loftus 2005) and, as it happened, poor households required much more water than 6kl (which had to be paid for in full).

### **3 REVIEW OF DEVELOPMENT TO WELFARE LITERATURE**

The shift from provision of only infrastructure to providing tangible benefits such as free basic water has, as we have seen, been debated by various scholars. More than ten years into a democratic South Africa, poverty and inequality surveys continued to paint a bleak picture of the nature and extent of poverty in South Africa (May, 2004). For example: South Africa, ranked 121 on the human development index, peaked in 1995 at 0.741 and then regressed to 0.653 in 2004 (UNDP: Human Development Report, 2006: 290), the same level registered in 1975 – in the heart of the apartheid years. The findings of nearly every post-apartheid study on income-poverty and inequality (Measuring poverty in South Africa [Stats SA, 2000], Earning and spending in South Africa [Stats SA 2002], KwaZulu-Natal Income Dynamics Study [Carter & May, 2001], with exception the All-Media Products Survey), indicate that ordinary citizens are getting poorer (in money-metric terms) (Meth & Dias, 2004; Roberts, 2005; Magasela, 2006). Critics blamed the time lag between policy implementation and measurable changes (Roberts, 2005); the "poor availability of timely credible data," over-reliance on income-poverty measures, statistical measurement errors (Roberts, 2005: 484; Netshitenzhe of Government Communications and Information Systems [GCIS], cited in *Business Day*: 26 March 2003) and the continuing uncertainty over poverty definitions and measurements (Roberts, 2005; Magasela, 2006). Moreover, scholars (Meth & Dias, 2004; Parnell, 2004) acknowledged that South Africa's miserable poverty statistics were particularly vexing for a government that had consistently prioritised poverty-reduction strategies.

Contesting poverty statistics, Government – chief defender of poverty alleviation progress – further noted that contemporary poverty and inequality studies failed to consolidate all poverty alleviation programmes when considering the total impact on poverty relief (Netshitenzhe of GCIS, cited in *Business Day*: 26 March 2003; Mbeki, 2007). Netshitenzhe of the GCIS (cited in *Business Day*: 26 March 2003) stressed that although apartheid's legacy of institutionalised poverty and inequality continues to dog South Africa's democratic transformation, poverty indices often ignore the social wage. In this regard, the Human Sciences Research Council (HSRC) [2004: 3] and Roberts (2005:485) have argued that government, as an attempt to remedy the deficiency of income-poverty measures, has shifted towards indicators which include all 'in-kind' state benefits, encapsulated by the social wage:

Although most conventional measures of poverty and inequality ignore the value of benefits in kind, their inclusion is potentially very significant in monitoring the impact of government policies on the poorest households. The social wage is therefore of great policy relevance given

government's concern with inequality and a more specific commitment to reducing poverty (Roberts, 2005: 485).

The term 'social wage,' emerged around 2003 and referred to the 'entire package of social assistance' extended to poor households from government, which includes access to conventional social grants, health care, education and recently also municipal services – water, electricity, sewage and refuse removal (Lund, 2001; HSRC, 2004; Meth & Dias, 2004). That is, while most analysts continued to interpret the shift to free basic services as being in line with past policies; few picked up on the subtle change in language and form, which saw free basic services, and free basic water in particular, shift from a stand-alone development/equity concession into the space of social services proper; culminating in the appropriation of the term 'the social wage'<sup>11</sup> (Netshitenzhe cited in *Business Day*: 26 March 2003; Schreiner, 2007: 8; Mbeki, 2007).

It should be stressed that the free basic water policy is but one element of a broader approach to the development of a comprehensive social security framework in South Africa. In terms of this, there are a number of pillars in the system established to ensure that all South Africans enjoy protection against social contingencies. The first pillar, of basic universal protection for all citizens, comprises conventional social grants as well as the 'social wage,' the package of essential social services provided by government. Free basic water should be seen as an element of this social wage (Schreiner, 2007: 8).

Under this approach, when evaluating support to the poor and indigent, the value of the full menu of government services should be considered to allow the analysis of redistribution trends in a normalizing society (Muller, 2008: 75).

It is clear that national government in the face of stubborn unemployment and municipalities in crisis (total accumulated municipal services debt, as at 30 June 2002, was R24.3 billion [Mufamadi, 2002: 1]), sees the social wage as increasingly playing a pivotal role in its mitigation of poverty strategy, but also as an attempt to bail out municipalities (the prime sphere of government to deliver to the poor). In 2003 national government through the Department of Local and Provincial Government (DPLG) introduced the means-tested Indigent Policy as an instrument to deliver free basic services (see Local Government Municipal Systems Act 32 of 2000 [RSA, 2000b], s74: cii). This signalled a shift from the transformative development accompanying the introduction of free basic services in 2001 for *all* households (to heal the wounds of apartheid and promote equity) to the stratification characteristics of welfare which *targeted certain* households and introduced stigma and logistical difficulties among others. For example: The DPLG (2005: 22) now put a financial threshold on access and stated, "Free Basic Services are a defined amount of free services that are provided to households with a collective monthly income of less than R1 100."

Such a move is consistent with Van Ryneveld, Muller and Parnell (2003: 7) who argued that Indigent Policies often adopt a limited scope; prioritising municipal income generation via the focus on chronically poor households within a limited set of administrative and debt management procedures; instead of broadening the optic to include a more comprehensive set of basic needs and rights protection:

---

<sup>11</sup> The social wage was popularised by Britain's Labour government in the 1970s (Dean, 1991: 38).

Most commonly these indigent policies ... seeking to define indigence in terms of a particular household income level, administratively identifying households falling below this level, and providing them with a grant to facilitate their payment of the municipal account. Sometimes it is extended to how *debt management* policies are to be applied to households so defined (Van Ryneveld, *et al.*, 2003:7, my emphasis).

Schreiner (2007) however introduces further questions around the move to welfare-based water provision by positing justifications of augmented supplies and better capacity to deliver to specific groups of people via additional funding, welfare, administrative and technical mechanisms:

Government recognized that the free basic water allowance might not meet the needs of all users and that *additional welfare* and *administrative mechanisms* (as well as *technical solutions*) might be required in specific circumstances for example, households with disabled people or sites where a number of households share a single connection. In these cases, it is important to have another instrument to ensure that household water needs could be adequately addressed although this was more likely to occur in the *context of a generic social welfare policy*. The introduction by DPLG of a municipal indigent policy (which was also considered to be a possible mechanism to fund the provision of basic water supplies to poor families) met this requirement (Schreiner, 2007: 42, my emphasis).

Here we start to see the emerging machinery of welfare which, imbued with the rationality of intervention (Escobar, 1993; Ferguson, 1994), introduces notions of the “ambiguity of helping” (Gronemeyer, 1993: 63). That is, Gronemeyer (1993:54) argues: “Far from being unconditional, modern assistance is frankly calculating. It is much more likely to be guided by a careful calculation of one’s own advantage than by a concerned consideration for the other’s need.” She goes on, “... it is no longer true that help is an unpredictable, anomalous instance. Instead it has become institutionalized and professionalized. It is neither an event nor an act; it is a strategy” (Gronemeyer, 1993: 54).

#### **4 THE THIRD WAY: INTERNATIONAL WELFARE TRENDS AND SOUTH AFRICA**

These South African debates to some extent mirror international social policy scholarship particularly about the third way’s regime, referred to earlier in this chapter. The third way, also referred to as “social democratic renewal” or “a new mixed economy,” is in Giddens’s view (2004a: 4, 13) essentially an “attempt to avoid an excessive domination of the state over social and economic life, but does not accept that the market can be left to its own devices” and seeks to “combine social solidarity with a dynamic economy.” Although the third way is not a new concept,<sup>12</sup> and countries such as Germany (under Gerhard Schröder), America (Bill Clinton), Holland (Wim Kok) and Britain (Tony Blair), among others, have adopted its tendencies, it is most commonly defined by Britain’s New Labour, under the tutelage of Tony Blair (Giddens, 2004a & b). It has gained credence as a response to the demise of the classical ideological resonance of the binary ‘left’/‘right’ in light of the ‘death’ of socialism and the rise of globalisation and an attempt to compromise between the overburdening and bureaucratic state of classical social democracy (old left) and the unfettered market fundamentalism of Thatcherism or neoliberalism

---

<sup>12</sup> See Giddens (2004a & b) for a comprehensive history of the third way, the debates and criticisms.

(new right) (Giddens, 2004b: 7 and Giddens, 2004a: 11). Both, in Giddens's (2004b) view are of and in themselves, problematic and the third way, in his opinion offers a solution to the impasse.

Giddens (2004b) sees the core components of the third way as espousing: a 'de-ideologising' of politics and shift to the centre-left; a smarter, more efficient government, quicker and more able to adapt to change (a realistic approach to globalisation and markets and learning corporate efficiency); a role of gentle referee with regard to the market, thereby reducing regulatory constraints yet simultaneously reducing social risks and ensuring social responsibility; a more flexible, capable and competitive labour force; greater investment in social capital and infrastructure; a more committed stance to social inclusion and equality; and a 'positive welfare' framework that involves less direct transfers, more work-fare, greater 'personal responsibility' and 'no rights without responsibilities.' In contrast, South African scholars see the third way more cautiously: less governance that is more modern (reorganisation and centralisation of power, improved efficiency, co-ordination and discipline); neutralising or reducing labour unions; market-related delivery along the lines of the second wave of New Public Management (cost-effective and corporatised delivery); and closer proximity to business (Marais, 2001; Gumede, 2005; Harrison, 2006).

A key part of the third way's political philosophy is welfare reform (Giddens, 2004a: 103); and this, at least may partly explain South Africa's shift to increased social spending, within an apparently contradictory fiscal framework. In this regard, it is useful to briefly review the core paradoxes and inflections of welfare. Welfare scholars contend that welfare is not simply a gesture of humanity from the 'benign to the benighted' (Hochschild, 2006), nor does it necessarily reduce inequality nor provide adequately for the needs of the poor (Alcock, 1987; Goodin, 1988; Walker, 1993). That welfare, as a concept and system, houses so many internal contradictions to accommodate broadly heterogeneous forces whilst simultaneously allowing for the realisation of diversely singular ends and strategies, is what makes it so appealing across a taut political spectrum (Gilbert, 1983; Offe, 1984). Indeed, welfare functions to serve many purposes but chiefly as a buttress to the economic and political order: welfare quells civil disorder, regulates labour, reduces the scale of poverty, slows the advancement to 'indigency,'<sup>13</sup> and acts as a powerful mechanism of social control via population regulation and segmentation (Rose, 1971; Gough, 1979; Alcock, 1987; Dean, 1991; Piven & Cloward, 1993). Hence welfare may contribute positively<sup>14</sup> to the needs of poor households (albeit inadequately and not necessarily reducing inequality) whilst concurrently serving the needs of capital and the state apparatus (Gough, 1979; Alcock, 1987; Walker, 1993; Painter, 1995). Of special relevance for South Africa, with

---

<sup>13</sup> Core to this distinction, is the construction of the 'utility' of poverty in relation to capital or the 'ruling classes. Patrick Colquhoun (a close friend of Jeremy Bentham), in his *Treatise on Indigence* (1806) noted that poverty is the key to a well-functioning and prosperous society " ... without poverty there would be no labour, and without labour, there would be no riches" (Colquhoun, 1806 cited by Rose, 1971: 47). 'Indigence,' on the contrary is: 'evil,' it is 'antisocial,' immoral and promiscuous,' it is a 'deformity,' dangerous and hostile to the economy and society (Colquhoun, 1806: cited by Rose, 1971:47; Procacci, 1991). Historical responses to the 'gangrene' of indigence were serious: whole institutions were set up and a plethora of judicial and policing regulations were exercised to reform, discipline, control and contain people (Rose, 1971; Schwartz, 1988). The partitioning of poverty, was and is still a very 'useful strategy' adopted by those in power to exercise social control (Dean, 1991; Foucault, 1991).

<sup>14</sup> It is noted that the extent of welfare assistance is largely differential: nowhere more evident than the cross-national differences in the types and nature of welfare states e.g. Britain's system is a little better than that of the United States but a lot worse than the Swedish model (see *The Three Worlds of Welfare: Capitalism*, Esping-Anderson, 1990).

the shifts, as Piven and Cloward (1993) note, is that poor relief concessions are cyclical: provision is expansive in response to civil discontent and restrictive to reinforce work norms.

This is none so evident when tracing the expansion and contraction of welfare in relation to the social democratic or Keynesian consensus after the Second World War (Offe, 1984). Post-WWII to the mid-1970s saw the expansion of welfare (Offe, 1984). However, the mid-1970s under the rubric of state fiscal crises saw the rise of the 'New Right,' and the championing of greater market provision in lieu of state involvement (Savage & Warde, 1993). Subsequently, the 1980s under the stewardship of Thatcher and Reagan, signalled the start of a wide-scale pull-back on direct social welfare expenditure in response to the 'overload' on state revenues caused by the escalating and apparently endless demands on welfare (Savage & Warde, 1993) and a move towards "a more market-orientated provision" (Painter, 1995: 89). In Britain and the United States, for example, neo-conservative thinkers suggested that state welfare benefits undermined traditional family structures via the encouragement of "young, single women to have children without getting married, or establishing a secure home environment" (Painter, 1995: 90). The years following were largely described as manifestly neoliberal (Savage & Warde, 1993; Waddan, 1997), yet such interpretations appear no longer sufficient (Rose, 2006). It is here where Giddens (2004a & b) contends that welfare yielded unabashedly to a type of third way; that is traditional welfare services did not disappear but were refashioned. Congruent with this view, Painter (1995) and Rose (2006) noted that despite the growth of neoliberalism, the state apparatus remained intact and instead of a wholesale reduction in state expenditure: there was actually a restructuring of state spending to serve different ends in different ways, thereby reflecting a broader shift in 'the politics of social welfare.'

Returning to Piven and Cloward's (1993) assertion of the cyclical nature of poor relief concessions, it is plausible that South Africa presented a setting whereby the expansion of welfare might be in response to civil discontent and impatience in the light of stubborn poverty. The relaxation of apartheid influx controls, pass laws, Group Areas and Group Separation Act (etc.) and attempts to escape the poverty-rife and neglected former homelands (Robinson, 1996) and rural areas (May, 1998) in search of a better life (better services, education, health and jobs), culminated in rapid urbanisation (Kok & Collinson, 2006). That this discontent converged in urban centres also created a situation whereby government struggled to control an increasingly unknown, ungovernable and restless populace demanding the realisation of socio-economic rights and accountability of de-racialised service delivery promises. In the early 2000s, municipal service delivery protests (9 446 for the year 2006/7; Minister of Safety and Security, 2007) and service payment boycotts (now affordability-linked) abounded. Local scholars questioned if South Africa's emerging developmental welfare state might in fact be a form of expanding its bureaucratic apparatus and re-inserting social control in the face of a government that struggled to control 'ungovernable' people (Naidoo & Veriava, 2005; Ruiters, 2005; Naidoo, 2007).

## **5 THE UTILITY OF WELFARE FOR STATES**

Previously I have explored the tensions within welfare and suggested that welfare serves many ends. I would like to expand on this via the literatures of international social control scholars who suggest that

the consideration of the extension of welfare must start with the interrogation of the broader intentionality of the state (Foucault, 1991; Dean, 1991; Ferguson, 1994; Rose, 2006). In this regard there are variances, for example some scholars (Offe, 1984; Alcock, 1987; Goodin, 1988) take a pragmatic view and suggest that states have to navigate a careful balancing act between 'giving and controlling.' Others, however take a stronger and more sceptical view and suggest that all government interventions serve to 'make visible,' to shape, control and manipulate ordinary citizens (Foucault, 1991; Escobar, 1993; Scott, 1998). Consistent with this latter view, Dean (1991) suggests that welfare may serve to dilute the notions of rights and entitlements and Ferguson (1994) notes that poverty interventions serve to depoliticise both poverty and the state.

Core to these critiques, regardless of where critics fall along the spectrum, is that welfare, as a system, constructs its legitimacy on the paradox of a state that does not trust its citizens. That is, poor relief makes a central distinction between the 'deserving' and 'undeserving' poor (Rose, 1971; Schwartz, 1988; Dean, 1991; Procacci, 1991; Gronemeyer, 1993). This simple but significant principle opened the space for not only the most visible effects typically encountered at administrative offices, for example in-built humiliation, discrimination,<sup>15</sup> suspicion, bureaucratic bungling, corruption, and general reluctance to extend welfare (Walker, 1993; Gupta, 2006; Deacon, 2002); but more importantly, and espoused by the second school, it served as a credible vehicle for the broader intentions of the state to reinforce and expand the state bureaucratic apparatuses (Ferguson, 1994) via the entrenchment of surveillance and discipline (Foucault, 1991; Piven & Cloward, 1993; Gronemeyer, 1993), lest the 'undeserving' citizens deceive the state (Hobsbawm, 1969; Scott, 1985). That is, the receipt of concessions means that the poor must submit to certain constraints, they must be "made capable of being helped" (Gronemeyer, 1993: 56) or, in the words of Brown (2006: 189) [the price of such concessions is] "... always a measure of the dependence and agreement to abide by the protector's rules." In this way, as articulated by Gronemeyer (1993), Brown (2006) and Rose (2006), welfare concessions via remedial and surveillance mechanisms afford the increasing reach and intrusion of the state apparatus into the homes and spaces of the poor.

## 6 *SOUTH AFRICAN WATER RIGHTS*

Most scholars and commentators on water start by emphasising the right to water (Khosa, 2000; McDonald & Pape, 2002; Ruiters & Stein, 2002; Bond, 2004b). The Reconstruction and Development Programme of 1994 is cited as the first major statement of intent by the state to redress South Africa's skewed water resource and service legacy. It recognised the right of all South Africans to access clean water and adequate sanitation for the attainment of household water security (ANC, 1994). The RDP saw water as a means to promote health and hygiene. Water service access was to be achieved through the establishment of a national water and sanitation programme which, as its short-term aim would provide

---

<sup>15</sup> For example: international historical evidence shows that welfare measures are predisposed towards unpleasantness: see Rose (1971 & 1972) on English Poor Laws of 1597 and 1601 and Schwartz (1988) on France's 'Royal Declaration of 18 July 1724,' which saw the administration of poor relief via the notorious parish 'workhouse' and 'poorhouse,' 'hospitaux généraux' (municipal hospital) and later 'royal workhouse' respectively. In apartheid South Africa, social welfare was broadly interpreted yet discriminatorily exercised (Makino, 2004) to protect and elevate white citizens, as a strategy to divide and entrench hatred and prejudice between racial groups (benefit levels highly variable), to ensure a ready supply of unskilled cheap labour: and as a tool of political and social control.

all households with 20-30 litres of clean and safe water per capita per day within 200 metres of dwellings, increasing to 50 litres in the medium term (ANC, 1994). Water supplied should be affordable through the mechanisms of lifeline tariffs, progressive block tariffs (increasing block tariffs) and cross-subsidisation (ANC, 1994). These writers also stress the White Paper on Water Supply and Sanitation (1994), which gave effect to only the RDP's short-term objective, as a minimum standard for a basic water supply (Schreiner, 2007: 35). The South African Constitution of 1996 guarantees the right to access water which was to be realised progressively (RSA, 1996b). Commensurate with this, legislative obligations in the Water Services Act of 1997 elaborated an implementation framework to ensure that "Everyone has a right of access to basic water supply and basic sanitation" (RSA, 1997: 12). The "sufficient" volume of water referred to in the Bill of Rights (RSA, 1996b: s27.1[b]) was re-worded as "basic" and defined as the "prescribed minimum standard of water supply services necessary for the reliable supply of a sufficient quantity and quality of water to households to support life and personal hygiene" (RSA, 1997: 8). There are major debates about the minimum standards of services to meet 'basic' needs. Definitions of the volume of water required, to meet 'basic' needs, then become politically important. For much of the scholarship on service delivery these legal foundations framed their subsequent critiques. Non-governmental organisations and civil society broadly reflected this thinking (For example: South African Water Caucus and Southern African Regional Poverty Network).

According to Schreiner (2007: 36), this volume was not yet conceived as a *free* volume but as a basic supply. The minimum standard for basic water supply services, as provided by regulations under section 9 (1) of the Water Services Act is: (1) "the provision of *appropriate education* in respect of effective water use" and (2) "a minimum quantity of potable water of 25ℓ per capita per day or 6kℓ per household per month, within 200 metres of a household" (DWAF, 2002c: 26, my emphasis). The White Paper on Water Supply and Sanitation (1994) was replaced by The Strategic Framework for Water Services (2003) and, like the Free Basic Water Policy (2001) before it, retained the minimum of 25 litres per capita per day as promulgated in the Water Services Act (DWAF, 2002c). From the start therefore, water provision went beyond simple provision to include elements of state 'guidance' over the behaviour and attitudes of needy residents (consistent with Gronemeyer, 1993; Brown, 2006; Rose, 2006).

The South African state insisted that "water and sanitation services should be delivered equitably, affordably, effectively, efficiently, *sustainably* and gender sensitively to satisfy sector goals" (DWAF, 2003: 9, my emphasis). The theme of environmental scarcity and sustainability pervades much of the literature on domestic water services. South Africa is a water-stressed country, rainfall is well below the global average and rainfall is unevenly distributed: "... [in] global terms, South Africa's water resources are scarce and extremely limited" (Intergovernmental Fiscal Review, 2008: 90); "... South Africa ... among the 'driest' countries in the world" (Muller, 2008: 69), "We live in a semi-arid country ..." (Environmental Monitoring Group, 2005: 1) and "... water is scarce and it is important that water be used wisely and that due attention be paid to water conservation and demand management" (DWAF, 2003: 6).

Scholars (Turton, 1998; Bond, *et al.*, 2000) note that environmental and government commentators make much of scarcity; very little is made of water resource allocation. For example: The Intergovernmental Fiscal Review (2008: 92), citing DWAF, accounts the total use of water by sector (2006/7) as the following: 61% for agriculture/irrigation/livestock watering, 32% domestic/industrial (municipal), 6% forestry and 1% unbillable. Such statistics belie the racial and domestic slant of allocation. For example: water resource allocation is still drawn predominately along the inequitable lines of race, land and economic ownership or access (Cottle, 2004; Bond, 2002b). Domestic consumption accounts for 12%, of which half is used for swimming pools and gardens in wealthy and largely white residential homes. Less than one-tenth of this domestic amount is consumed by all black South African households (Motala & Tilley, 2000; Bond, *et al.*, 2000; Bond, 2002b).

The White Paper on a National Water Policy for South Africa (DWAF, 1997: 4) states that “only that water required to meet basic human needs and maintain environmental sustainability will be guaranteed as a right. This will be known as the Reserve.” In this sense, of course, we are talking about the right to water and not ‘free’ water (as per RSA, 1997). It is argued by Calland (writing in *The Cape Times*: day unknown, 2002) that, in the case of free basic water, the “reserve” or “minimum core right” represents the entirety of the right itself. Indeed, Walker (1993: 41) warned of the dangers of conflating minimum standards of services to meet ‘basic’ needs with the absolute level necessary to sustain life. In the realm of a ‘rights-based’ framing of ‘basic’ needs; definitions then became even more significant and indeed point to the limits of rights.

More critical legal scholars stress that water rights are directly related to civil society’s ability to pressure the state to deliver. That is, by the ability to defend socio-economic rights in law (Flynn & Chirwa, 2005; Bond & Dugard, 2008). “Ultimately, defining and enforcing these legal rights is a political struggle requiring the active participation of the poor and allied organizations” (Flynn & Chirwa, 2005: 74). For example: Dugard and McKinley (Public lecture, 2008) spoke of the judgement in *Mazibuko vs City of Johannesburg*:

The greatest credit for this extraordinary legal victory must go to the residents of Phiri who resisted the installation of PPMs [prepaid water meters], and to all the other residents of poor communities, both in Johannesburg and across the country, who have been fighting, and continue to fight, for accessible, affordable and sufficient water provision/delivery.

Moreover, other legal writers (De Waal, Currie & Erasmus, 2001) stress the differences between positive and negative rights (civil and political or ‘first-generation’ rights). Negative rights impose a duty on the state “not to act in certain ways,” that is to protect society from the state (De Waal, *et al.*, 2001: 432).

Negative protection is the usual form of judicial protection given to civil and political rights. Applied to socio-economic rights the term means that a court can prevent the state from acting in ways that infringe the socio-economic rights directly ... The rights to ... water ... may therefore not be subjected to what have been termed ‘deliberately retrogressive measures’. A deliberately retrogressive measure is one which has the effects of denying individuals their existing access of water, food or housing, or preventing them from using whatever resources they have at their

disposal to satisfy their water, food and housing needs. More generally, law or conduct leading to a decline rather than progressive improvement in living and housing conditions would be a violation of this negative aspect of the socio-economic rights and could be declared invalid for this reason (De Waal, *et al.*, 2001: 434-435).

## 7 *FREE BASIC WATER IN SOUTH AFRICA*

The Free Basic Water policy of 2001 based on the principles of improving public health, gender and equity, recognised by government as a significant poverty alleviation measure, was announced in the local government election manifesto (September 2000). It was to be implemented in July 2001, progressively until June 2003 (DWAF, 2001).

The writings on free basic water swivel around two major axes: the benevolent principled state versus the Machiavellian<sup>16</sup> state. The movement between the two is knotted in the progression from origin to intention. Common to both literatures is that of trying to supply water to citizens with previously tenuous access. The first, 'the Durban experiment,' sought to provide to recently urbanised residents living in informal settlements a basic supply of water; the second recognised that poor rural citizens could not afford to pay the 'user fees' which accompanied newly implemented water infrastructures. I will show how 'the Durban experiment' moved from apparently benevolent origins to the realm of calculated intent, in this; it influenced the second recognition; primarily because it offered 'proof' that such a policy to provide free volumes of water could actually work. Contestations around the origins of free basic water are significant precisely because they offer clues as to where the pendulum was swinging at the time.

Within government there are different views of the origins of free basic water. Macleod (Durban's water manager) has argued that free basic water was invented in Durban by his Water Service Department. Prior to 1997 the Durban Metropolitan Council, under his leadership, was tasked with investigating the water access options of citizens residing in the burgeoning informal settlements springing up around Durban (Macleod, 2007: 3). Macleod (2007) noted that the chief means of water access for these citizens was via the purchase of water at local trading stores:

... at great cost. This manner of obtaining water was unsustainable and created significant social and financial problems in the area. This led to destruction of water infrastructure and fire hydrants as illegal methods of connection were sought (Macleod, 2007: 4).

This, according to Macleod (2007), required more thorough research which culminated in the provision of 200 litres per day instituted via the daily filling of a 200-litre household water drum at a minimal charge. During 1998 the eThekweni Municipal Council, as part of strategising around ways to ensure that poor households had permanent access to a water supply, assessed the bailiff-operated system implemented in Durban's informal settlements, and found that "the amount of money that was collected by the Council for the water supply was in fact equivalent to or less than the costs of administering the collection of the amounts from the relevant communities" (Macleod, 2007: 4). The outcome was the decision to

---

<sup>16</sup> See Niccolò Machiavelli's (1967) *The Prince*.

implement the drum water supply system, providing 200 litres per day or 6kl per month, at zero charge (Bailey, 2003; Macleod, 2007). Macleod (2007: 3) states that during 1997 and 1998, “eThekweni Municipality was instrumental in introducing free basic water to South Africa and in coming up with a measure for the amount of water that should be given free to indigent communities.”

Macleod with the former Minister of Water Affairs and Forestry conceptualised water access in the same vein stressing those without formal access as well as problems of affordability once infrastructure is provided. Indeed, Kasrils’s epiphany at a dried-out river bed has gained much publicity:

At a dried out river bed in the remote Eastern Cape village of Lutsheko, I came across a young woman with a 3-week-old baby on her back. She was on her knees scooping muddy water out of a shallow hole to fill her container. I asked why she did not use the village water scheme. The scheme provides each family with 6 000 litres of fresh water a month for only R10. She told me she could not afford it (Kasrils, 2000b; his article in the *Cape Times*, 19 July 2000).

Mike Muller, who was the Director-General of the Department of Water Affairs during the period when “the Free Basic Water (DWA) policy was conceptualised and implemented” (Muller, 2006: 2) holds the same view of previous in-access:

... it gradually became obvious that there were problems of access, as many people were too poor to take advantage of the new services. Thus a new policy determined that all South Africans should receive a basic water supply free of charge (Muller, 2008: 67).

In 2000, with ANC discussions regarding the provision of free basic water, the eThekweni Municipality experience became instructive:

In my view the experiences in eThekweni Municipality influenced government policy when it came in 2000 to determine the amount of free water that should be provided by all municipalities. I was involved in that decision and I personally engaged with Minister Ronnie Kasrils, the then Minister of Water Affairs and Forestry, during this time (Macleod, 2007: 5).

Kasrils and others close to government (Sussens and Vermeulen, 2001) have affirmed the influence of the Durban case on the conceptualisation of the Free Basic Water Policy on numerous occasions. For example:

*The City of Durban has demonstrated the possibility of providing free water to the poor by providing the first 6 000 litres per month free. Thereafter, the more customers use on a rising tariff scale, the more they pay. Revenue from ratepayers consuming greater amounts of water helps to cross-subsidise the poor. Whether you are rich or poor, if consumption is under 6 000 litres, you are not billed. A total of 93% of bills are paid, which shows that non-payment is often a problem of affordability and that a system can work without the insistence on cost recovery from all consumers ... The challenge is to find ways of funding the rural areas where the cost-cutting advantages of the cities and towns don’t exist. If the Durban model can be replicated in all urban centres, then the Government can concentrate on providing water service grants for rural councils (Kasrils, writing in *The Cape Times*: 19 July 2000b, my emphasis).*

However, in 2007, with the *Mazibuko vs City of Johannesburg* ruling, it appeared that DWAF was trying to distance itself from the 'all roads lead to Durban' thesis:

The Durban example contributed to the policy on free basic water but was not the only factor relied upon in finalising the policy. It is *incorrect* that then Minister Kasrils based the free basic water policy solely on the Durban case (Schreiner, 2007: 73, my emphasis).

Why then does Schreiner (2007) sow doubt? The answer lies not in a yellow attempt by National Government to usurp the glory of the inventor but rather because Durban was seen by leftist critics to sabotage the free basic water policy. It was thus a legal strategy to remove the free basic water project (and all of its accompanying critique) from its locus. For example: Bond (2007) showed the bureaucratic trickiness underpinning Durban's free basic water offering, which according to him sabotaged the primary agenda (progressive) by reversing the humane, redistributive and gendered promises through neoliberal mechanisms such as, adopting convex tariff structures, allocating water per household and not per capita, retracting from original RDP mid and long-term goals, and allowing too much leeway for municipal bureaucrats to 'interpret' or rather manipulate the policy for parochial ends. The refutations came too late however; Durban's free basic water architect had positioned himself and the City of Durban at the centre of the free basic water story. The national expansion of a policy based on the contested 'Durban experiment,' therefore cast doubt on the entire national free basic water project. The apparent murkiness underpinning free basic water's conceptualisation is given further traction as we now consider the strange rationale underlying the final volume of free basic water offered.

### **7.1 *How much is enough – the debates***

Once free basic water was declared a new imperative for local government the debate on exactly how much was enough and why 6kl was chosen opened up. The offering of 6kl was criticised by the left for not being enough (see, for example: McDonald, 2002c; Harvey, 2003; Smith, 2003; Bond, 2004b; Deedat, 2006). Moreover, some argued the volumes offered had more to do with what was convenient for the state's cost recovery goals (Desai, 2001; Pape, 2002; McDonald, 2002a; Bond, 2004b; Ruiters, 2005; Smith & Green, 2005). As a response, two major threads run through the debates on water requirements: the first is that of the influence of international domestic water quantity 'recommendations' and the second (linked to the first) is that of the issue of scarcity. The former introduced scientific contestation within international and national discourse; the latter was even more vexed, with international scholars interrogating prevailing 'population-resources' ideological assumptions; which actually turned the notion of needs and scarcity on its head.

Over the years recommendations on water requirements of between 20 and 40 litres per capita per day were posted by a number of international agencies (Gleick, 1998). For example: by the United States Agency for International Development, the United Nations High Commissioner on Refugees, the World Bank, the United Nations Development Programme and the World Health Organisation (see later). Much of the literature that is available frames basic water requirements in rights-based or physiological and biological terms, that is, the volumes of water to meet absolute/emergency needs: prevent dehydration,

cook a basic staple meal and ensure basic hygiene (Gleick, 1996 & 1998). Moreover, very little justification, if any is provided in how the water requirements were calculated. For example: the United Nations Development Programme, via its Human Development Report (2006: 65) has advocated that “every person has a human right to a minimum of *about* 20 litres each day” in terms of “establishing social minimum provision levels” (my emphasis). No justification is given for how this volume was arrived at: the “20 litres” is simply repeated in various guises thirteen times throughout the text. Gleick (1996: 90) himself, with notable omissions, (yet) roundly lauded by a section of leftist South African scholars (see *Mazibuko vs City of Johannesburg*), had recommended a basic water requirement as a “fundamental human right” of 50 litres per capita per day: allowing 15 litres for bathing, 10 litres for cooking, 5 litres drinking water and 20 litres for sanitation and hygiene.

Consistent with most of the international agencies indicated above, DWAF did not provide explanations for how it had calculated that 25 litres was required in relation to ‘basic’ needs. Instead, the key justification for DWAF’s quantification of free basic water offered is the World Health Organisation’s (WHO) ‘recommendations’ of 25 litres per capita per day. For example: DWAF’s guidelines on “Free Basic Water Provision: Key Issues for Local Authorities” (March, 2001), states:

**What is implied by a ‘basic’ supply of water?**

The South African standard on a ‘basic’ level of water supply sufficient to promote healthy living draws on the World Health Organization standard of 25 litres per person per day. This amounts to about 6 000 litres per household per month for a household of eight people. This volume has been set as the basic target for all households in South Africa and will be regulated as part of the national strategy in terms of Sections 9 and 10 of the Water Services Act of 1997 (DWAF, 2001: 2).

This reference to 25 litres per capita per day is pervasive in the South African Free Basic Water Policy literature. Yet, the original source of the WHO ‘recommendations,’ is shrouded in mystique.<sup>17</sup> Moreover, the validity of the WHO ‘recommendations’ had not been challenged by South African scholars. Around 2003 however, DWAF distanced itself from the WHO ‘recommendations’: “The amount of 25 litres of water per person is not based on a World Health Organisation standard, but is a widely accepted and internationally applied norm” (Kasrils, writing in *The Witness*: 20 November 2003). Kasrils gave no justification for the source of such a “widely accepted ... norm” (Ibid, 2003). Significantly, however this refutation coincided with a contestation from within the WHO itself. Howard and Bartram (2003) refuted the claim that the WHO had issued recommendations on domestic water requirement standards and further suggested that the document referred to might be the Global Water Supply and Sanitation Assessment 2000 Report (WHO and UNICEF, 2000), which may have been misinterpreted by the conflation of actual water requirements with proximity of water source and water service level.

Despite common claims of WHO standards relating to water quantity, WHO has *not previously published specific guidance on the quantities of water as targets for health protection and promotion* (Howard & Bartram, 2003: 2, my emphasis).

---

<sup>17</sup> DWAF cites that the recommendation comes from the WHO: it does not cite a specific document.

The WHO/UNICEF Joint Monitoring Programme, which produces the Global Assessment of Water Supply and Sanitation data, describes reasonable access as being 'the availability of at least 20 litres per person per day from a source within one kilometre of the user's dwelling' (WHO and UNICEF, 2000). However, it should be noted that this definition relates to [sic] primarily to *access* and should not necessarily be taken as evidence that 20 litres per capita per day is a recommended quantity of water for domestic use (Howard & Bartram, 2003: 1).

In 2007, in response to *Mazibuko vs City of Johannesburg* and continuing the denial of the original claim of a link to the 'WHO recommendations,' and moreover Kasrils's (2003) own claim of "some" "widely accepted and internationally applied norm[s];" Schreiner (2007: 47) stated, "At the time that South Africa's water policy was being established, the relevant international agencies had not taken a formal position on quantitative minimum standards." This position was reaffirmed by Macleod (2007: 5), who said:

At the time we were making our investigations in eThekweni Municipality, there was very little research either in South Africa or internationally on the amounts people actually use and need and the research that we had done in eThekweni Municipality was amongst the only actual research relevant to South Africa and the South African experience ... at that time there was little other international research to guide us.

Moreover, those involved in the conceptualisation of the volumes of free basic water, in response to the seminal Howard and Bartram (2003) study which posited a positive correlation between improved service levels and higher volumes of use, as an attempt to exonerate themselves, cited a decreased household size (4.48 in 1996 to 3.8 in 2001) and "welfare policy of general application"<sup>18</sup> (Schreiner, 2007: 41) and unabashedly claimed that the WHO had 'come around' to the South African standard.

The position finally taken by the WHO (Taken from: Domestic water quantity, service level and health by Guy Howard, Water Engineering and Development Centre, Loughborough University, UK and Jamie Bartram, World Health Organization ... Geneva, 2003) reflected closely that taken ten years previously by the drafters of the RDP (Schreiner, 2007: 47-48).

The definition of a basic water supply as 25 lcd was supported by recent recommendations of the World Health Organization (WHO), which had for decades sought to avoid pronouncing on the matter. WHO's position reflected that taken 10 years previously by the drafters of South Africa's RDP (Muller, 2008: 82).

The Howard and Bartram study (2003) actually did not resound with the South African standards; what it did was to show that water volumes consumed actually have more to do with proximity of water source and service level. For example: if the distance between the user and the water source moves from 100-1 000 metres to an on-site source then consumption would increase from 20 litres per capita per day to 50 litres, with subsequently lowered health concerns (Howard and Bartram, 2003: 22). That is, it highlighted

---

<sup>18</sup> In her argument for maintaining the free basic offering at 6kl a month, 200 litres per day or 25 litres per member of an 8-member household per day; Schreiner (2007: 41) indicates that 93.96% of all South African households have 8 or fewer members (2001 Census-Stats SA). Hence, only the balance has more than 8 members and therefore the reach of free basic water is in line with the rule of general application:

In the design of any welfare policy of general application, there is a need to balance the proportion of potential beneficiaries who receive less benefits than intended with the proportion who receive more. This case, where without any adjustment, the policy of providing 200lcd would target effectively 94% of South African households, compares well with the targeting efficiency of many other welfare interventions (Schreiner, 2007: 41).

the paradox of the South African case: improving service level and bringing infrastructure closer to the user whilst simultaneously limiting the water at the source, in other words, the construction of a system of access which at its final point, instead of the realisation of ('natural') increased consumption; provides ('unnatural') restriction.

All of the above points to the possibility that the free 6kl was based on an illusory, even flawed document, and with the Durban experience setting a precedent, itself based on the conceptualisation of water on previous in-access (informal trading store or rural provision), shaped by technocratic methodologies and framed within a narrow affordability milieu implored a more rigorous debate. Yet, South African scholars did not sufficiently interrogate government volumetric concessions. Ignoring the implications of the Howard and Bartram (2003) study; national government defended its policy by arguing that it had to first ensure that all households were connected to service systems before augmenting volumetric allocations to those already connected. This was dubbed the "some for all rather than all for some" principle (Schreiner, 2007: 61). Lured into conceptualising basic water requirements within similar frameworks of 'scarcity,' and in an amenable format that government 'will understand', the South African left (unions, social-justice advocacy groups and leftist-academics) attempted to calculate how much poor households 'really' need in contrast to the 25 litres per capita per day offered.

For example: in South Africa, post-Free Basic Water, Cosatu and Samwu (2003) and Samwu (2007), have, over the years, attempted to calculate the minimum water requirements for persons (not defined) living in an 8-member household with an optimal water supply. Methodologies employed are 'common-sense' based considering water use activities, frequencies and volumes per activity and in the case of the latter study, based on 'expert' opinion, information garnered from the City of Cape Town and 'own measurements.' Hence, researchers employed largely desktop research and dialogue on practical/technical matters. The first study (Cosatu and Samwu, 2003), calculated the daily minimum requirements of between 63, 105 or 120 litres per capita per day – excluding water for productive use (figures jump by way of substituting 2 baths/3 showers a week for a daily wash in a basin bath). The second study (Samwu, 2007) calculated 'water sufficiency,' and too was based on daily water use requirements for a member residing within an 8-member household. The total daily minimum proposed is 90 litres per capita per day and excludes water for sanitation as this activity is covered via a 4.2kl additional volume granted per household (17.5 litres per capita per day) by the City of Cape Town. This volume of 90 litres per capita per day is, as Samwu (2007) has indicated, conservative.

In sharp contrast to the 'scientific' and ideologically 'neutral' discourse above, international scholars (Harvey, 1977 & 1996; Illich, 1993) on the 'radical' left interrogated the assumptions underlying 'scarcity', 'resources' and 'needs.' In this, they drew on Marxist critiques that 'resources' must be understood as "relational rather than absolute" (Harvey, 1996: 226 citing Ollman, 1971). That is, to declare resources as "absolute" means that society has no control over them when in fact resources are given value, transformed into utility by society and defined in relation to a particular time (Harvey, 1996). Core to this thesis then, is that, consistent with Marxist interpretation, needs are not purely biological, but

also socially and culturally constructed (Harvey, 1977; Illich, 1993). Moreover, Harvey (1977: 236) conceives that scarcity is not inherent in nature but socially and culturally determined: scarcity is produced via human activity and managed via social organisation. Returning to the relational aspect of resources; Harvey (1977: 236, citing Harvey, 1973) like Marx, in the context of a society dominated by elites (capital interests) posits its relationship to the 'mode of production' and notes, "Scarcity is in fact necessary for the survival of the capitalist mode of production, and it has to be carefully managed, otherwise the self-regulating aspect to the price mechanism will break down." Central to such an interpretation is that the prevailing views about the population-resources relationship as neutral, absolute and outside of 'our' control are in fact "political in origin and have political effects" (Harvey, 1977: 237).

To declare a state of ecoscarcity is in effect to say that we have not the will, wit, or capacity to change our state of knowledge, our social goals, cultural modes, and technological mixes, or our form of economy, and that we are powerless to modify either our material practices or 'nature' according to human requirements. To say that scarcity resides in nature and that natural limits exist is to ignore how scarcity is socially produced and how 'limits' are a social relation within nature (including human society) rather than some externally imposed necessity (Harvey, 1996: 147).

However, it is not Harvey's voice or even Marx's that imbues the local and international population-resources discourse, but Thomas Malthus's: there are simply too many people and not enough resources. Under the Malthusian assumption of 'overpopulation', someone or some people must be made redundant (Harvey, 1977). In a milieu of a society dominated by an elite or other powerful interests the question of who actually must bear the cost is quite simply 'them' – those people that have less power and "less relevance for the economy" (Illich, 1993: 95); that is "the non-elite invariably experience some form of political, economic, and social repression" (Harvey, 1977: 237).

Indeed, as the Malthusian argument goes: misery must fall somewhere, why not onto those already miserable? (Harvey, 1977: 217). 'Helping' 'them' will simply make them lazy, stop working and encourage reproduction; this will help neither capital nor scarcity – 'we' will all become miserable.

The labouring poor, to use a vulgar expression, seem always to live from hand to mouth. Their present wants employ their whole attention, and they seldom think of the future. Even when they have an opportunity of saving, they seldom exercise it, but all that is beyond their present necessities goes, generally speaking, to the ale-house. The poor laws of England may therefore be said to diminish both the power and the will to save among the common people, and thus to weaken one of the strongest incentives to sobriety and industry, and consequently to happiness (Malthus, 1970: 98).

Let us now return to the free volume of 6k£; contrived for the settlement of 'basic needs' or 'basic requirements.' Illich (1993) and Gronemeyer (1993) argue that the concept of 'basic needs' is a derivative of development which sought to split humanity above and below a measurable standard of decency and normality. Core to this was that 'basic needs' could be expressed, via technical measurements, in monetary terms which called in a "*new kind* of bureaucracy to establish [scientific] *criteria* for what was acceptable – and what was not" (Illich, 1993: 92, my emphasis).

Welfare is not a cultural hammock. It is an unprecedented mediation of scarce resources through agents who not only define what need is, and certify where it exists, but also closely supervise its remedy – with or without the needy’s approval (Illich, 1993: 96).

The needy person ... is not the master of his or her neediness. [But] ... the result of a comparison with a foreign normality, which is effectively declared to be obligatory. One becomes needy on account of a diagnosis – *I* decide when *you* are needy. Help allotted to a needy person is a *transformative intervention* (Gronemeyer, 1993: 66, her emphasis).

The important point, to bring out in this discourse above is that ‘basic needs’ or ‘requirements’ are determined by the other, more powerful or economically relevant elements of governance. ‘Needs,’ divorced from the peculiar social, cultural and place/time context, are re-determined ‘scientifically,’ by “experts” (Rose, 2006: 155), for the needy. In attempting to measure free basic water, the determinations and framing of basic water requirements appear consistent with such an approach. In this regard, Taylor-Gooby (2000: 11) offers a caveat: “The intellectual dominance of market ideas – one of the few areas in which an approach whose rationale is based on professional expertise goes relatively unchallenged – may lead to policies which are damaging to human interests in tackling the uncertainties that citizens face.”

## **8 WATER TARIFF DESIGNS: AN OVERVIEW**

The adoption of the Dublin principles in 1992 at the International Conference on Water and the Environment meant that water would be treated as an ‘economic good’ (Savenije & van der Zaag, 2002; Rogers, de Silva & Bhatia, 2002). A few months later the United Nations Conference on Environment and Development (Earth Summit) in Rio de Janeiro pronounced water a ‘social good’ too; the initial economic principles stuck. In line with this discourse, the full cost pricing of water services became important. International scholars have argued that the final price to consumers should then include not just the operation, maintenance and capital costs (costs of supply) but also the opportunity costs, economic and environmental externality costs (Rogers, Bhatia & Huber, 1998). Such pricing (in this view) implicated that not only would the resource then be put to its most valuable uses, send the ‘correct’ messages to users that “water is an economic good in scarce supply ... and must be treated as a valuable commodity” (Whittington, 2003: 61 & 70) but also ensure equity, fairness, efficiency, sufficiency of revenue and environmental sustainability (Boland & Whittington, 1998; Rogers, *et al.*, 2002).

Tariff structures entail a mix of competing objectives, which are typically articulated as the following: revenue sufficiency, economic efficiency, equity and fairness, income redistribution and resource conservation; secondary considerations include: public acceptability, political acceptability, simplicity and transparency, net revenue stability and ease of implementation (Boland & Whittington, 1998: 4-5; Rogers, *et al.*, 2002). Additional mechanisms to achieve such objectives are broadly housed within the ‘demand management’ rubric; which include, among others, metered water usage, education and training, user charges, subsidies and penalties (Savenije & van der Zaag, 2002). However, there is contestation within the dominant school of ‘economic’ thought as to the best tariff design to achieve these above objectives. Historically, utilities employed ‘uniform’ charges; but there has been a substantial move towards increasing block tariffs (Savenije & van der Zaag, 2002), and more recently a combination of

increasing block tariffs [IBT] with a fixed charge has been mooted (Boland & Whittington, 1998; Rogers, *et al.*, 2002; Whittington, 2003).

The use of IBTs has been acclaimed as an instrument for improving access and ensuring equity (Rogers, *et al.*, 2002: 7; Savenije & van der Zaag, 2002; UNDP: Human Development Report, 2006). IBT's provide a lifeline or minimum supply to poor users below cost which is subsidised by users consuming beyond the minimum supply and charged at higher rates (Rogers, *et al.*, 2002). This has resulted, according to Boland and Whittington (1998: 1), in the situation in which, "Increasing block tariffs have become the tariff structure of *choice* in developing countries" (my emphasis). Their use of "choice"; however, is curious because they go on to say:

Multilateral donors, international financial and engineering consultants, and water sector professionals working in developing countries all commonly presume that IBT structures are the most appropriate way to determine water users' monthly bills (Boland & Whittington, 1998: 1).

Nevertheless, the debate on the use of IBTs is primarily located around the determination of the size of the first block parameter and price. In this regard, critics argue that the first block is generally too big and underpriced (Boland & Whittington, 1998). This, they argue, sends the wrong message to consumers and can undermine financial revenue and the sustainability of the service (Whittington, 2003). This situation, they suggest is caused by undue political interference in the tariff design process by actors who do not appreciate the complexity of balancing the competing objectives and indeed that tariff setting should be done with a long-term view (Boland & Whittington, 1998; Whittington, 2003). According to Boland and Whittington (1998: 6) an 'ideal' IBT should ensure that "relatively few users terminate their consumption in this [first] block." That is, the first block parameter should be "not more than 5kl per month;" which would ensure that only those for whom the subsidy is targeted consume within this block and all others fall into the second tariff block, thereby permitting the utility to recover the marginal cost of supply (Boland & Whittington, 1998: 7). The suggestion of an additional fixed charge is as an attempt to remedy the situation where the above 'ideal' is not politically possible, thereby as an effort to secure and stabilise revenue sufficiency as well as to prevent zero or negative bills (Boland & Whittington, 1998; Rogers, *et al.*, 2002).

South African policy directives reflect this prevailing international orthodoxy. South African tariff regulations require that municipal tariff structures are designed on a rising block tariff (same as increasing block tariff), with three or more tariff blocks and further allow for a fixed charge for households exceeding the 6kl free basic supply (DWAF, 2002c). Regulations reflect "the more you use, the more you pay" principle (DWAF, 2002c: 72), with the first tariff block comprising a maximum of 6kl "set at the lowest amount, including a zero amount" (DWAF, 2002c: 72). In this regard, it is useful to return to Boland and Whittington's (1998) critique of IBTs as including too large a volume in the first block and bemoaning political interference. The introduction of free basic water within the prevailing IBT framework, may have actually met all the 'requirements' of Boland and Whittington's (1998) 'ideal'

design – the first block appears small enough to ensure that termination (for the majority) is achieved in the second marginal cost block.

In this regard, South Africa's Free Basic Water Policy, despite the naysayers (Boland & Whittington, 1998; Bate & Tren, 2002; Whittington, 2003; Savenije & van der Zaag, 2002; Rogers, *et al.*, 2002) appears consistent with full cost pricing philosophies. Ironically, it is the political 'interference' that may have delivered the 'best practice' principles which have regulated the size of the first block tariff; thereby allowing this full cost pricing to take shape.

In South Africa, we treat water as both a social and an economic good. Once social needs have been met, we manage water as an economic good, as is appropriate for a scarce resource (Minister Kasrils quoted in DWAF, 2003: 27).

The volume of water offered via the Free Basic Water Policy apparently meets Kasrils's 'social good' requirements. The National Water Services Regulation Strategy explicitly stipulates affordability criteria to a 'basic' supply and not supply per se (DWAF, 2008a: 57). Tariff structures, after the first 6kl block must be 'cost-reflexive' and therefore may increase sharply (RSA, 1997: 18; DWAF, 2003: 27). Indeed, this might in part explain why South Africa's Free Basic Water Policy, initially having been severely criticised by international agencies is now being promoted as a strategy to meet the Millennium Development Goals, following the South African example by ensuring free or lifeline tariffs to the world's poor (UNDP: Human Development Report, 2006: 22, 66).

In such a dominant milieu local scholars have contested the apparent equity of increasing block tariffs, which appear to be far more concerned with cost recovery. For example: as Pape (writing in *Business Day*: 2 November 2000) asserts: "[IBTs] ... will fail because they are set in a policy that is far more determined to recover costs and cut budgets than it is to deliver water to people." Core to such critiques is that the first block or 'lifeline' is too narrow, subsequent blocks too expensive and not sufficiently concave to promote affordability or environmental sustainability (McDonald, 2002d; Bond, 2004b; Smith & Green, 2005). Poor households falling into steep subsequent blocks, out of necessity not over-consumption, accrue very little, or no financial relief or, in many cases, face higher water charges (McDonald, 2002b; Ruiters, 2005; Bond, 2007). The attainment of a full, healthy and productive life is therefore dependent on the ability of households to mobilise their assets and claims, to pay for water charges above the 6kl (Deedat, 2006).

Part of the problem of ensuring affordable and equitable tariff structures, critics argue (Centre for Applied Legal Studies, 2008), is that municipalities are given far too much autonomy in tariff design determination. Although tariff structures are regulated, with the first block set at a maximum volume of 6kl (or as much as the municipality can afford); the subsequent blocks (parameters and prices) are not dictated. In this regard, DWAF has shied away from prescribing monetary block attachments, instead instructing via the following broad principles: "equity, proportion to use, affordability, reflecting costs (costs associated with rendering the service), differentiation (differentiation between different categories

of users, debtors, service providers, services, service standards and geographical areas) and transparency” (DWAF, 2002b: 37). This has meant that municipal tariff designs differ across municipal jurisdictions; with the subsequent implication that “Service costs vary dramatically across the country” (McDonald, 2002b: 164 and see DWAF Local Municipality tariff survey, 2006/7). For example: The Intergovernmental Fiscal Review [IGFR] (2003) charts the monthly municipal consolidated service bills for a variety of South African local municipalities and metropolitans. The IGFR tables consider monthly service bills for ‘small households,’ defined as, residing on a “300m<sup>2</sup> plot, 48m<sup>2</sup> improvements, 498 units of electricity and 25kl water” (IGFR, 2003). The IGFR table includes rates, electricity (basic), electricity (consumption), water (basic), water (consumption), sanitation, refuse removal, other and VAT. The total bills and water component of the bill for 2002/3 are the following in descending order: Msunduzi Municipality (R510.14, R123.85); eThekweni (R455.70, R122.50); Buffalo City (R428.93, R81.78); City of Tshwane (R409.60, R87.20); Ekurhuleni Metro (R399.73, R86.40); Nelson Mandela (R396.96, R91.36); Mangaung (R344.96, R87.59); and City of Johannesburg (R313.24, R86.41) [IGFR, 2003].

## 9 THE LOCAL STATE

The local state is the implementing agency for many of the state’s most important development goals that have an acute bearing on South Africa’s poor citizens. The term local state is used here to denote *more* than the elected local government or municipal bureaucracy or ensemble of ‘stakeholders.’ The term was used by Cockburn (1977) to describe the local state as that part of the state concerned with the reproduction of labour power (focusing on issues such as housing, education, health and water) to ensure that the local labour force was housed, fed, fit and disciplined for capital. While broadly drawing on this view, elements of Weberian theory are added to explore the local state as a relatively coherent set of practices and institutions geared towards supporting the reproduction of capitalist social relations (Harvey, 1989: 126). Relative coherence implies that even local states are not substantively coherent or internally unified (Jessop, 1990; Painter, 2006). As Painter (1995: 63-65) writes, the state is a site where strategies of rule over territorially defined populations are elaborated, and where populations are more or less pacified, routinely observed and regulated, but these strategies are not self-evident and depend on previous ones chosen. These local strategies according to Harvey (1989) are also decided in a context where cities and regions compete with one another for capital (lower wages, lower costs of reproducing labour, improved technologies, lower transport costs, less crime, effective urban social control and so on). Local states in a country have similarities but also vary from place to place. That is, as argued by Gupta (2006: 229) notions of the reification of the state as unitary are problematic; instead conceptualisations of state operation should be decentralised and disaggregated. For example Painter (1995: 83) states that “the delivery of public services to geographically scattered populations leads to the formation of localised systems of administration and service delivery.” The variation in local state strategies (financial, administrative, cultural, moral order and legitimation) is particularly important for this dissertation.

In South Africa, municipal interpretation is not confined to tariff design nor other ‘pro-poor’ policies (e.g. indigent policies) but extends to credit control and debt collection policies among others. In this regard the South African literatures have accorded local administrators (or street-level bureaucrats) a deceptively

passive role (Lipsky, 1993). Yet the architecture of a weak and porous state, as argued by Painter (1995) and Bond (2000) provides much space for local interpretation and manipulation. Scholars of the local state have noted that “neoliberally-orientated municipal officials” (Bond, 2006: 4) have sabotaged the state’s redistribution and developmental goals, with cost recovery imperatives profoundly affecting how municipal bureaucracies work (Ruiters, 2005). Alongside the privatisation of services, citizens have been repackaged as ‘customers,’ with the poor learning to take responsibility for their poverty and learning how to live with the small packages of services delivered to sustain life (Ruiters, 2005), with contemporary state service delivery being far removed from notions of traditional public service delivery. Local refashioning of traditional service delivery along commercial lines has cascaded down with implications for traditional citizen-state relations: the access to rights and services means concurrent obligation/responsibility to not only pay for services but also to use them well (Ruiters, 2005). Moreover, Pithouse (2005) has suggested that citizens appear to be uncomfortable with the manner in which they are being treated by the state. Yet, the nature of this new state is difficult to understand. In this, Abrams (2006) reminds us that the state is an illusory consensus – its real intentions are masked and it purposively constructs itself in a haze. Camus (1950) offers a more depressing analysis; for him, the state is simply absurd, its constructed bureaucracy offering citizens only excruciating frustration. Taylor-Gooby (1998) and Fjeldstad (2004) articulate the tensions between the state and citizens as a breakdown of public trust. What this means and how this is played out in the homes, streets and communities of poor citizens and indeed in the offices and buildings of official power opens up very different types of power, response strategies and implications for service delivery and notions of citizenship.

## **Chapter 3**

### **METHODOLOGY**

The study's methodology uses different data collection techniques to optimise the quality of data and the engagement of the respondent. This chapter lays out the epistemological and methodological theories as applied in the study. It further outlines the sampling frame and procedure, study design, data collection techniques and data analysis undertaken.

#### **1 SAMPLING FRAME, DESIGN AND PROCEDURE**

This section presents the study area, study design, survey sampling framework and sampling procedures employed in the study.

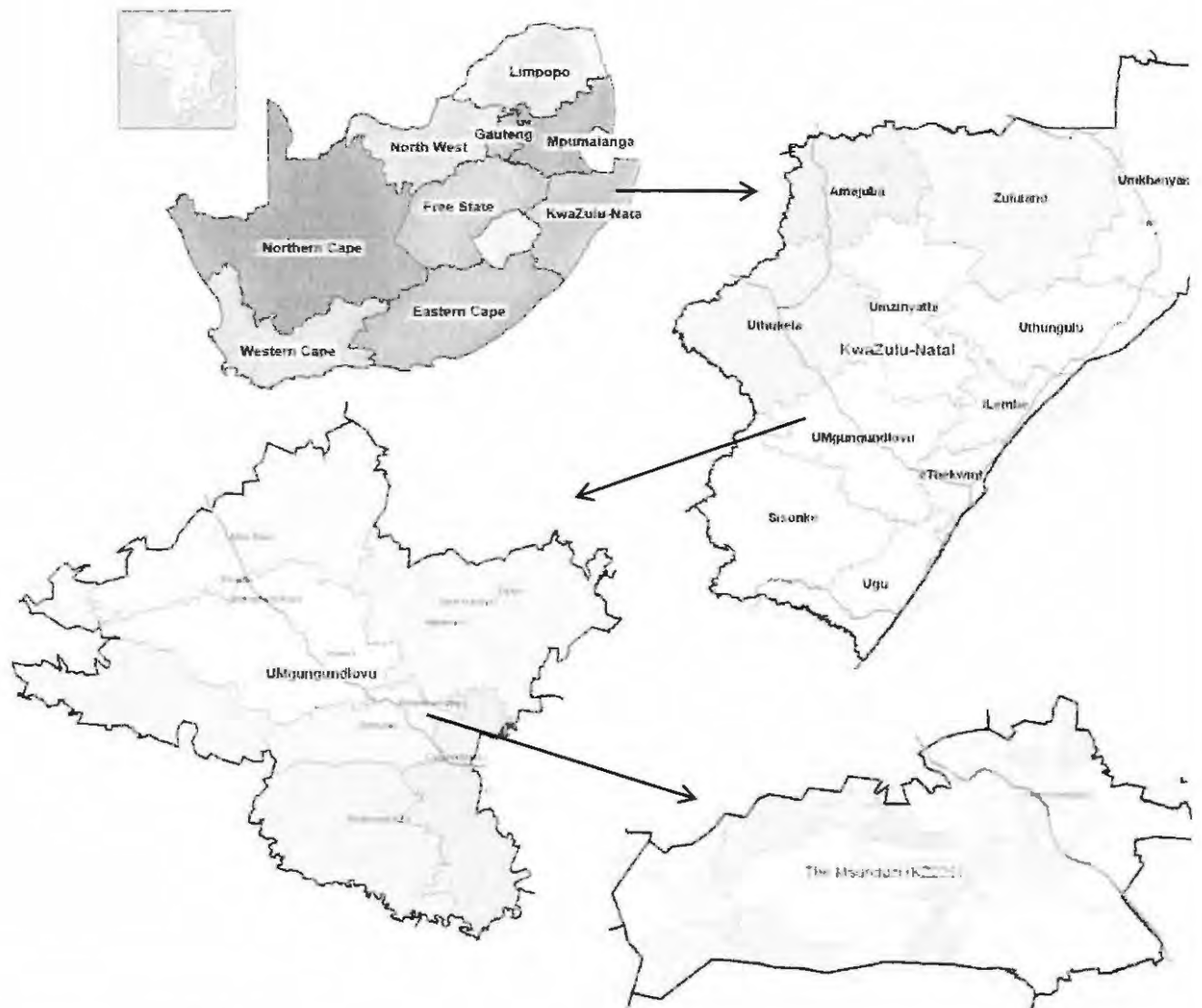
##### **1.1 Study area**

The study was located in Ward 34, Eastwood. Eastwood is situated in Pietermaritzburg, in the province of KwaZulu-Natal, in South Africa (see Figure 3.1). Pietermaritzburg's municipal authority is called Msunduzi Municipality (KZ225), a category B municipality,<sup>19</sup> which is located under the uMgungundlovu District Municipality (DC22), South Africa. The study covered the period January 2005-June 2007, with fieldwork over the period January 2005-July 2006. All municipal service tariffs referred to in this study are limited to the 2005/6 year.

Only one area has been selected: Eastwood, for the purposes of an in-depth, exhaustive case study. Households in the community of Eastwood, a historically working class community within Pietermaritzburg, will form the core field area of the case study. Eastwood has 'formal housing,' with each household having access to an inside and yard water connection and grid electricity. All households receive a monthly service bill. Plots typically house one formal structure, with very few additional housing structures on properties e.g. additional back-yard shacks/outbuildings on properties. Although many different types of housing exist in Pietermaritzburg (formal and informal), I selected Eastwood rather than informally housed communities (in shacks) because this study is particularly concerned with formal water and electricity connections; hence this is essential for full-service billing. The community of Eastwood's demographic and socio-economic characteristics are similar to other poor and working class communities within Pietermaritzburg having 'formal housing.' Additional Pietermaritzburg communities participated and engaged with the results of the Eastwood study for triangulation and typicality purposes.

---

<sup>19</sup> A 'category B municipality' applies to non-Metropolitan municipalities. At the end of 2007, Msunduzi Municipality became a Metropolitan and therefore then became a 'category A municipality.'



**Figure 3.1: Location of field area.**

Source: Demarcation Board website: [www.demarcation.org.za](http://www.demarcation.org.za), accessed 1 October 2008 and SA-Venues website: [www.sa-venues.com](http://www.sa-venues.com), accessed 1 October 2008.

Pietermaritzburg communities have demonstrated sparks of opposition to free basic water implementation modes, water service affordability and delivery problems; and have demonstrated a willingness to advocate for water policy and implementation changes. Noting my application of a praxis epistemology, it was important that the study area selected presented a fertile environment for engagement and discussion. Eastwood provided the strongest case of a functioning Community Forum, within Pietermaritzburg's low-income communities and, of prime significance for this study, it showed the capacity to bring other Pietermaritzburg communities on board. The Eastwood Community Forum (ECF) has displayed leadership capacity, has a participatory and democratic organisational ideology, is well respected within the Eastwood community and other Pietermaritzburg community groupings and

significantly has municipal services and eviction issues as its core frame of concern. Furthermore, it provided a strong vehicle for engagement and advocacy.

## **1.2 Study design**

The study design incorporated a number of different paradigms and perspectives, consistent with a praxis epistemology. Primarily this study is a contextual one, using the case study approach. The scope for generalising to the whole of South Africa is limited, however the thesis provides insights into what happens in municipalities pursuing aggressive cost recovery. The study employed a number of ethnographic techniques which all aimed to ensure optimum engagement with various respondents and importantly to triangulate data. In this regard the prime quantitative method was the survey approach to provide a framework of data which was then enriched by qualitative methods of focused semi-structured interviews, informal interviews, participatory observation, workshops (focus groups) and house visits, which involved conversations with residents wherever they were (and accompanying residents when they negotiated with the local state). In addition, consistent with the epistemological approach taken (see later), much time was spent debating with respondents.

Attempts were made to talk with respondents across the municipal spectrum. Furthermore, once the 'picture' was clear, attempts were made to hear different voices to ensure that the entire experience was grounded in the many different realities and perspectives held by respondents. The study design was based on two particular paradigms – an amended 'action research' model and naturalistic inquiry – which seemed to work well together in the case study approach (consistent with Erlandson, Harris, Skipper & Allen, 1993). The design was grounded in cyclical reflection and learning, which adhered to all the naturalistic techniques employed to establish methodological adequacy and data trustworthiness: prolonged engagement, persistent observation, triangulation, referential adequacy, peer debriefing, member checks, reflexive journal, purposive sampling and audit trail (Erlandson, *et al.*, 1993: 131-161). Efforts were made to ensure that what was being researched and how it was researched was meaningful to and accessible to the households included in the study. In this regard, the study was reasonably pragmatic, exploratory and flexible in regard to new information and respondent leads. Ultimately, I sought to locate the research in the contextual experience of real citizens, with real voices and needs. Moreover, I was ever conscious of my role as researcher and tried to ensure that my intentions were clear to and open to scrutiny by respondents participating in the study (see Desai, 2006). Data techniques and study design will be expanded upon where particular reference is made further along in this chapter.

This study is primarily located in the experience of Eastwood citizens, particularly women. In this regard the female gender is prioritised; not necessarily from a specific feminist perspective but because women were the primary care givers in the home, typically performed most of the primary and secondary water activities, physically paid the municipal bills, negotiated with municipal authorities and faced the greatest burden when municipal services were restricted or disconnected. In this regard female Community Researchers (CRs) were purposely selected to conduct the surveys. Furthermore, where possible, all surveys and lifestories were conducted with women as chief respondents.

### **1.3 Survey sampling framework**

The sampling framework on which the surveys were based was founded on a municipal database created specifically for my study purposes by Promis Income, Credit Control department, Msunduzi Municipality (June 2005). The database<sup>20</sup> included all billed domestic Eastwood households (average water consumption per household per month from the date of implementation of the Promis system, approximately 3 years to June 2005) and land and property valuation data per erf (from the last valuation date of 1997).<sup>21</sup> I perused the data and systematically eliminated a cluster of streets that were incorrectly included owing to inadequate ward jurisdiction mapping. Thereafter I checked all the Eastwood addresses against the Msunduzi 1997 Valuation Roll (2004/5 electronic version) to identify missing households on the Promis Income database and land-usage characteristics. Missing households were reverted to Promis Income and the omitted data retrieved. All non-residential homesteads were eliminated from the Eastwood database. Non-residential homesteads were identified by land use characteristics, as per Msunduzi 1997 Valuation Roll, e.g. vacant land, schools, parks, businesses etc. Other non-residential homesteads, not indicated as such, per the Msunduzi Valuation Roll, were identified via household visits and community researcher information. In addition, I conducted site visits to ensure that the information on the Valuation Roll and Promis Income database was consistent (via observation, speaking with Eastwood residents and checking data against individual household municipal service bills). Water consumption data, as provided by Promis Income, was checked randomly against 15 household bills and found to be relatively consistent; although in some cases consumption was vastly divergent – this was due to a ‘3-year’ mean with implications for demographic and consumption change. Land and property valuation, as provided by Promis Income, was checked against the Msunduzi 1997 Valuation Roll (2004/5 electronic version), and found to be relatively consistent. Through this systematic process, I arrived at a sampling frame of 1 090 residential Eastwood households, each with an average monthly water consumption and latest available land and property valuation. To this Promis Income data of 1 090 residential households, I added data per household on ‘indigency status’ (accessed via the indigency registry, Local Government Consultant, 2005a) and ‘restriction status’ (accessed and consolidated via restriction lists compiled from Msunduzi Consolidated Billing, 2005).

### **1.4 Sampling procedures**

A combination of cluster, random and purposive sampling was used in the study. Prior to identifying the sampling clusters to be included in the sampling, two different consumption types were identified for pre-analysis: households consuming 50.1kl+ a month and user-specific restricted households. The former implicated household visits and the latter the employment of a short survey. The outcome of these preliminary inquiries resulted in the inclusion of the 50.1kl category and restricted households as a separate user-specific category (see below for justification). ‘Indigent’ households were not included as a separate category; as the Indigent Policy had recently been implemented (July 2004) and, as per the information gained from the Local Government Consultant (2005a: personal communication [pc]), more

<sup>20</sup> I had asked for individual household payment data as well. This data was considered confidential and declined.

<sup>21</sup> (Land and property valuations were conducted in 1997. Valuations are conducted every 5 years, hence this data was valid till 2002. Msunduzi Municipality last updated its valuations in 2008.

households would probably register during the study and households were only just starting to be restricted. 'Indigent' households were therefore included within 'normal' consumption clusters during the survey but identified post-survey in the analysis phase.

As per Promis Income data, 22 households were indicated as consuming 50.1kℓ+ per month. Noting that 50.1kℓ+ a month is well beyond the norm (mean consumption pre-survey); 10 such households were randomly selected via a random numbers table and visited (from 20-25 July 2005) to ascertain the causes and significantly, for the study, to justify inclusion or exclusion and to establish the most appropriate method. The results were split: in some cases consumption per household bills was indeed consistent with Promis Income data (very large household size, leakages, billing anomalies) but in others, contemporary consumption was inconsistent with Promis Income data (small household size, new residents and 'normal' consumption patterns). Owing to the variance in results and high potential for billing irregularities, failing infrastructure and household movement, it was decided to include the twenty-two 50.1kℓ+ households in the study, but as a separate category to facilitate better monitoring.

One-hundred-and-fifty-nine<sup>22</sup> (159) households were designated as 'restricted' water users and were on a 'bad' debtor list consolidated up to August 2004 (data accessed through Credit Control department, 2004) and month-by-month up until June 2005 (data accessed through Credit Control department, 2005). Closer analysis was necessary to determine whether restricted households should be included as a separate cluster or included as per 'normal' consumption clusters. To facilitate this analysis a brief survey was conducted with all 159 restricted households. Restriction survey data was collected from 20-29 July 2005, by five CRs. Five questions were asked per restricted household: (1) Is your water restricted now – in the eyes of the Municipality? (2) When was your water restricted? (3) Why was your water restricted? (4) Describe the flow of water. (5) Why are you no longer restricted?

Statistical Program for the Social Sciences (version 15.0) was used for data entry and analysis. Perusing the results, 121 households were currently restricted 'in the eyes of the municipality,' 8 households 'had never been restricted,' and 30 had once been restricted (with 27 paying outstanding arrears, 2 new tenants and 1 'don't know'). Of the 121 households restricted 'in the eyes of the municipality': 28 had tampered with their restriction washers and 93 had not tampered. Having visited some of the restricted households and after discussions with CRs, it was evident that restriction washers had significant implications for water consumption, household dignity and well-being. In addition, although all 93 households were restricted with the same device; flow rates differed: slow, trickle or no flow at all. This was due to variance in water pressure, gradient, dirt particles within the water system and number of water points within the home (see Chapter 4, s4.5.1). This variable flow rate was also evident within households that had tampered, but variance, similarly with the above, further depended on type of tampering. For example: some households removed the device completely (returning to full pressure) and others just

---

<sup>22</sup> Note: from August 2005 until July 2006 (fieldwork period), restrictions continued (implemented as a debt control strategy via identifying 'bad' debtors or 'indigent' households), hence some households not initially restricted pre-June 2005, were restricted as per the duration of the survey data collection. Post-June 2005, Municipality-compiled monthly restriction lists were declined.

made the 'hole' bigger (implicating an improved yet still relatively slow flow). In addition, if tampering was not done, households employed a variety of strategies to cope with a restricted flow: some restricted their water activities and consumption; others utilised water via other sources or moved to alternative accommodation. Significantly, preliminary analysis found that restricted households (121 restricted households in 'eyes of municipality') could **not** be included as part of the 'normal' consumption clusters because restricted and tampered flow rates had major implications for water consumption.

Having decided that so-called excessive consumption of 50.1kℓ+ households was to be included in the sampling clusters and restricted households, included as a separate user-specific cluster, Promis Income data was re-configured and Microsoft Office Excel was used for data entry and analysis. I used consumption as the independent variable instead of property and land valuations (a useful indicator of socio-economic status) because I was particularly interested in factors affecting consumption; with property valuations just one factor of many (also: household demographics, water activity frequencies and volumes, service packages, infrastructural quality, restrictions etc). Hence, I purposively put consumption at the centre of my analysis.

The Promis Income database of 1 090 residential Eastwood households was statistically analysed to identify consumption clusters. At lower and mean volumes, 3kℓ increases provided a good differentiation to be better able to analyse the 6kℓ free basic water offering and mean consumption of ±15kℓ. The analysis added 9 more consumption clusters, which together with the 50.1kℓ+ cluster and the user-specific restriction cluster moved the total number of clusters to 11: (1) Restricted households; (2) 0-6kℓ; (3) 6.1-9kℓ; (4) 9.1-12kℓ; (5) 12.1-15kℓ; (6) 15.1-18kℓ; (7) 18.1-21kℓ; (8) 21.1-25kℓ; (9) 25.1-30kℓ; (10) 30.1-50kℓ; and (11) 50.1kℓ+.

Having identified the consumption clusters; Stats version 1.1 (google stats version 1.1) and decision analyst ([www.decisionanalyst.com](http://www.decisionanalyst.com)) was used to determine the number of households within each consumption category (see Table 3.1). I was assisted in this regard by Mr S. Ramroop, School of Mathematics, Statistics and Information Technology, University of KwaZulu-Natal (Ramroop, 2005 & 2006). Sampling was conducted according to the following equation:

$$n \geq N \{1 + (N - 1)/PQ (d/Z\alpha)^2\}^{-1}$$

Where:

P = those having the characteristic of interest

Q = 1-P

N = Population sample size

d = Tolerance level (4%)

Z α = 1.96 (from normal distribution tables; 95% confidence).

**Table 3.1: Survey sampling categories.**

	Consumption category	Number of households	Sample (4%)	# Surveyed
1	Restricted	121	39	39
2	0-6k£	75	33	33
3	6.1-9k£	121	39	39
4	9.1-12k£	145	42	42
5	12.1-15k£	130	40	40
6	15.1-18k£	124	39	39
7	18.1-21k£	91	35	35
8	21.1-25k£	105	37	37
9	25.1-30k£	77	33	33
10	30.1-50k£	79	33	32 <sup>23</sup>
11	50.1k£+	22	16	8 <sup>24</sup>
	Total	1 090	386	377

Households within each cluster were selected using a random numbers table ([www.random.org](http://www.random.org)).

I employed purposive sampling consistent with naturalistic inquiry in the selection of households to be included in the 'lifestories.' In the initial sampling stages, households were identified on the basis of five broad categories which warranted further substantive inquiry: (1) restricted households ('bad' debtors) – tampered and not-tampered; (2) restricted households via Indigent Policy – tampered, not-tampered and not-yet-restricted; (3) households with members living with HIV/AIDS or other disabilities; (4) 'conventional' households struggling to pay their bills and self-restricting; and (5) households living on 6k£ or less ('conventional,' 'restricted' and 'indigent'). Thereafter, thirty households were identified using four different methods: household surveys; selection by CRs; direct approaches; and via 'snowballing' or 'serially'. These thirty households were then approached as potential 'information rich' cases – this is a very important step in naturalistic inquiry (Erlandson, *et al.*, 1993). In this regard, a respondent who satisfies such criteria is able to critically reflect, explain and share her/his perspective on the phenomenon under analysis, and as the process progressed, 'cases' were sought that elucidated upon the 'stories' that had already been collected (Erlandson, *et al.*, 1993). Finally I identified twenty households for their lifestories but also left space for additional households to be considered further along the process; if identified by other 'lifestory' households and on my own judgement as contributing a different perspective to the study or elaborating on already acquired knowledge (as consistent with Erlandson, *et al.*, 1993).

Ultimately seventeen households were included in the lifestories proper, with an additional eight households being sought out for elucidating on specific phenomena (see Appendix A). Again, and consistent with naturalistic inquiry, the figure included in the lifestories is not problematic; it is the quality of the information gathered and not the quantity which is important (Erlandson, *et al.*, 1993: 84). I 'stopped' the interviews at 25 as I was confident that I had grasped the context, life-experiences, reality,

<sup>23</sup> Clusters 10 and 11 were under sampled by 1 and 8 respectively. This arose because in the Eastwood consumption context, such high consumption is unusual. In these clusters there were more billing and meter reading irregularities and although this group was vigorously sought out to try and meet the sampled number: the exercise became fruitless as commonly such households as per Promis data had changed over the three years and were not typically reflective of such categorisation. Nevertheless, because I sampled fewer than the targeted sample: it is acknowledged as a limitation of the study.

<sup>24</sup> Ibid.

perspectives and nuances of the phenomenon. That is, there was no new information forthcoming (refer to section 2.2).

## **2 DATA COLLECTION TECHNIQUES**

A number of data collection techniques were employed during the fieldwork period from January 2005-July 2006. These are indicated briefly below; and presented in full in the following sections. Techniques were either quantitatively or qualitatively based, as appropriate, to maximise information gathered and provide the most comfortable format within the space and for the respondents involved. All data was triangulated using a variety of techniques and across stakeholders.<sup>25</sup> Household surveys were the prime method of quantitative data extraction. These were supported by chiefly qualitative techniques, which typically contain a quantitative component. The techniques used were: focus groups; household lifestories; interviews – formal and informal (with municipal actors, citizens, academics, broader Pietermaritzburg community groupings, civil society organisations and The Department of Water Affairs and Forestry); interactive engagement, personal observation and citizen dialogue, community meetings and workshops; all on the prerequisite foundations of primary and secondary data.

### **2.1 Surveys**

The main quantitative data collection instrument was a survey conducted between August 2005 and December 2005 (the details of which follow below). Surveys were conducted with 377 households. The survey had two components, (1) dealing with demographics and water activities, frequencies and volumes; and (2) service package ('conventional,' 'applied indigent' and 'lifeline'), consumption, billing and economic data. Ten female community members, active in the ECF, were elected by the Forum to be involved in the study fieldwork as CRs. The criteria for selection was the following: multi-lingual (isiZulu, English and Afrikaans); literate; residing in Eastwood; committed to and active in the ECF. Members of the ECF were selected as I hoped that the skills they would acquire by way of the study would build the capacity of the ECF, and that the knowledge gained would be directly accessible to the ECF for advocacy work. In addition it was an attempt to achieve meaningful data collection and community ownership. All the CRs involved in the study faced similar concerns regarding paying bills, restrictions, disconnections, housing evictions, tampering etc. It was this experience that located water issues within a shared conceptualisation and consciousness so valuable for the study.

Two focus groups were conducted with the CRs, not as a direct contribution to the study but as a way of establishing rapport; for me to get a feel of the field area context as well as to build a joint consciousness within the group regarding the Eastwood experience. The first focus group considered 'Life in Eastwood, Pietermaritzburg and South Africa: perspectives and issues, in general' and the second focus group considered 'Eastwood, water issues in particular.' Following this, I conducted a two-day research

---

<sup>25</sup> A note on Ward Councillors: It is considered common courtesy to inform the ward councillor of any research study or other intervention that is to take place within his/her ward. I did not comply with such courtesy. My reasons were justified on the basis of previous engagement – which had been neither amenable nor positive. Furthermore, the community perception of the ANC councillor of the time: followed by a 'new' councillor elect. was congruent with that of my own – that of mistrust and suspicion. I did not want to be perceived as aligned with the councillor as it would have jeopardised my engagements with community members and indeed blocked free and open dialogue.

methods and procedures workshop. This was intentional as I wanted the CRs to conceptualise data collection as just one part of the research process; as well as to provide CRs with the basic skills for themselves to conduct their own community-based research, if they so wished; particularly with their advocacy forum in mind. The second and third workshops were facilitated with particular concern for the themes, input, shaping and procedures of data collection with regard to the surveys. With regard to the questions to be included in the survey; we discussed the main water issues; domestic water activities: modes, frequencies and measuring devices, how to ask questions of income, expenditure and billing, how to gently tackle issues of tampering and financial struggles. Much time was spent on municipal tariffs, how to read municipal consolidated bills, how meters worked and the mechanisms involved in free basic water, indigent and debt collection policies. (At this stage I reduced the number of CRs from ten to six,<sup>26</sup> this was both a practical intervention as an attempt to ensure quality data collection and a response to the real issues faced by four women who indicated that they could no longer commit to the process due to personal constraints). The survey instrument took all of these inputs into account. The first draft instrument was then taken back to the CRs for addition, amendment and readjustment. The second draft instrument was used for the pilot studies. Each CR and I undertook 5 surveys for piloting, with households selected via way of random numbers table. Thereafter we went through the surveys as a group; discussing difficulties, question appropriateness/reworking or eliminations, quality of responses, additions, new information or themes to explore and basic survey procedures. In addition to the group discussions, I spent time with each individual CR, going through their specific pilot surveys – hence here looking more closely at coding, quality of responses and exploring understanding of concepts. Following the pilot study, the final survey instrument was adopted. Each CR conducted 60 surveys, with myself picking up the balance. Two further meetings were conducted at the end of the data collection period. These meetings provided the space to discuss, debate and triangulate preliminary study results.

## 2.2 *Lifestories*

Lifestories in the naturalistic inquiry sense “take on the form of a dialogue” as opposed to a question and answer session (Erlandson, *et al.*, 1993: 85). Lifestories further depart from a typical ‘issue-based-interview’ in that they explore the past in relation to the present and the future. In this way context is embedded in responses and assists the interviewer in understanding the wholeness of the phenomenon. Hence, lifestories extend beyond the narrow confines of a typical interview to include a far more nuanced conversation regarding social, personal, cultural and economic context and how the respondent sits within such a milieu. Such “interviews allow the researcher and respondent to move back and forth in time; to reconstruct the past, interpret the present and predict the future” (Lincoln & Guba, 1985; cited by Erlandson, *et al.*, 1993: 85). The basic construct of such an interview is therefore open-ended and informal. Yet, and this is important, the planning of the interview is given much time: themes/issues are clearly thought through prior to the interview. Questions are not limited to stale language on a sheet of paper but illuminated via themes and put to the respondent in a “common vocabulary,” not sequentially but at the most appropriate time, almost serendipitously, to ensure maximum space and comfort but also

---

<sup>26</sup> These four women however were not excluded from informal engagement and meetings, and were given space to input and participate whenever and if they wanted to.

to follow naturally on from where the discussion is moving (Erlandson, *et al.*, 1993: 87). This method serves to give ownership to the respondent as well as optimal space for the interviewer to truly listen to what is being said. Hence, where a thought thread is clearly close to or of concern to the respondent; space is given for her/him to expatiate, with the interviewer subtly exploring and challenging the respondent to question the feelings and ontology underlying such perspectives and opinions. Here too, the interviewer moves beyond 'safe' questions: opinions, feelings, perspectives, comments and interpretations are sought from the respondent and suggestions of anger, rage, embarrassment or shame etc. are carefully unpacked. The techniques involved in lifestories are delicate and intricate yet the dialogue and information shared immensely satisfying and rich.

Lifestory themes were the following: household demographics, socio-economic status, employment and location histories, illness status, social security, water service delivery and municipal service history, service packages (indigent policies and free basic water), payment and affordability and arrears, water consumption and activities, billing procedures, restrictions and disconnections (responses and perceptions), municipal engagement, conceptions of local state power, governance and community relationships, notions of citizenship and future prospects, and everyday life.

I met with the 'lifestories households' at least three times prior to the interview, building rapport prior to the interview and to confirm their selection as "good respondents" (Erlandson, *et al.*, 1993: 91). Moreover, I remained in close contact with these households post-interview proper: to continue the dialogue as well as to monitor changes within the broader theme of service access, payment and response. In this way I had a much better grasp of everyday life, struggles faced and responses, and hence could contextualise meaning and experience better. As the dialogue continued, the relationships built provided a sounding board for study theories, a triangulation mechanism and a wider optic into the broader Eastwood context. 'Lifestory' households would introduce me to neighbours, friends and families facing particular service-related issues and the dialogue would be extended.

This facilitated a mutual knowledge sharing and gain. I would share my knowledge regarding how policies were implemented and intricate technical details therein and households would share their real-lived experiences and responses to such policy. 'Proof' of an event, action or experience was perceived to be important and where more information was deemed necessary, a group of us would promptly engage the particular household in dialogue, to 'hear it first from the horse's mouth.' This facilitated a richness of engagement as together we were all learning. Households would test their own theories on me and vice versa, and investigation became a mutual endeavour. Thus began a joint consciousness of experience and many an excited dialogue commenced. Importantly, the prolonged engagement and visibility of my person facilitated an immense volume of contemporary data. Anything new, strange or suspicious was quickly explored: a rash of disconnections, water restrictions, a call to sign onto a policy or letter, an arrears leaflet or water conservation pamphlet, 'something the councillor said,' or a community rumour, an official soliciting a bribe, the removal of persons with 'temporary' disabilities from the social security roll; an arrears 'write-off,' a repossession or eviction, a bad experience at the

municipal offices (etc.). 'Explore' here means broadly triangulating to 'build the bigger picture' – recording the experience or action, accessing appropriate documents, testing and enquiry with other households to determine typicality or divergence, engaging directly with middle management and front-line staffs, checking consistency with municipal policy and against National law, policy and regulations). Importantly, not only the action but the experience was also 'fresh' and households were able to recount, in great detail, what had happened, how it had happened, who was involved, the process, how they felt, how they responded, emotions, opinions and questions of 'what next?' These engagements were so rich and generous and importantly were relayed not only to me but others so that we were all part of the experience. In short, these engagements, facilitated initially by way of the lifestory interview not only provided contextual substance of 'the Eastwood experience' but shaped a mutual knowledge sharing and consciousness. The lifestories facilitated rich rapport, which opened the door to the wider Eastwood community; and together were of great import for the study.

A further data collection technique employed was of an "interactive nature" (Erlandson, *et al.*, 1993: 113-123). In this regard, naturalistic inquiry departs from the 'traditional' study, which separates data collection from data analysis. Instead, a study in the naturalistic inquiry tradition sees data collection and data analysis as "inseparable" (Ibid, 1993: 114). Consistent with such methodology, my study entailed a mix of analytical revisions, that is data was fluid; moving through different triangulation processes. For example: survey data was checked against personal observation which then extended into the actual experience of respondents 'accessed' via my accompanying respondents during their experiences. Hence, creating a shared or joint experience and therefore a platform for dialogue. This was actioned by my accompanying households to various municipal departments. Here the process was documented in its entirety: the responses of officials as well as feelings, frustrations and thoughts of the households.

Moreover, I was provided the space to 'see' how households operated with reduced amperage and restricted water supplies as well as how households tampered with electricity and/or restriction washers. Such a method also allowed me to engage with household thought and decision-making processes. The culmination of this "interactive" process ensured that the 'final' analysis was grounded in numerous processes, both theoretical and real.

Lifestories<sup>27</sup> were conducted between January-July 2006. This time period was purposive, consistent with naturalistic inquiry, as I wanted to have the benefit of hindsight via preliminary survey analysis for the optimal grasp and exploration of 'themes' and 'survey trends' as well as time to ensure my 'visibility' within Eastwood to facilitate rapport. Interviews were conducted in English, and infrequently isiZulu and Afrikaans were employed. Lifestories typically took two hours. All lifestories were digitally recorded and transcribed, and translated (where necessary). Transcribing was undertaken by myself and as soon after the interview as possible to ensure that gestures etc. were captured. The transcribed interview, together with household bills and any additional data (e.g. letters of demand, indigent applications,

---

<sup>27</sup> I am grateful to Hamed Deedat who encouraged me to conduct lifestories as a tool to capture substantial quality and meaningful information, as well as a method to truly listen and dialogue with citizens.

restriction leaflets, arrears payments etc.) were compiled as a 'case file' for easy reference and new data additions.

### **2.3 *Municipal Data***

I interviewed middle management (Municipal Consolidated Billing, Promis Income, City Engineers and outsourced municipal debt collectors: Venn Nemeth & Hart Call Centre). However my most fruitful and free engagements, albeit of a more informal nature, occurred with lower level municipal staff (Municipal Consolidated Billing, Customer Services, Credit Control [data capturers – indigent applications, water restrictions and electricity disconnections], City Engineers [water desk – restrictions, leaks and meter errors], Water department [restrictions and tariffs], Meter Reading department, Account Enquiries, outsourced municipal debt collectors [Venn Nemeth & Hart and Natal Debt Corporation – customer services], Umgeni Water [tariff department], Electricity department [disconnections/reconnections, new connections and meter errors]).

I included municipal bureaucracy in my study as an attempt at balance, triangulation of data and enabling the assessment of the whole picture of service delivery in Pietermaritzburg. Middle management were selected as they lie at the citizen-state interface and act as street-level bureaucrats in a position to interpret, apply and implement municipal service-related policy. Municipal staff (customer services representatives [CSRs]) are located at this interface, and engagements were made so as to assess the operation of the municipal apparatus at its closest proximity to citizens. I was refused interviews with top level management and initially denied access to municipal data (see Abrams, 2006: 112-114, on the secrecy of the state). Interviews with middle management and lower level staff, the successful outcome of my Promotion of Access to Information Act [PAIA]<sup>28</sup> (Act No. 2 of 2000 [RSA, 2000a]) request, and the extrapolation of other sources of data all served to reduce the severity of such sanction. Moreover, many hours were spent engaging and observing municipal bureaucrats, particularly in the Municipal Hall. This time proved very fortuitous as I was able to observe the quality of interaction between CSR or Municipal debt collector and citizen; the number of citizens entering the Municipal Hall and times of greatest use. I was further able to put fairly innocuous questions to the CSRs – information mostly of a practical nature but off-limits to me from higher up.

Most of the municipal interactions were conducted via 'face-to-face' personal communication; with fewer telephonically and a smattering via email. I employed semi-structured interviews with middle management. All such interviews were recorded via shorthand or full text (where possible) and in some cases, via digital recorder. In the case of the former; I made a point to write up immediately after the interview was completed. Middle management typically got nervous when I put pen to paper so all efforts to document had to be discrete. Telephonic communications were also immediately written up. Email discussions were particularly useful as it enabled a clear record; yet officials were generally reluctant to engage via such a medium. All meetings, events and observations were meticulously

---

<sup>28</sup> Thanks to Ebrahim Harvey and Jacky Dugard for advice in this regard. The Open Democracy and Advice Centre (ODAC), Cape Town, through Mukelani Dimba and Parvathi Pather, assisted with the successful PAIA application.

documented in study fieldwork notes. Engagements with municipal lower level (front-line staff or call-centre) staff were typically questions of clarity and procedure and framed so as not to unsettle or alarm. Here documentation was performed via shorthand, full text or via digital recorder. Personal observation was also critical.

## **2.4 Primary data**

Primary data utilised in the study included: all water-related Acts, policies (Free Basic Water, Indigent, Credit control and debt collection, municipal budgets etc), databases (Promis Income, Restriction and Indigent lists, Msunduzi 1997 Valuation Roll [2004/5], DWAF Local Municipality tariff survey [2006/7] and DWAF Free basic service monitor system), municipal service bills, letters of demand, PAIA information request, community leaflets and flyers issued by Msunduzi Municipality. Secondary data utilised in the study included: journals, theses, research reports, internet searches, books, printed media, general audio and visual media (radio, television, DVDs etc.), submissions (in the High Court of South Africa, Witwatersrand Local Division, Case No 06/13865) and *Amicus Curiae*.

In addition to the engagements with municipal actors, I met with two well-respected academics from the University of KwaZulu-Natal; both of whom have a firm grasp of Pietermaritzburg's economic and political context. Clive Coetzee (School of Economics and Finance), tasked with compiling the Quarterly Economic and Business Report for Pietermaritzburg, shared with me his perspective of the economic and financial status of the city. Professor Laurence Piper (Department of Politics), unpacked the complex political currents at play. Both allowed for dialogue and challenged each others' optic of the state of affairs.

As indicated previously, the study area is Eastwood. The study however is enriched by visits to different areas within the same Municipal jurisdiction. Urban areas, with housing type indicated in brackets, included: Cinderella Park (RDP Housing); Thembalihle and Tamboville (site and service); Panorama Gardens, Sobantu, Imbali and Ashdown (formal housing, similar to Eastwood); Acacia Park (lower to middle income government housing in the form of 'cluster housing'); and Ashroad (shack dwelling settlement). Rural areas included Mafakatini and Vulindlela (KwaMpande and Umsunduzi). Engagements with the above communities typically took the form of site visits and community meetings. All engagements were post-survey. Interactions were purposive to contextualise and frame the 'Eastwood phenomena' within the larger Msunduzi Municipal setting. Here commonalities and divergence were sought and a dialogue initiated to start conceptualising the Pietermaritzburg water context.

Further to this process elucidated above and in direct relation to the study a number of meetings took place in Eastwood proper: before, during and after the survey. Pre-survey meetings were attended by myself as an introduction to the Eastwood political dynamics and emergent service delivery issues. Here I was principally an observer. As the study progressed, meetings were convened via way of the ECF, with water as the principle issue. Over time, other communities and Pietermaritzburg Civil Society actors

were included in these meetings and workshops. A task team was convened for the purposes of bringing different communities and organisations on board. The task team was constituted of six individuals, including myself, who met weekly (in different communities) to discuss the Pietermaritzburg political and service delivery environment, progress in capacitating identified communities and tracking municipal procedures (council *izimbizo*, budgetary inputs, mayoral meetings, municipal initiatives/policy and general media). Over time, this task team evolved into what became known as the 'Maritzburg Water Caucus.' This was a more formalised structure whose role it was to advocate for change within the Msunduzi Municipal service delivery paradigm. This local structure then became the principle vehicle for engagement between Pietermaritzburg communities and the Department of Water Affairs and Forestry, Msunduzi Municipality and the South African Water Caucus. In the latter processes, my role changed to become a facilitator and resource person.

## **2.5 Quality control**

I was assisted by six CRs. They conducted surveys across consumption clusters to counter any subjectivities isolated to a single cluster. Furthermore, CRs were assigned a survey minimum of six households within clusters to facilitate discussions regarding trends within a particular consumption cluster. The number of surveys conducted per CR was limited to three a day. This was decided so as to minimise CR fatigue and ensure optimal quality. In the event of particular household unavailability, CRs would return to the household three times (on different days of the week and at different times) and if still unable to secure an appointment: the next randomly selected household would be included in the survey roll (I was particularly fastidious in this regard). Surveys were conducted in the vernacular of the responding household and coded in English. If there were any translation misunderstandings, these would be picked up immediately and clarified (I have a good grasp of isiZulu and Afrikaans; hence language was not an impediment). Throughout the data collection phase I would further conduct spot checks (random re-checking of data) and visit households that had already been surveyed. Every day, for the duration of the data collection period; I would meet with each individual CR. Together we would peruse the three completed surveys. This, to check whether all questions were answered, to discuss the three surveys (get clarity on specific responses, or more information), to identify if a particular household warranted further engagement and check whether the data was consistent, that is, to ensure that the 'picture' was congruent. Furthermore, this process facilitated for prompt CR return to a particular household if data was omitted or incongruent. If, after returning to the household, the survey still 'did not make sense,' I would make a house visit. These daily meetings were also valuable in that the experience was still 'fresh' in the mind of the CR and facilitated optimal information sharing. My role here was important because I wanted to give maximum support to the CRs; and because I was in the field, I could – that day – make follow ups with households, where necessary. In addition to the daily meetings with individual CRs; our 'research team' met twice a week on Mondays and Fridays. These meetings were convened to give all team members support, a space to share experiences and perspectives, to engage with the data, to discuss and debate responses within a broader framework and crucially, to triangulate responses. That is, if a CR noticed a particular trend in responses then this would be discussed in the group for consensus and divergence. It also facilitated a useful sounding board for my own insight.

### **3 DATA ANALYSIS**

The type of data analysis applied was dependent on the nature of the data. In this regard the study data included a mix of quantitative and qualitative derivatives. Equal emphasis was given to both. Importantly, analysis endeavoured to use both quantitative and qualitative data to describe a particular phenomenon. That is, data was triangulated for validity and defensibility and typically presented using a variety of appropriate techniques. Underlying all analysis was the essential component of common sense and query. This section considers qualitative analysis and statistical analysis.

#### **3.1 Qualitative analysis**

Qualitative data derived from focus groups, lifestories, interviews, informal community engagement, community meetings, workshops and observation was digitally or manually recorded and transcribed. All data was systematically organised into either individual cases or groups for ease of reference and for the purposes of audit. Where comparisons and contrasts were possible, all data was organised into selected study themes. Middle management and other municipal staff interviews and engagements were, via difficult circumstances of secrecy and closure, not necessarily systematic or consistent so as to run qualitative correlations. The data gathered was analysed via issue responses and married with the selected study themes referred to above. I decided not to run the lifestories through a qualitative statistical package as I wanted to retain the real voices of households (especially evident in Chapter 8 and 9: drawing on the styles of Hellman [1999]; Hochschild [1994]; Wikan [1980]). Community respondents did not typically request my anonymous documentation of their persons; however I intentionally decided to protect identities. On the contrary, Msunduzi officials indicated very clearly that they preferred not to be named. Although unfortunate, I have complied with this request.

#### **3.2 Statistical analysis**

Statistical *sampling* assistance was provided by Mr Shaun Ramroop, School of Mathematics, Statistics and Information Technology, University of KwaZulu-Natal (2005 & 2006). Quantitative data was derived from the household surveys [n=377]. Statistical Program for the Social Sciences (SPSS), Microsoft Office Access and Microsoft Office Excel were used for data entry. Analysis was done in SPSS (version 15.0). Statistical *analysis* assistance was provided by Professor Sarah Radloff, Head of Department – Statistics, Rhodes University (2007).

Descriptive and inferential analysis of statistics was undertaken. Descriptive analysis included frequencies, percentages, means and standard deviation. Inferential analysis utilised correlation and multiple regression procedures to determine relationships between variables to obtain fitted models. Analysis of variance (ANOVA) t-tests for independent and dependent samples were used to determine significant differences in mean values between groups. Chi-square tests of independence via observed frequencies were used to determine whether or not there was a statistically significant association between variables. Significance was set at the 0.05 level. Values were considered as outliers if they

exceeded the third quartile (75%) plus 1.5 (interquartile range) [ $q_3 + 1.5iqr$ ]. Where necessary figures were rounded off to one decimal point e.g. 34.3689 became 34.4.

#### 4 *EPISTEMOLOGICAL FOUNDATIONS OF STUDY*

The research design is based on a praxis epistemology. Knowledge is therefore viewed through the methodological imperative of the dialectic: the process of reconciling one's personal experience to the particular social context in which one exists. Reality is given meaning through social relationships, and social change is therefore a product of individuals sharing this reality and together struggling for change.

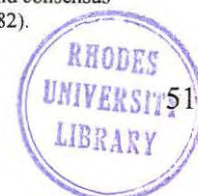
Knowledge is an active and continual process of creation, testing, re-defining and re-testing. Our knowledge is neither static nor complete. Knowledge, as dynamic, is significant; we are creative and changing human beings, our potential realities change as we have the capacity for critical self-reflection and the privilege of building on past knowledge (Cole, 2004: pc). Knowledge is therefore part of the knower, it is socially constructed through language and dialogue (with oneself and others) and built on a foundation of current/past knowledge, which is contextually linked (historically, culturally, socially and politically) and reflects personal experiences (Raskin, 2002; Pollock, 2002; Spicer & Fleming, 2001; Marcel, 2001).

The study aims not only to explore and describe the water service delivery paradigm in its contextual social, racial, historical, political and cultural environment; but also aims to "radically criticise and qualitatively transform social reality" (Roderick, 1986: 7). The study draws on Habermas's interpretation of critical theory, which he locates, "between philosophy and science" (Habermas, 1973: 212). As Habermas sees it, the task is to develop a social theory which retains "the rigour of scientific knowledge without relinquishing the 'practical intentions' of classical politics" (Roderick, 1986: 49). This study reflects a scientific rigour alongside a critical discourse.<sup>29</sup> I will employ a balanced rigour in my criticisms of the founding ontologies and knowledge systems of all groups as well as pluralist data collection techniques (quantitative and qualitative), congruent with the many ways of interpreting the creation and justification of knowledge. Hence, although I do not claim to represent a certain viewpoint, I will challenge the individual or group to criticise, communicate and interpret her/their own positions (through the technique of naturalistic inquiry).

Critical constructivism has the implications that convictions, assumptions and ontologies are consistently challenged. To achieve this, I will not only have to be aware of my own ontology, and the ontology of others and compensate for the differences, but will also have to consciously criticise my own ontology, and the ontology of others as well as facilitate for the said individuals and groups, participating in the research, to do the same (Cole, 2004: pc). To facilitate this process, I will have to make available the different interpretations of the phenomenon and the relevant research-collected information to all groups

---

<sup>29</sup> Discourse, as defined here and consistent with Habermas, "explicitly thematises and criticises the background consensus concerning belief systems, norms, values and ideologies taken for granted in everyday life" (Roderick, 1986: 82).



involved in the study. In so doing, individuals or groups may be able to re-create, modify or re-state their original positions; engage directly with one another's interpretations and ontologies; and identify points of departure and/or consensus.

A participatory research design, founded on action research, will be applied in the study. Action research provides for a joint learning framework (drawing on pedagogy: creative thinking versus passive learning) that encourages critical reflection and discourse, optimises participation and provides the scope for action/advocacy based on research outcomes. It is also important therefore that my study gives due relevance to analysing not only the effects of change but also the process of change (Cole, 2004: pc). The objectives of the study are not just to interpret the phenomenon and facilitate joint consensus, but extend to being able to convince other groups of the value of a specific interpretation. Hence, challenging interpretations should emerge from a common horizon of meaning, which is valued and understood by the particular group advocating a certain position (Marcel, 2001; Bodner, Klobuchar & Geelan, 2001; Raskin, 2001). Subsequently, one group's capacity to convince another, "depends on both the content and form of the discourse" i.e. dependent on the quality of the communication and interpretation (does it make sense to the other group) as well as the authority of the political actor 'doing' the convincing (Marcel, 2001: 17). To meet these requirements, it is critical to ensure three things: (1) that data is collected in a way that is best suited to the different groups and presented in a format that meets the engagement terms of each group; (2) that the advocating group (in this case communities) have a sufficient political platform on which to engage and a large political base through which their voices can find solidarity and; (3) that research processes be negotiated with and owned by the groups involved in the study and all parties take responsibility for the research outcomes/results, once sufficient space has been provided for comments, queries and criticisms.

Each chapter that follows will specify from where data is sourced, but in totality all data is grounded in a broader matrix of mixed methods and techniques, as indicated in this chapter. The next chapter (4) considers Pietermaritzburg's institutional and policy architecture and serves as an institutional and policy reference point for the thesis: a foundation on which future analysis, study results and connections can be established.

## *Chapter 4*

### *INSTITUTIONAL AND POLICY ARCHITECTURE FOR WATER IN MSUNDUZI MUNICIPALITY*

This chapter presents the institutional and policy architecture of municipal services in greater Pietermaritzburg (hereafter Msunduzi). This chapter has a dual purpose: as an institutional and policy reference point for the thesis; and as the foundation on which the analysis of the case study results can be established. The policies described apply to Eastwood.

The first part of this chapter looks at Msunduzi Municipality's (Msunduzi's) institutional architecture, the relevant socio-demographics, financial and service delivery context. I outline the water delivery system and further outline the status of water infrastructure, and water backlogs in Msunduzi. The second part of this chapter looks at municipal service policies and procedures. Particular attention is given to the free basic water and indigent policies as interpreted and applied by Msunduzi. Water tariff structures for households charged at standard tariffs and households registered as 'indigent' are described, and in the latter case uptake procedures are outlined. Credit control and debt collection policies and procedures are presented with specific reference to payment, water restrictions and electricity disconnections. Data for this chapter was sourced via Msunduzi policies and data, broader municipal and governance related literature, Msunduzi official interviews and primary interviews with other community actors.

#### *I POPULATION, FINANCE AND INSTITUTIONAL ARCHITECTURE*

Pietermaritzburg is KwaZulu-Natal's capital city. Pietermaritzburg's municipal authority is called Msunduzi Municipality (KZ225), formerly a category B municipality,<sup>30</sup> located under the uMgungundlovu District Municipality (DC22). Prior to 1994, Msunduzi Municipality was called Pietermaritzburg Corporation (Msunduzi IDP, 2007); many citizens still refer to it as "the Corporation." Msunduzi serves a population of 553 224 citizens, with a growth rate of 1.2% per annum on the 1996 population figure of 523 470 (Statistics South Africa-Census, 2001). The household growth rate for the same period (1996-2001) was far more pronounced, with a 12% recorded increase from 115 933 households in 1996 to 130 405 households in 2001 (Statistics South Africa-Census, 2001). More recent (2005) household estimates put Msunduzi's total household figure at 139 650 (South African Cities Network [SACN],<sup>31</sup> 2006: 49). Msunduzi's estimated mean 2005 household size is 4.05 members per household (SACN, 2006: 49). This figure is notably higher than any other SACN participating city (see Table 4.1) and far exceeds the average city mean of 3.31 members per household (SACN, 2006:49). Msunduzi's population trajectory is however consistent with national trends towards smaller household sizes with concurrent increases in the total number of households within major urban locales (SACN,

<sup>30</sup> Msunduzi Municipality became a Metropolitan Municipality at the end of 2007.

<sup>31</sup> SACN is a survey collaboration of major metropolitans and selected larger local municipalities (members: Buffalo City, Cape Town, Ekurhuleni, eThekweni, Johannesburg, Mangaung, Msunduzi, Nelson Mandela, and Tshwane). SACN issues a biannual report registering city demographic, economic, social and political data comparisons. SACN used the Human Science Research Council estimated 2005 city average household size figures and number of households, based on an extrapolation of the 1996-2001 Census (SACN, 2006: 49).

2006: 49). There is a clear urban slant to Msunduzi's population; with an urban-rural ratio of approximately 4:1 (Draft Water Services Development Plan [WSDP], 2004: 13).

**Table 4.1: City average household size and numbers of households.**

Indicator	Buffalo City	Cape Town	Ekurhuleni	eThekweni	Johannesburg	Mangaung	Msunduzi	Nelson Mandela	Tshwane	Average or total
Average household size	3.25	3.71	3.02	3.67	2.90	3.16	4.05	3.53	3.25	3.31
Number of households	235 351	801 303	836 004	861 540	1 135 097	223 118	139 650	311 934	628 788	5 132 701

Source: SACN (2006: 49).

Most local commentary suggests that financially Msunduzi is in fairly good shape and in a much better position now than it has been in, in many years (Coetzee, 2006; *The Witness*: 29 May 2006). Coetzee (2006), a respected local economist, argues that this is a result of an ongoing 2½-year economic boom, with the result that Msunduzi was running a small surplus of R130 million (*The Witness*: 29 May 2006). The roots of this financial standing started in 2003 with a serendipitous permutation of factors (low interest rates, the opening of the Liberty Midlands Mall and the confirmation of Pietermaritzburg as the capital city of KwaZulu-Natal) which culminated in a knock-on effect of massive consumption and investment (Coetzee, 2007: personal communication [pc]). Good governance indexes reflect Msunduzi's encouraging economic trends: Msunduzi has a favourable credit rating (short-term A- and long-term A), acid test (1.7:1) and liquidity ratio (SACN, 2006: 95-98; Coetzee, 2007: pc; *The Witness*: 29 May 2006). The Auditor-General's report indicated fewer qualifications for the year 2004/5: from twelve items to one (SACN, 2006: 95; *The Witness*: 29 May 2006). Despite indications that Msunduzi's finances have not only improved but are relatively stable, there are still major questions to be discussed later in this chapter.

The African National Congress (ANC) is the majority party in KwaZulu-Natal and the ANC continues to dominate in Msunduzi (Mottiar, 2006: 24). The Mbeki/Zuma intra-party conflicts plague the ANC at the local level (Piper, 2006: pc). Party loyalties have splintered around prominent local politicians: with preferred allegiances represented by current Mayor Zanele Hlatshwayo and past Mayor, now District Speaker, Hloni Zondi (Piper, 2006: pc; *The Witness*: 31 January 2007). Such divisions have been notably regressive for service delivery in Msunduzi, "... as personalities spent more time facing off, squaring up and drawing battle lines as opposed to pacing up service delivery" (*The Witness*: 31 January 2007). The announcement of a new mayor in March 2006 – Mayor Hlatshwayo, together with allegations of recent financial irregularities and corruption, signalled the start of a senior management exodus from City Hall (*The Witness*: 31 January 2007). In this regard, persons in the following positions have resigned since early 2006: Municipal Manager, Chief Financial Officer, Credit Control Process Manager, Electricity Process Manager, Human Resources Process Manager, and Internal Audit Executive Manager. Of further significance and of particular relevance for this study is that a weakened political leadership has provided the space and legitimacy for privatisation options as an attempt to bypass political wrangling.

Msunduzi's institutional architecture is increasingly commercial in structure. Departmental units have been financial and managerial ring-fenced (Account Enquiries, 2005: pc). Consultants occupy influential positions within municipal departments and hold shorter contracts as Msunduzi struggles to meet its complicated statutory requirements (Local Government Consultant, 2005b: pc). The full extent of municipal service outsourcing by Msunduzi is not known as service agreements are not readily accessible. However, we do know that the following municipal services (directly relevant to this study) are outsourced: electricity disconnections, municipal debt collection and municipal security services. In addition, meter reading is next in line (*The Witness*: 28 February 2006). Outsourcing appears to be a strategy to keep certain services beyond the reach of council political interference (Local Government Consultant, 2005b: pc).

The influence of smaller oppositional 'right of ANC' parties (see the Democratic Alliance [DA] and Inkatha Freedom Party [IFP]) on council outsourcing must also be acknowledged. The IFP is strongly in favour of privatising services (IFP website: [www.ifp.org.za/Policies/polwater.htm](http://www.ifp.org.za/Policies/polwater.htm), accessed 19 February 2007). The DA's mantra "... cutting delivery costs by outsourcing services," is well known (Democratic Alliance, 2006). In Msunduzi, a delivery challenge rarely goes by without the DA (with strong backing from the IFP) citing privatisation as 'the solution' to delivery woes. In this regard, the robust emergence of the DA in the 2006 municipal elections, winning 12 seats and gaining the support of the IFP (11 seats) must represent a strong privatisation lobby in the city (Mottiar, 2006: 24).

Organised labour is parochial, largely reactive and far removed from community struggles (Wagner, 2006: pc). Broader Pietermaritzburg civil society is highly fragmented with weak linkages to actual community struggles on the ground. A broad network of community groups, frustrated with local governance and suspicious of the lack of civil society organisational and academic institutional support, is emerging (Wagner, 2006: pc).

## **2 WATER SERVICE DELIVERY IN MSUNDUZI**

Msunduzi purchases all its bulk water from the Umgeni Water Board (WSDP, 2004: 41). The Umgeni Water Board (UW) acts as a water service provider in rural areas and within the Msunduzi Municipal jurisdiction primarily connects, supplies and retails potable water to rural water schemes<sup>32</sup> (Msunduzi IDP Review, 2006: 185). Msunduzi reticulates water to the urban parts of the municipality (Msunduzi IDP Review, 2006: 185). Umgeni Water (UW) sells treated bulk water primarily to eThekweni Metro, the Ilembe, Sisonke, uMgungundlovu and Ugu district municipalities and the Msunduzi and Mgeni local municipalities (UW website: [www.umgeni.co.za/Current%20Customers171.aspx](http://www.umgeni.co.za/Current%20Customers171.aspx), accessed 25 January 2007 [UW, 2007c]). Msunduzi after eThekweni Metro, is UW's second largest customer and accounted for 14% of UW's annual treated water sales for 2005/6 (UW, 2006a: 30).

---

<sup>32</sup> There are negotiations between UW and Msunduzi to either formalise a 'service level agreement' or to hand over the UW-managed rural schemes to Msunduzi via a sales agreement (Msunduzi IDP Review, 2006: 185).

## 2.1 *Umgeni Water*

“Umgeni Water is the largest bulk water supplier in KwaZulu-Natal and the second-largest water utility in South Africa” (UW, 2006b: 4). UW describes itself as a “state-owned enterprise”: part public service entity and part corporation (UW, 2006a: 4). But UW is aggressively corporate; structured as both “commercial business” and “regulated business” (UW, 2006a: 67). UW’s operations are financed primarily through the supply of bulk treated water to municipalities (UW, 2006b: 4). Treated water sales constitute 89% of UW’s organisational revenue (UW, 2006b: 4). Non-core activities include sanitation services, waste water treatment and “other specialised commercial services” (UW, 2006b: 4). The profits from the “other specialised commercial services,” may not be especially significant but the architecture of UW’s non-regulated commercial subsidiary (availed by the Water Services Act, 1997): Umgeni Water Services (Pty) Limited may have a more central function. Contrary to the ring-fenced nature of the subsidiary, revenues/shortfalls from public service activities (non-commercial) and commercial activities can be used to augment the other by making maximum use of differing applicable legislative loopholes (Loftus, 2005: 86). Here, UW states that despite its status as a state enterprise: “it generates all its own revenue and receives no government funding” (UW website: [www.umgeni.co.za/Corporate%20Profile54.aspx](http://www.umgeni.co.za/Corporate%20Profile54.aspx), accessed 25 January 2007 [UW, 2007a]). The UG65 bond (trading on the Johannesburg Securities Exchange) together with Development Bank of South Africa (DBSA) loans constitute 94.8% of the total UW funding structure (UW, 2006a: 64). In recent years UW has looked to extend its reach beyond its historic areas of operation into Africa, where it intends to create “a footprint on the African continent” and perhaps seek further competitive advantage (UW website: [www.umgeni.co.za/Operational%20Area242.aspx](http://www.umgeni.co.za/Operational%20Area242.aspx), accessed 25 January 2007 [UW, 2007b]).

Historically however, UW has been frustrated by significant bad corporate decision-making, debt, treasury mismanagement challenges, the lack of profitable outlets to invest money borrowed and revenue raised, and lower-than-expected profits from the rural water services sector (Loftus, 2005: 91). UW’s financial woes can be said to have begun at its birth in 1974, when it purchased Durban’s bulk water supply operations for well above the real value (Loftus, 2005: 82). Fast-tracking to 2001: as an attempt to recover monies lost via poor investment choices, UW sought to increase bulk water tariffs by 22.3% from the previous term (Loftus, 2005: 98). This caused outrage amongst UW’s two largest municipal customers: Pietermaritzburg and Durban (Loftus, 2005: 98). Together Pietermaritzburg and Durban, with support from a strong lobby of local capital, launched an effective campaign which saw the reduction of the 2001/2 tariff increase to 19.53% (Loftus, 2005: 98; UW, 2006b). The brouhaha did not escape the notice of the Department of Water Affairs and Forestry (DWAF) and in July 2001, DWAF instructed the Trans Caledon Tunnel Authority to undertake the treasury management of UW (UW, 2006a: 65; Kasrils, 2001c). It appears that UW’s albatross has been slain: finances are stabilising (Intergovernmental Fiscal Review [IGFR], 2008) and as at January 2005, UW resumed full responsibility for its treasury function (UW, 2006a: 65). None so powerful an example of UW’s changing fortunes is perhaps UW’s latest 2005/6 financial figures, where UW sold 361 million kilolitres of treated bulk water to its customers, amounting to revenue of R1.1 billion and a profit of R154.1 million for the parent

company for the term 2005/6 (UW, 2006a: 6, 25). UW bettered that for the term 2007/8 with profits up 155% to R393 million (*The Witness*: 22 October 2008).

Impressive revenue results have not however diluted the bad blood which still exists between UW and its major municipal customers. A powerful indication of such tension is the initiation of a Municipal Systems Act section 78 assessment to explore the possibility of forming a joint entity including Msunduzi Municipality, Durban Metro, Umgungundlovu District Municipality, UW and other (Msunduzi IDP Review, 2006: 167). If successful, such an entity should provide UW's major municipal customers with a greater degree of leverage and control.

## 2.2 *Water volumes, sales, grants, revenues and expenditure*

Official data on Msunduzi's total bulk water volume purchases for 2005/6 were incomplete. The information and analysis that follows is based on various data sources (Msunduzi, 2006; UW Debtors Supervisor, 2006: pc; Msunduzi, 2007; PAIA, 2007a). Msunduzi's retail water sales revenue for the 2005/6 term amounted to R163 944 937 (Msunduzi, 2007: 55); its bulk water purchases from UW were R177 579 136 (Msunduzi, 2007: 59). Msunduzi ran the water service at a ±R14million loss for the 2005/6 term (Msunduzi, 2006: 77-79).<sup>33</sup> The cost recovery structure behind this under-recovery deserves much greater scrutiny.

The 2005/6 UW bulk water tariff was R2.698019 per kilolitre, excluding VAT (UW Debtors Supervisor, 2006: pc). This suggests that Msunduzi bought around ±65Mℓ (mega-litres) from UW.<sup>34</sup> The PAIA (2007a) indicated that billed domestic households consumed ±13Mℓ, not-billed/non-metered domestic households ±19Mℓ, non-domestic consumers (business, industry, institutional etc) ±1Mℓ. Totalled this accounts for ±33Mℓ, which when added to Auditor-General's projections of unaccounted-for-water losses (UAW) of 49% (*The Witness*: 30 May 2006) or ±32Mℓ (see later) is equal to ±65Mℓ. Immediately noticeable in this breakdown is the small amount of municipal water consumed by non-domestic consumers and the massive UAW. Regarding the former, non-domestic consumers, who together accounted for a R3 billion turnover in 2004 and include 6 856 commercial consumers and 602 manufacturing entities even before accounting for agricultural, construction, business, government and other (Coetzee, 2008: 43); such water consumption figures are incorrect. Yet, of importance from this extrapolation above is the figures relating to not-billed/non-metered households and billed domestic households; they serve to show how the recovery of water expenses is structured in Msunduzi.

Unaccounted-for water losses (UAW) and water to not-billed/non-metered households, of which there are 60 163 households, accounts for ±51Mℓ of annual water purchased from UW for ±R139 million (UWA accounts for ±R88 million and not-billed/non-metered for ±R51 million). Of the remaining ±14Mℓ, non-domestic consumers account for ±R2.6 million at the UW tariff and billed domestic consumers account

<sup>33</sup> Msunduzi ran the water service at a ±R2 million loss for the term 2003/4; a ±R5 million profit for the term 2004/5 ('actual': Msunduzi, 2006: 77-79) and operating budgets indicate a profit (not 'actual') for the terms 2006/7 (±R30 million), 2007/8 (±R18 million) and 2008/9 (±R23 million) respectively ('proposed': Msunduzi, 2007: 55-59).

<sup>34</sup> All figures, unless specified rounded off in text for ease of reading; all calculations employed complete figures.

for ±R36 million of which there are 61 443 households (PAIA, 2007a). Out of this billed domestic group of 61 443 households: 28 750 households are not charged anything for the first 6kℓ consumed [21 780 are automatic 'indigents,' 3 241 are applied 'indigents,'<sup>35</sup> and 3 729 households are charged standard tariff rates but are able to self limit to ≤6kℓ per month and thereby pay nothing towards water] (PAIA, 2007a). This group's free water consumption accounts for ±2Mℓ (±R5.5 million at UW tariff). This leaves 32 693 billed domestic households or 27% of the total number of domestic consumers in Pietermaritzburg (as per PAIA, 2007a), consuming ±11Mℓ or ±R30 million at the UW tariff.

The revenue to cover the water department's operating expenses is sourced through user fees, interdepartmental contributions, the Equitable Share (ES) and the Municipal Infrastructure Grant (MIG). The largest revenue source is user fees, rates cross-contribution and an infrastructure grant. The ES is the prime mechanism promoted and funded by National Treasury to finance free basic services. The MIG subsidy (±R16 million) is used primarily for capital investment, infrastructure upgrades and a small amount for maintenance and extension of water and sanitation services (Msunduzi, 2006:79; Centre for Applied Legal Studies, 2008: 41).

The ES in Msunduzi, of which R33.8 million is directly allocated to water services in general, not free basic water in particular, accounts for 33% of the total R101.8 million granted for the 2005/6 term (Msunduzi, 2006: 13). The income forgone for free basic water concessions reflected in the operating budget (actual) to the following groups of households comprised the following for the 2005/6 term: water rebates for 'indigent' households (automatic [R8 020 133] and applied [R1 084 533]), water rebates for households charged at standard tariffs able to self-limit to ≤6kℓ per month [R714 782], and water concessions to unbilled low-cost housing and unbilled community standpipes [R27 579 715] (Msunduzi, 2007: 59).

The income forgone on free basic water rebates for 'indigent' households and 'conventional' households able to self-limit is charged at nearly double the UW tariff (±R5.5 million as per the ±R10 million forgone). On the other hand, the income forgone on water service concessions for not-billed/non-metered households covers just half of the UW tariff (±R51 million as per the ±R28 million forgone). Added to this rather awkward funding/loss arrangement, the free basic water rebates added to the water concessions to unbilled low-cost housing and unbilled community standpipes (±R38 million) exceeds the ES (±R34 million) by ±R4 million. Moreover, there appears to be no further national grants to account for this ES deficit, nor indeed the additional funding required to cover the remaining not-billed/non-metered shortfall of ±R23 million. Further to this, the bulk of the ES is used *not* to finance free basic water rebates but to extend RDP-type water services to not-billed/non-metered domestic households. That is, additional grants should be used to fund this type of access, not the ES. This financing picture gets more complicated however because Msunduzi has stated that, "[the ES] is not sufficient to reduce the

---

<sup>35</sup> Automatic 'indigents' are automatically restricted just to 6kℓ. applied 'indigents' potentially are able to access more than 6kℓ but in practice are also restricted to 6kℓ unless they tamper.

municipality's reliance on rates to provide subsidised services to the poor," (cited by Centre for Applied Legal Studies, 2008: 42).

Indeed, if we relook at the fact that Msunduzi has charged its free basic water rebates at nearly double the UW tariff rate and that there are no additional grants to fund free basic water or water services to not-billed/non-metered households; it appears that the shortfall must come from the user fees of non-domestic consumers, other metered and billed domestic households and indeed the targets of free basic services – the poor themselves.

In this regard non-domestic consumers are largely absolved from such responsibility<sup>36</sup> due to Msunduzi's goal of enhancing investment in the city via 'business incentives,' by way of reasonable commercial water tariffs (R8.74/kℓ [including VAT]) and generous water concessions and discounts, in the order of ±R92 million (Msunduzi, 2007: 59). It is common that municipalities do not overburden commercial or industrial entities with major water cross-subsidisation burdens, for example: 2005/6 commercial tariffs for Durban were charged at R6.65, Cape Town R6.99, and Johannesburg R9.15 (all accessed from city websites).

Msunduzi's water revenue is chiefly based on the ±11Mℓ consumed by the 32 693 billed domestic households unable to self-limit to ≤6kℓ per month. At Msunduzi's retail tariff (R22.30 for 6kℓ and R7.34/kℓ thereafter), this group of billed domestic households, solely on billed water charges, potentially contributes a total of ±R74 million (±R9 million of 6kℓ and ±R65 million for water used in excess of 6kℓ) toward the water purchased from UW (±11Mℓ at UW tariff is ±R30 million). That is 27% of the total number of domestic consumers, using ±17% of the total water purchased from UW account for 53% of the UW water expense account. Sanitation charges (fixed charge of R66.70) add a further ±R26 million to Msunduzi's water revenue, bringing the total monies from this billed group of domestic consumers to 61% of Msunduzi's total retail water sales revenue (±R164 million). In reality however, this group contributes far more to the overall water operating budget because rates are used as a cross-contribution, as are debt-related instruments of interest and penalties. That the bulk of Msunduzi water revenue must be recovered from a small pool of billed domestic households culminates in an immense payment burden with serious social and financial ramifications for households unable to pay in full.

This section shows how Msunduzi's municipal cost recovery is structured around a small core of billed domestic consumers and that Msunduzi's finances are far more tenuous than suggested by official indicators. Moreover, I have highlighted the insufficiency of intergovernmental transfers of funds from national to local government. In this regard, the ES does not absorb the DWAF-defined water needs of

---

<sup>36</sup> Commercial water tariffs are charged at R8.74/kℓ (including VAT). Moreover, commerce receives major water and discharge concessions in line with Msunduzi's strategy to encourage investment (Msunduzi website: [www.msunduzi.gov.za/site/investwithus](http://www.msunduzi.gov.za/site/investwithus), accessed 4 February 2008a). Commercial sewage tariffs are charged on a sliding tariff scale of 4.13/kℓ [0-400kℓ]; 3.85/kℓ [401-1000kℓ]; and 3.18/kℓ [1001+kℓ] subject to a maximum charge of R16 593 (all including VAT) [Msunduzi Tariff Policy, 2005/6]. Commercial water tariffs are marginally more than domestic water tariffs but not significantly high enough to act as a cross-subsidisation mechanism. Consumption-based sewage tariffs are more equitable than the uniform tariffs applied for domestic households (R76.04) and moreover the sliding scale and indeed maximum charge appears not to penalise over-consumption, wastage, future supplies nor account for the 'polluter pays' principle.

not-billed/non-metered households, domestic households registered as ‘indigent’ and a small number of ‘conventional’ households able to self-limit. The way Msunduzi has structured its billing and cost recovery regime has major implications for delivering municipal service requirements, meeting social equity goals and how the municipal accountancy regime is framed. These will be expanded upon later in the thesis.

### 2.3 Service levels and backlogs

Municipal demarcations and urbanisation resulted in the dramatic increase of Msunduzi’s jurisdiction from 150 km<sup>2</sup> (up to 1994) to 649 km<sup>2</sup> (since 2000) and population size from 176 590 (up to 1994) to 523 470 (since 2000) [Msunduzi IDP, 2006: 19]. Consequently Msunduzi inherited a number of different levels of water and sanitation services (Msunduzi IDP Review, 2006: 165).

The 2001 data relating to the number of Msunduzi households with access to water in certain water service level categories is the following (read with Table 4.2): inside dwelling = 48 628; inside yard = 42 680; community standpipe (distance less than 200m from dwelling) = 13 280; community standpipe (distance greater than 200m from dwelling) = 17 653; and other = 8 146 (Msunduzi IDP Review, 2006: 23 and Statistics South Africa-Census, 2001 – note that data from sources are slightly variable). Totalled, this entails water access for 130 387 households.

**Table 4.2: Number of Msunduzi households with access to water by service level.**

Main Water Supply	Number of Households
*Piped Water to the Dwelling	48 627
*Piped Water inside yard	42 681
*Piped Water to Community Stand < 200m	13 281
Piped Water to Community Stand > 200m	17 653
Borehole	1 226
Spring	2 302
Rain-water Tank	370
Dam/pool/stagnant water	301
River/stream	1 194
Water vendor	231
Other	2 521
Total	130 387

Source: adapted from Statistics South Africa-Census, 2001.

\* Only service level unconditionally compliant with Water Services Act (RSA, 1997).

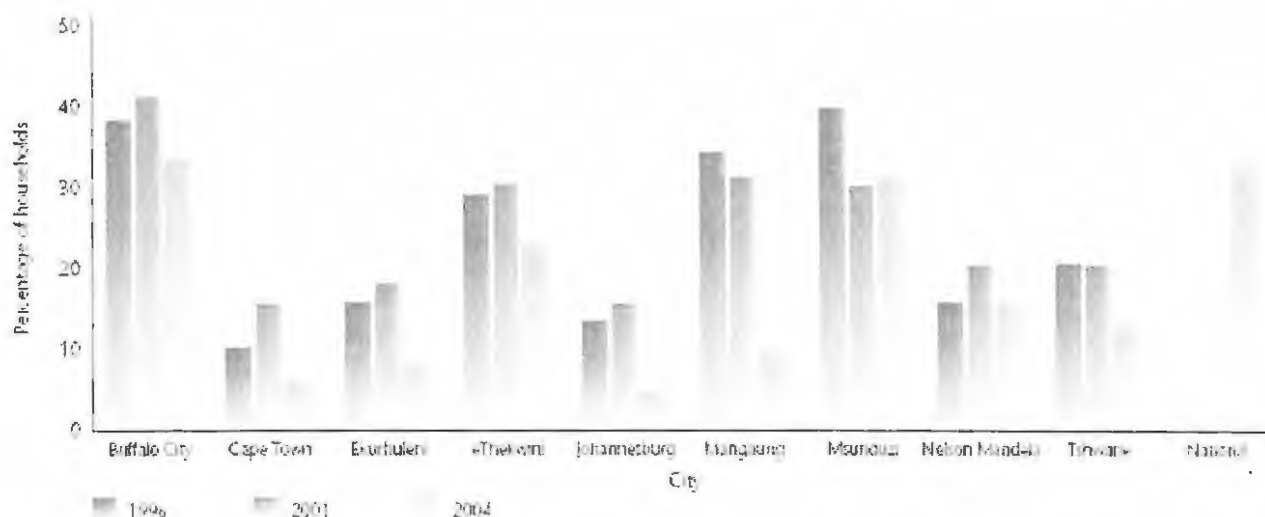
The Water Services Act (RSA, 1997) promulgates regulations of minimum standards for basic water supply service, defining this as access to a potable water supply within 200 metres from dwelling (see regulations in DWAF, 2002c: 26). “Access to water” and backlogs must therefore be defined as meeting these minimum standards for basic supply services. The corollary is clearly that all other service levels not ascribing to this standard must be considered a backlog: standpipes more than 200 metres from dwelling, access via spring, river, etc. The IDP Review (2006: 23) reported the estimated 2005/6 backlog as 14 063 individual water connections in the Edendale and Vulindlela<sup>37</sup> areas (this is approximately 10%

<sup>37</sup> Vulindlela, a former presidential lead project, is typical of such statistical inaccuracy and UW profiteering. The consequences of which find Vulindlela roundly acknowledged as the area of greatest water and sanitation backlogs within the Msunduzi Municipal jurisdiction (Msunduzi IDP Review, 2006: 165).

of the total 139 650 Msunduzi households). Yet a more accurate method in calculating access figures (compliant with RSA, 1997) would then be to add the numbers of households with piped water to dwelling; piped water inside yard and piped water to community stand less than 200 metres: hence, splitting Table 4.2. In this regard 80.2% (104 589) households comply with the Water Services Act and 19.8% (25 798) households do not (with implications for free basic water access). These figures are relatively consistent with recent DWAF statistics which show 82.8% of Msunduzi population have “access to water” (DWAF website, Free basic service monitor system implementation status: [www.dwaf.gov.za/FreeBasicWater/](http://www.dwaf.gov.za/FreeBasicWater/), accessed 24 January 2007 [DWAF, 2007a]) but inconsistent with disaggregated statistics which indicate 95.8% of the poor population served by Msunduzi have “access to water” (DWAF, 2007a).

Msunduzi has acknowledged that its backlog figures “may be underestimated” (Centre for Applied Legal Studies, 2008: 42). Such figures must be seen in the context whereby water access statistics are “... virtually impossible to assess” (Hemson, 2000: 39; and recently admitted to by Government, see Rudin, 2008: 18). Hemson (2000: 39) and Greenberg (2005: 207) note a lack of systematic monitoring and evaluation of South Africa’s water access programmes and infrastructure breakdowns. Finally, the failure of many rural water schemes plus enforced disconnections due to inability to pay or non-payment has further contributed to inaccurate and dated access data (Hemson, 2000: 41).

Msunduzi has had mixed success in reducing the water access backlog. Historically the independent entities amalgamated into Msunduzi have been the site of high apartheid-related water access backlogs. Backlog progress must therefore take into account this sizeable historical backlog. Using a different measure of access and backlog (on-site access) and comparing with other large cities is instructive. In this regard, Msunduzi appears to be losing ground (see Figure 4.1).



**Figure 4.1: Percentage of households without access to water on site.**

Source: SACN (2006: 80).

The SACN (2006:79) does not have specific backlog data but it does consider access in terms of “households without access to water on site” and “households with access to water in dwelling.” In this regard, the SACN indicates that the percentage of Msunduzi households without access to water on site (in yard or in dwelling) has decreased on the whole between 1996 and 2004 but increased slightly between 2001 and 2004 (SACN, 2006: 79 and see Figure 4.1). Progress with regards to the percentage of households with access to water in dwelling has decreased slightly between 1996 and 2004. At the same time the number of households with access to water in dwelling has increased slightly. Such a trajectory is relatively consistent with Mangaung, Nelson Mandela, Tshwane, Johannesburg City, eThekweni and Ekurhuleni (SACN, 2006: 78). Interpreted, the trajectory could be due to an increase in the number of households within municipal jurisdictions (a national trend), an increased population caused by extended municipal demarcation boundaries, and service levels deemed appropriate and affordable to a large rural and poor population (hence a shift of focus from in-yard/dwelling connections to community standpipes etc.) [SACN, 2006: 138].

Rapid expansion of municipal jurisdiction, significant service backlog and differential service levels have the implication that substantial resources are necessary to equalise the situation. Msunduzi’s capital expenditure (capex) however, is inadequate to meet the needs of substantial backlogs, maintenance and service delivery, with a deficit of almost half the capital budget required (Msunduzi website: [www.msunduzi.gov.za/site/municipalmanagerscolumn](http://www.msunduzi.gov.za/site/municipalmanagerscolumn), accessed 4 February 2008b).

### 3 **CONDITIONAL FREE BASIC WATER**

The Free Basic Water Policy was implemented by Msunduzi on 1 December 2001 (Msunduzi, 2001). Municipalities have three options when deciding how to implement the Free Basic Water Policy (DWAf, 2002a: 32):

1. Provide a free allocation of water *just to the poor* free of charge (i.e. targeted)
2. Provide a free allocation of water *to everyone* free of charge or
3. Provide a free allocation of water *to everyone free of charge but if domestic users consume more than the free allocation than they must pay for the free allocation of water and any additional kilolitres consumed*, i.e. the subsidised cost of the full free allocation plus any additional kilolitres used over the free allocation (at the standard tariff rate).

In 2001 Msunduzi adopted the *third* delivery option: a universal application of free water for all domestic consumers *provided they remain* within the free volume allocation ( $\leq 200$  litres per day per billing period: (i.e.) 30 days  $\times$  200 litres = 6kL). If a domestic consumer uses  $\leq 200$  litres per day per billing period then water is free; if a domestic consumer uses more than the free volume allocation ( $> 200$  litres per day per billing period) then free water is waived: such consumers pay for their ‘free water’ and any additional kilolitres consumed (Msunduzi, 2001).

The free basic water volume offered to individual households each month is not uniform. It is dependent on the period between each monthly meter reading date. It is calculated as follows: number of days between meter reading dates  $\times$  200 litres = Total free water volume for that particular month.

$$\text{Number of days} \times 200 \text{ litres} = \text{Total free water volume}$$

Hence the free water volume allocation may be more or less than 6kℓ per month (e.g.) 29 days x 200 litres = 5 800 litres free water or 35 days x 200 litres = 7 000 litres free water.

If households use 6 000 litres over 29 days (200 litres more than the free allocation) then free basic water will be withdrawn: the 5 800 litres will be charged for at R4.24/kℓ, and 200 litres at R8.37/kℓ (see Appendix B). Now is perhaps an opportune moment to consider how typical the municipal practice of charging for the first 6kℓ is if consumption exceeds this basic volume? To answer this question I have to disregard official DWAF's Free basic service monitor system (DWAF-FBSMS) statistics (DWAF website: [www.dwaf.gov.za/FreeBasicWater/](http://www.dwaf.gov.za/FreeBasicWater/), accessed 13 May 2008 [DWAF, 2008b] because their numbers of households accessing free basic water do not correlate with their official definition, which defines "served by free basic water" as "Population or Household that receives a basic water supply at *no charge/for free*" (DWAF website: [www.dwaf.gov.za/dir\\_ws/fbw/subscr/Datadefs.asp](http://www.dwaf.gov.za/dir_ws/fbw/subscr/Datadefs.asp), accessed 16 September 2008 [DWAF, 2008c]; text in italics is DWAF's emphasis). For example: their figures include households as "served by free basic water" whose access does not comply with the regulated service level ("below" or "at RDP level" which implicate the carrying of water from a communal standpipe or other, the distance of 200 metres or more) and further their statistics conflate access to free basic water for entire populations served by Water Service Authorities (WSAs) when in fact only parts of those populaces are actually accessing free basic water.

The question therefore is better answered by using The DWAF Local Municipality Tariff Survey database [DWAF-LMTS] (2006/7) which provides free basic water access and other tariff-related data and which is based on 239 municipalities. It is not however, strictly comparable to the DWAF-FBSMS statistics as it deals with municipalities and not WSAs and further carries other errors and omissions. However, in the absence of any alternative database comparison, the DWAF-LMTS does provide some clues. For example: applying descriptive statistics to the database; out of 239 municipalities 139 (58.9%) charge a zero amount for the first block of 6kℓ and 97 (41.1%) institute charges for the first block. Analysing the data further for municipalities with a Free Basic Water Policy (58.9%): it was found that 4 out of 139 charge a flat rate, 62 out of 139 levy a basic municipal service charge, and 2 out of 139 levy both a flat rate and basic municipal service charge – that is, these municipalities cannot be considered as legitimately having a Free Basic Water Policy because they recover monies for the water service provided. This leaves 71 out of 139 which can be legitimately classified as having a Free Basic Water Policy yet tell us nothing about cases such as Msunduzi (which would be included in the 71) that remove access if 6kℓ is exceeded. Nevertheless, a truer indication of municipalities, as disaggregated from the DWAF-LMTS database, which actually deliver free basic water ("no charge/for free") may be closer to 29.7% (71 out of 239) – although even this figure may be too high.

In summary, the practice of charging consumers for all their water if 6kℓ is exceeded is fairly common. However, the determination of how the recovery is actually enacted is typically concealed through a

variation of opaque methods. For example: municipalities may give the illusion that certain volumes are free, only to have fixed, service or flat rate charges eliminate the free part of free basic water. Msunduzi appears contrary to this and offers the analyst transparency: households either access free water or they do not.

In July 2004 Msunduzi introduced the Indigent Policy. Msunduzi's Free Basic Water Policy was amended to incorporate option *one and three* (Local Government Consultant, 2005a: pc). I will return to the Free Basic Water Policy and amendment implications in section 3.2; for now more detail is given on the Indigent Policy and tariff frameworks.

### **3.1 Indigent Policy**

The emergence of the Indigent Policy as an instrument in targeting basic services and subsidies for vulnerable groups is of great consequence. The Indigent Policy applied in Msunduzi has markedly shaped the interpretation and application of free basic services<sup>38</sup> in Msunduzi. There is no blueprint Indigent Policy, like the Free Basic Water Policy: municipalities can interpret 'indigency' and apply policy as they see fit. In 2007 DWAF justified Msunduzi's poorly equilibrated tariff structure (blocks and parameters), its excessive standard tariff charges, and its 'targeting' of free basic water on the premise that "all poor households" were absorbed within the Indigent Policy subsidy conditions (Acting Regional Director DWAF, Angela Masefield, Fax to Fred Wagner, Eastwood Community Forum, 20 April 2007 [DWAF, 2007b]).

The means-tested Indigent Policy was first approved in 2003 and implemented by Msunduzi in July 2004 (Local Government Consultant, 2005a: pc). Qualification conditions include total monthly household income, house and land values. Total monthly household income may not exceed R1 957 for 2005/6 (Municipal Consolidated Billing [MCB], 2005: pc). Three different categories of indigent households have been devised: (1) automatic indigents: house and land valued under R30 000; (2) applied indigents: house and land valued between R30 001-R40 000; and (3) applied indigents: house and land valued over R40 001 (see table 4.3). The different procedures for 'automatic' and 'applied' indigent uptake are important. The former is governed by administrative procedure, the latter by personal application and registration (via Ward Councillor and Municipal Administration).

There is no application process for 'automatic indigents.' This category is automatically identified via computer systems and charged accordingly. Restriction devices are installed in the homes of 'automatic indigents' (MCB, 2005: pc). Households falling into this category have no choice in accepting/not-accepting the 'benevolence of government.' It is further notable that new RDP housing infrastructure comes with automatic installation of water limiting devices and prepaid electricity meters (MCE, 2005: pc).

---

<sup>38</sup> Free basic services offered through the Indigent Policy form part of the social wage.

Households wanting to register as 'applied' indigents must meet qualification conditions: household income  $\leq$  R1 957 (2005/6) and house and land valuation R30 001-R40 000 or household income  $\leq$  R1 957 (2005/6) and house and land valuation above R40 001. This first step is administered by the Ward Councillor, whose responsibility it is to ask the household a series of income-related questions, explain criteria and conditions, and advise on what further steps are needed prior to submission of completed forms. Households must submit the following information: details of account holder; proof of income; proof of residence; certified copies of identification documents; and numbers and names of dependants (Msunduzi Indigent Policy, 2006). Moreover, households must agree (and sign for) the following: a reduction of amperage (20 amperes or less); a water restriction device (limiting water consumption to 12kℓ per month); and sign an acknowledgement of debt (Application for Indigent Status, 2005). There are legal and ethical questions surrounding the latter two conditions. The first, regarding the restriction of water to 12kℓ will automatically bring the municipality into breach of contract; as the technical restriction devices applied only allow the maximum access to 6kℓ water per household per month. The second condition, requiring a customer to sign an acknowledgement of debt prior to granting a loan, is regarded by the Credit Bureau Ombudsman as "unethical practice" (Experian Bureau, 2007: pc). This is because signing an acknowledgement of debt allows the municipality to immediately start a judgement process to bring a garnishee order to attach a salary portion; or further along to attach household possessions or auction off the home – this, even before the applicant has defaulted (Experian Bureau, 2007: pc).

'Applied' indigent households, once registered, must further abide by certain payment conditions. That is; they must pay their current accounts (total monthly municipal service bill) every month, in full and on time. If the household complies with these conditions then all outstanding arrears and all the monthly interest on the outstanding arrears will be 'frozen' until such time as Council 'writes it off.' However, if a household defaults by making a late or partial payment or failing to pay, then all the historical arrears return to the account and interest will be charged. In such a case, the household must make payment arrangements with the municipality and pay off all the interest charges and defaulted amounts from the period of first default to the current date (Msunduzi Customer Services department [CS], 2006a: pc). If these arrears are settled in full, then the interest will no longer be charged and the household will proceed as normal (CS, 2006a: pc). If arrangements are not made then every month the interest on the outstanding arrears must be paid together with the current account and the household is liable to be handed over to Municipal lawyers for breach of contract (CS, 2006a: pc; MCB, 2006b: pc). Furthermore, once a household has registered as an 'applied indigent' they are only able to deregister after a year has passed; hence if a household is unhappy with water flow or amperage they are not allowed to get out of the contract. 'Applied indigents' are required to confirm their income status details annually; if this is not done the contract automatically terminates (CS, 2006a: pc; CS, 2006b: pc).

It is evident that the entire indigent registration process and conditions of uptake are exceptionally arduous and humiliating. They are onerous, bureaucratic, invasive and stigmatising – as much of the literature on welfare argues (Dean, 1991; Piven & Cloward, 1993; Walker, 1993; Brown, 1995; Lund,

2001; see Chapter 2). Indeed, the onerousness of procedures and low uptake of indigency status is not limited to Msunduzi; with the Centre for Applied Legal Studies (2008: 18) noting that problems with municipal indigent policies include:

... the exhaustive requirements and documentation needed to apply for indigency status; the narrow definition of indigent within municipalities; the burden of responsibility placed on indigents to reapply annually; the stigma and criminalisation attached to indigent status; the restrictive conditions attached to accessing free basic services via the indigency policy.

The procedures and requirements of application and indeed the conditions attached to concessions might explain why so few people register as indigents. From July 2004 to June 2005, 16 420 households in total (12% of all Msunduzi households) were entered as indigents: 13 619 households were 'automatic indigents' and 2 801 households were 'applied indigents' (Promis Income Manager, 2005: pc). Twenty-two months later, in April 2007, 25 012 households in total (18% of all Msunduzi households) were entered as indigents: 8 161 'automatic' and 440 'applied indigents' had been added to the list totalling 21 780 'automatic' and 3 241 'applied indigents' (PAIA, 2007a). The fact that only 440 new 'applied' applications registered in 22 months (June 2005-April 2007), just less than 2 years, could suggest several explanations (1) households are in a good financial condition; (2) arduousness of procedures and conditions accompanying subsidies act as a disincentive to uptake; and people are rejecting state 'pro-poor' policies (a conundrum that will be explored later); (3) all poor qualifying households are already captured in the register; or (4) Msunduzi, with its massive number of not-billed/non-metered households and limited external grants does not want to absorb any further costs. Suggestions 1 and 3 are rejected and 2 and 4 provide a closer proximity to the truth. In 2007/8 Msunduzi reported that the number of households on the indigent register is "only 20% of the total number who would qualify" (cited by Centre for Applied Legal Studies, 2008: 44).

Clearly Msunduzi overstated the figure (implying that all Msunduzi households should be on the register [total number of households in Msunduzi is 139 650]); this admission is nevertheless significant, is contrary to DWAF's assertion that "all poor households" have been absorbed by the Indigent Policy, and implies that many more households should actually be on the register. Importantly, it suggests the following immediate issues: (a) the Indigent Policy; as an instrument to deliver free basic services may be inadequate; and (b) the administrative options of free basic water delivery (1: targeted) and (3: free but if use more; pay for all) may not have been the most appropriate choice. Indeed, universal coverage as provided by option 2 (free for all) may have been a better (and easier) administrative option. Moreover, the admission further hints at the large gap between the numbers of billed households receiving standard service packages, and those that should actually receive indigent packages. All other poor Msunduzi households (not registered as 'indigent') only receive free basic water if less than 6kℓ is consumed per month and no further subsidies are given if 6kℓ is exceeded. This means that the majority of poor households may not be guaranteed free basic water and will therefore be expected to pay for their water at standard tariffs. Table 4.3 below shows the total indigent package offered by Msunduzi.

**Table 4.3: Indigent services at 2005/6 tariffs (inclusive of VAT).**

Services	Automatic	Application	Application
House & Land Value	Under R30 000	Between R30 000-R40 000	Over R40 001
Electricity	Free 50 kWh	Free 50kWh Balance @ normal	Free 50kWh Balance @ normal
Ampere	Free 20 Amp	20 Amp reduced	20 Amp reduced
Water	Free 6kl. Balance @ normal tariff R8.37/kl* [Restriction device to be installed]	Free 6kl. 7-12kl @ R3.41/kl*. Balance @ normal tariff R8.37/kl* [Restriction device to be installed]	Free 6kl. 7-12kl @ R3.41/kl*. Balance @ normal tariff 8.37/kl* [Restriction device to be installed]
Sewage	Free	Reduced tariff	Reduced tariff
Refuse	Free	Reduced tariff	Reduced tariff
Rates	Free	Free	Rebate on approval

Source: Msunduzi Indigent Policy Guidelines (2006).

### 3.2 *Water tariff structures with free basic water and the Indigent Policy*

Tariffs are the chief source of revenue for water services in South Africa, over 80% is derived from the sale of water, the remaining 20% is derived from taxes and subsidies (DWAF, 2002b). Municipalities have relative autonomy over municipal tariff structures and prices, the interpretation of free basic services, indigent policies, credit control and debt collection policies; all of which differ markedly between municipal jurisdictions. Although South African municipalities have ultimate discretionary powers regarding the setting of municipal water tariffs; they are expected to adhere to legislative injunctions, regulations and national tariff principles. In this regard, DWAF has suggested the following broad principles:

... equity, proportion to use (amount users pay should be in proportion to use of service), affordability, reflecting costs (costs associated with rendering the service), differentiation (differentiation between different categories of users, debtors, service providers, services, service standards and geographical areas) and transparency (DWAF, 2002b: 37).

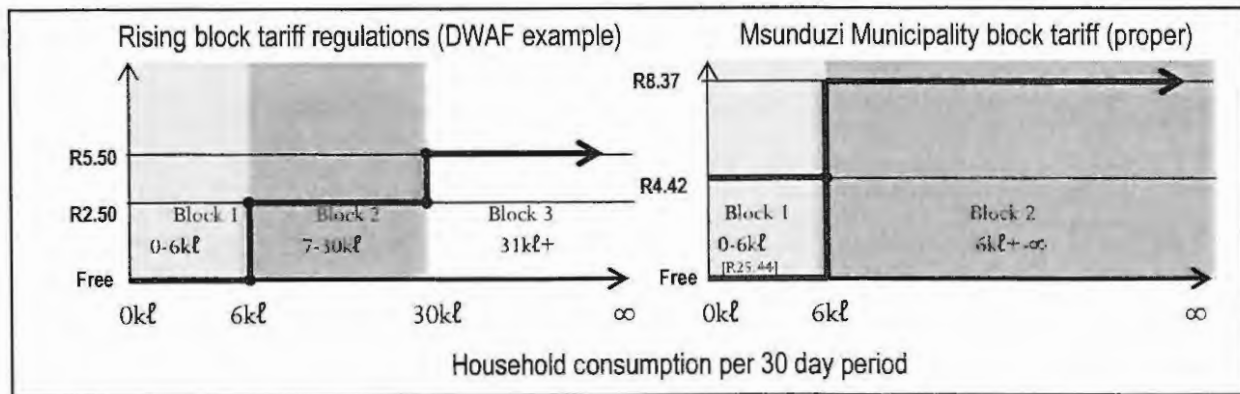
DWAF's regulation standards for water services tariffs under section 10 of the Water Services Act apply to all water service institutions and "... no water service institution may use a tariff which is substantially different from any prescribed norms and standards" (DWAF, 2002c: 61). The regulation standard for water services tariffs under section 10 of the Water Services Act (RSA, 1997) states the following:

The rising block system should include *at least three tariff blocks* but may include more. The tariff for the first block, i.e. consumption between 0 and 6kl per household per month should be set as low as affordable by the water services institution and should be provided for free if a 'free basic water' policy is being implemented. The second block in a three-block tariff structure is for 'normal consumption' meaning that the upper consumption limit of this block should be set such that a household that uses water sparingly should be accommodated within this block. The tariff charged for consumption in this block should ideally reflect the actual or average cost of water. The third or top block is for 'luxury consumption.' A household that uses water for luxury purposes, such as filling a swimming pool or a household that does not use water sparingly should be required to pay a higher than average price for water that reflects the economic cost of this scarce resource (DWAF, 2002c: 72-74, my emphasis).

The requirements of sub regulation (1) are deemed to have been met where the tariff is set as a volume based charge that provides for a rising block tariff structure which includes: three or more tariff blocks with the tariff increasing for higher consumption blocks; a first tariff block with a maximum consumption volume of six kilolitres and which is set at the lowest amount, including a zero amount, required to ensure the viability and sustainability of water supply services; and a

tariff for the last block or highest consumption block set at an amount that would discourage high water use and that reflects the incremental cost that would be incurred to increase the capacity of the water supply infrastructure to meet an incremental growth in demand (DWAF, 2002c: 72-73).

Figure 4.2 illustrates the difference between DWAF’s rising block tariff regulations and the 2-block tariff structure employed in Msunduzi for standard tariffs.



**Figure 4.2: Regulation example of rising block tariffs (adapted from DWAF, 2002c: 72) compared to Msunduzi 2005/6 tariffs.**

Source: adapted from DWAF (2002c: 72) and Msunduzi Tariff Policy (2005/6).

Msunduzi’s standard tariff structure (non-‘indigent’) for the majority of Msunduzi citizens is substantially different from, and contravenes the prescribed norms and regulation standards issued under section 10 of the Water Services Act. This is because Msunduzi employs a 2-block tariff structure: the first block parameters include 0-6kl (free basic water) and the second block includes 6kl+ to infinity. Msunduzi water tariffs contravene DWAF tariff regulations, guidelines and principles: the number of tariff blocks, widths of block parameters and pricing of each block serves to penalise poor low-volume consumers via the imposition of expensive and inequitable tariffs for limited consumption. Msunduzi charges a ‘full cost tariff’ as far down the volume chain as possible. Msunduzi over-recovers low-volume consumption and under-recovers excessive and wasteful high-volume consumption.

Msunduzi deviates from standard policy regulations further by removing access to free basic water if incrementally more is used. Such a practice is in contravention of the Strategic Framework for Water Services (DWAF, 2003: 34-35), which states:

Where domestic consumers consume just more than a defined basic amount, water service authorities shall not be entitled to recoup the full financial cost of providing the basic amount in the marginal tariff for the next small increment consumed. In other words, if the free basic water allocation is 6kl per month, then a water service authority may not require a consumer who uses 7kl per month to pay for the full financial costs for the supply of 7kl per month.

I showed in Chapter 2 that Msunduzi tariffs and bills lie at the upper end of municipal comparisons (to be further discussed in Chapter 5). As such, poor households, restricted via lack of finance or technical limitations, may struggle to pay for sufficient water volumes to meet required water needs.

Before free basic water, Msunduzi also had a 2-block tariff structure: 0-5kℓ and 6kℓ+. The implementation of free basic water saw the tariff structure largely unchanged: the monetary value attributed to the tariff structure remained the same; it was only the parameters that changed to incorporate an additional kilolitre (Msunduzi Water Department, 2003: pc). Significantly, instead of incorporating the 6th kilolitre at the same tariff rate as the first 1-5kℓ block (R2.29/kℓ); Msunduzi incorporated the 6th kilolitre at the tariff rate for the old 2nd block (R5.11/kℓ). With the annual tariff increase of 10%, the tariff rate for the 2nd block changed to R5.62 per kilolitre and the charge for the first 6kℓ (now first block) amounted to R17.07 (2002/3 tariffs). This had the implication that households consuming more than 6kℓ a month received no financial benefit from the introduction of free basic water (see Table 4.4).

**Table 4.4: 2001/2 Msunduzi Municipal derivation of free basic water tariffs.**

Tariff before free basic water (2001/2)		
1 <sup>st</sup> block	0-5kℓ @ R2.29 per kℓ	= R11.45
2 <sup>nd</sup> block	6 <sup>th</sup> kℓ + @ R5.11 per kℓ	= R 5.11
Total for 6kℓ	5kℓ + 1kℓ	= R16.56
Tariff after free basic water (2002/3)		
1 <sup>st</sup> block	0-6kℓ @ R2.29 x 5kℓ + R5.62 (R5.11 + 10%) x 1kℓ	= R17.07
2 <sup>nd</sup> block	7kℓ + @ R5.62 per kℓ	= R 5.62
Total for 6 kℓ	6kℓ (free basic water)	= R17.07

Source: Msunduzi Water Department, 2003: pc.

Tariffs applied in this study cover the period 2005/6. Current standard tariffs (2005/6) dictate that the first block of 6kℓ is charged at R25.44 and the second block of 6kℓ+ is charged at the standard tariff rate of R8.37 kℓ (all figures include VAT). In 2004 with the introduction of the Indigent Policy, the tariff structure and tariffs for standard users (defined in study as ‘conventional’) remained unchanged. However, the tariff structure and tariffs for ‘applied’ indigents changed; the tariff structure for ‘automatic indigents’ remained unchanged but the prices changed (see Table 4.5). The tariff structure for ‘applied indigents’ included 3 blocks: 0-6kℓ (free regardless of whether more water was consumed); 7-12kℓ at subsidised rate of R3.41/kℓ; and 12kℓ+ balance at standard tariff of R8.37/kℓ (including VAT: 2005/6). Note that the ‘applied’ indigent rates for 7-12kℓ are cheaper than standard free basic water (0-6kℓ) rates per kilolitre [R3.41/kℓ versus R4.24/kℓ]. It is important to note that ‘applied indigents’ received such concessions on condition that they submit to installation of a restriction device (such households were being ‘helped’ to consume less). The tariff structure for ‘automatic indigents’<sup>39</sup> remained unchanged (2 blocks); however the first block (0-6kℓ) was guaranteed free (regardless of whether more water was consumed) and all kilolitres consumed thereafter were charged at the standard tariff of R8.37/kℓ. Indigent households (both ‘applied’ and ‘automatic’) were the only category of users guaranteed their free water regardless of volumes consumed.

<sup>39</sup> This group is relatively poorer than ‘applied indigents’. This rather strange ‘automatic’ indigent tariff structure, whereby the second block of 6kℓ+ is charged at the standard tariff rate of R8.37 kℓ – more than the ‘applied’ indigent rate – is clearly contrary to equity and poverty alleviation goals. However, in practice, it did not matter because ‘automatic’ indigents were automatically restricted to just 6kℓ (unless they tampered).

**Table 4.5: Msunduzi water tariffs for standard versus 'indigents': 2005/6 (inclusive of VAT).**

User category	Consumption	1 <sup>st</sup> block	Tariff	2 <sup>nd</sup> block	Tariff	3 <sup>rd</sup> block	Tariff	FBW utility?
Standard tariffs <sup>40</sup>	Consuming ≤ 6kℓ/month	0-6kℓ	Free (conditional)	6kℓ+	Not applicable	None	-	✓
	Consuming > 6kℓ/month	0-6kℓ	R25.44 @ R4.24/kℓ	6kℓ+	@ R8.37/kℓ	None	-	X
'Indigent' tariffs	Automatic	0-6kℓ	Free (unconditional)	6kℓ+	@ R8.37/kℓ	None	-	✓
	Applied	0-6kℓ	Free (unconditional)	7-12kℓ	@ R3.41kℓ	13kℓ+	@ R8.37/kℓ	✓

Source: adapted from Msunduzi Tariff Policy (2005/6).

### 3.3 Unaccounted-for-water and water availability

Considerations of water delivery and free basic water in particular invariably result in contestations of resource sufficiency. In this regard the question of scarcity in absolute or socially constructed terms is moot. It is not my intention to explore such debates (beyond that already presented in Chapter 2); rather I present an inquiry into Msunduzi's water availability via the optic of unaccounted-for-water. Unaccounted-for-water (UAW) is a term used to describe non-revenue water, which consists of unbilled/unmetered authorised consumption and water losses: apparent losses (illegal connections and metering inaccuracies) and real losses (mains leaks, reservoir overflows and service connection leaks) [International Water Association, 2000: 5]. The Msunduzi IDP Review (2006: 167) indicated that UAW losses had been reduced, "... from approximately 43% to 33.6% as at 30 June 2003." These figures were reasonably comparable to those quoted in the WSDP (2004: 42) of unaccounted-for water losses of 31%. In contrast, the Auditor-General indicated that total water losses had increased from, "... 43% in 2004 to 49% for the year ended June 2005" (*The Witness*: 30 May 2006). Reconciling such statistical inconsistency is difficult (particularly if there may be some gerrymandering with non-domestic consumer concessions); however, of greater importance is that UAW presents Msunduzi with a tough challenge. In this regard, Msunduzi registered a constant annual purchasing water projection of 40 250 000kℓ for 2004-2009 (WSDP, 2004: 41). Recognising that actual kilolitres purchased is higher than that indicated in Municipal plans; a constant trajectory suggests that there is enough volume capacity to provide water to Msunduzi's citizens without buying significantly more water in the future.

Returning to the structure of UAW: specifically the ratio of 'water losses-to-non-revenue water;' any considerable reduction in water losses would free up existing volume capacity to be used to augment current supplies. This, without having to either increase the volumes purchased from UW or substantially accommodate water resource and infrastructure replacement costs within service tariffs. All of which meant that, if Msunduzi prioritised the fixing of leaks, even marginally (expensive in the short-term but cheaper and more sustainable long-term); the convoluted ways in which households are either granted or

<sup>40</sup> Note that households charged at standard tariffs are not necessarily better off in a socio-economic sense than 'indigent' households; it simply means that these households are not registered as 'indigent.'

declined their water service requirements could simply recede to the granting of all households, particularly the poor, appropriate and affordable volumes of water.

#### **4 CREDIT CONTROL AND DEBT COLLECTION**

Credit control refers to policies and practices (e.g. incentives for prompt payment or limiting consumption) which help prevent households from accumulating municipal service debts or inversely help municipalities avoid permitting such accumulation. Debt collection is typically the ongoing collection of debts, not necessarily defaulting debts, which in the latter case signals a failure of credit control; it is initiated when households fall into arrears and ensures that these monies due to council are collected. Official definitions of credit control and debt collection typically conflate the two, for example: Msunduzi defines credit control as, “all functions relating to the collection of monies owed by customers and users of municipal services” (Msunduzi Municipality Credit Control and Debt Collection Policy [CC&DC], 2006: 7). It is legislated that municipalities have to collect all monies due and payable to it (Local Government Municipal Systems Act, 32 of 2000 [RSA, 2000b]; Local Government Municipal Finance Management Act, 56 of 2003 [RSA, 2003]). However, the Local Government Municipal Systems Act (RSA, 2000b) does allow for differentiation on an equitable basis for different categories of users:

A credit control and debt collection policy may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to discrimination (RSA, 2000b: 90 s97, 2).

Msunduzi has indicated that its “credit control and debt collection policies are very effective” (MCB, 2006a: pc). Punitive measures are strictly enforced for service and rates defaulting. Defaulting households are immediately yoked with interest on outstanding payments and the limitation or disconnection of certain services. Serial defaulters are handed over to Municipal debt collectors, where the defaulting on large monthly payments may result in litigation resulting in the dispossession of furniture or the auctioning-off of homes. The procedures followed to rein in the defaulting household are of great consequence; as such, these are presented comprehensively and consider in turn: payment procedures, payment rates, debt collection procedures, municipal debt collection consortia, water restrictions and electricity disconnections.

##### **4.1 Msunduzi municipal consolidated bills and payment procedures**

Msunduzi municipal tariffs for services, across all service groupings (defined in this study as: ‘conventional,’ ‘indigent,’ ‘lifeline,’ ‘tampered’ and ‘restricted’ households), are fixed or volumetrically based or part-fixed and part-volumetric. Refuse removal and sanitation are fixed, that is, it does not matter how much refuse or water a household discharges; all households within a particular service grouping are charged the same monthly amount (see Appendix C). Property rates are fixed but not uniform: rates are calculated on land and property value. Electricity tariffs include both a fixed monthly amperage charge (variable depending on the size of the amperage: 5-80 amps) and a volumetric

consumption tariff. Water tariffs are volumetrically linked if the free basic water allocation is exceeded, and fixed to zero if not.

Tariffs, for all services, increase annually in July of each year. Water increased 10% year on year from 2002 to 2005 and by 8% for the year 2005/6. All other services, for the 2005/6 year increased by the following percentages: rates 6%, electricity 4%, sewage and refuse by 7% (Msunduzi, 2005: 18).

On 1 July 2004 the City Council implemented a new billing system. This system saw the incorporation of rates as a monthly instead of an annual charge as well as the consolidation of all municipal services into one monthly account (Msunduzi household correspondence, 2004). Msunduzi has indicated that it has 61 443 billed domestic connections in Msunduzi (PAIA, 2007a). Bills are posted to consumers. Payment can be made at various pay points and other facilities, however the A.S. Chetty Building, located at 333 Church Street is the main municipal payment and query point (Msunduzi website: [www.msunduzi.gov.za](http://www.msunduzi.gov.za), accessed 15 September). Interest is charged from 30 days of bill issue. Interest of 1.5% is charged on arrears per month, this works out to 18% per annum (Account Enquiries, 2005: pc).

The allocation of payments and part-payments, as per Msunduzi policy is as follows: "... receipt of the total outstanding monies will be allocated to the credit of the account in full" (CC&DC, 2006: s20.1, 32). However, where a debtor pays only part of the total amount due, for services, "... a customer is not entitled to allocate any payment made to any portion of the total debt due" (i.e.) a customer may not prioritise the allocation of a partial payment to electricity or water before other services (CC&DC, 2006: s20.2, 32). Allocation to the account is performed according to the sequence below:

1. to any unpaid interest raised on the account
2. to any other sundry debtors (miscellaneous)
3. to housing rents and instalments
4. to any unpaid refuse collection charges
5. to any unpaid sewage charges
6. to any unpaid water charges
7. to any unpaid electricity charges and
8. lastly, to any unpaid property rates (CC&DC, 2006: s20.1, 32).

The hierarchy of allocation is inverted so that the interests of the state are prioritised. The significance of sequence on the allocation of part-payments is two-fold: a household, only able to make a partial payment, cannot secure their electricity or water services because the total bill must be paid in sequential order; and total outstanding payments are disproportionately levied on services which are relatively more expensive e.g. property rates, which accrue a 10% annual collection charge penalty, effected in October annually (CC&DC, 2006: s18.3, 29).

#### **4.2 Recovery rates**

"The percentage of revenue collected compared to that of revenue billed provides a valuable indicator of the overall efficiency of municipalities in collecting funds due to them" (SACN, 2006: 54). Msunduzi's long-term payment target is a debtor turnover ratio of 30 days (i.e.) the payment of services on average

within one month of receiving an account (CC&DC, 2006: 19). Msunduzi's Mayor (Hlatshwayo) indicated that in the last financial year (2005/6), "the municipality recorded an average 96% collection rate of the monthly bills issued" (Hlatshwayo, 2006). The Msunduzi Credit Control and Debt Collection Unit "aimed at ensuring an annual average of at least 95%" (CC&DC, 2006: 19). Moreover the SACN (2006: 96) saw a "dramatic improvement" in Msunduzi's debt collection between 2002/3 and 2005, from 88.09% to 98.89% (SACN, 2006: 98). This represented the highest debt collection rate for all nine cities included in the SACN survey (SACN, 2006: 98 and refer to Table 4.6).

**Table 4.6: Revenue collection versus revenue billed.**

Indicator	Date	Buffalo City	Cape Town	Ekurhuleni	eThekweni	Johannesburg	Mangaung	Msunduzi	Tshwane
Percentage revenue collected vs revenue billed	2006	97.2%	-	-	-	-	-	-	-
	2005	-	-	87.4%	-	-	93.2%	98.89%	-
	2002/3	83.0%	93.0%	-	89.09%	88.0%	92.0%	88.09%	97.0%

Source: SACN (2006: 98) using Local Government database (percentage revenue collected – municipalities) from Treasury.

*The Witness* (20 July 2007), citing The Municipal Finance Third Quarter Review, reported that Msunduzi was owed R443 million.<sup>41</sup> Municipal debt is not limited to Msunduzi, with "South Africa's 21 high-capacity municipalities owed more than R35 billion" (The SA Local Government Briefing, July 2008: 19). In descending order, consistent with SACN cities, municipal debt is the following: Ekurhuleni R6.3 billion, Cape Town R3.5 billion, eThekweni R3.2 billion, Tshwane R2.7 billion, Nelson Mandela Bay R1.1 billion, Mangaung R657 million, Buffalo City R427 million (The SA Local Government Briefing, July 2008: 19). It is entirely plausible that Msunduzi's revenue collection rate has improved owing to the very strict credit control and debt collection procedures enforced against defaulting households. Yet, the sheer extent of 'recovery' appears unlikely. There are many factors that appear to contradict these 'official' figures and pronouncements. For example: by 30 June 2006, 35% (21 551) of all billed domestic households had been handed over to the municipal debt collectors consortia for rates and service arrears (PAIA, 2007b). In 2003 approximately 7 500 rates and service defaulters were put on a municipal list for the auction of their properties (Wagner, 2006: pc). The context of this 'recovery' and its social costs is therefore crucial.

### 4.3 Debt collection procedures

The social and political implications of the severity of Msunduzi's debt collection enforcement will be explored in detail in this thesis. By way of introduction it may be worthwhile to stress: debt collection procedures are typically enacted against households which have defaulted on the payment of basic, life-sustaining services. Policies are framed with large numbers of people in mind – a bureaucratic, 'one size fits all' approach. A prime objective of a debt collection policy seems to penalise poor non-payers; not ensure that they have continuous services, differentiate between those households that can pay but don't want to and those households that truly struggle to pay yet nevertheless try to do so.

<sup>41</sup> The SA Local Government Briefing (July 2008: 19) reported that Msunduzi is owed R442 million.

Msunduzi enforces the following debt collection procedures, where consumer accounts are in arrears, with the intention of proceeding until the debt is collected or written off:

- Immediately after due date (due date is 30 days from date billed), disconnect and/or restrict all water and/or electricity services for all overdue amounts relating to rates, service charges or any charges for services rendered by the municipality.
- Thirty days after the due date:
  - Tracing action may be authorised and instituted if the whereabouts of the debtor is unknown.
- Sixty days (or any earlier period if the Chief Financial Officer deems that it is in the best interest of the Council) after the due date, and where the account rendered to a customer remains outstanding, the following action may be taken:
  - All arrear amounts shall be handed over to the Council's debt collection agents.
  - The collection agents will then make use of normal debt collection procedures including a call centre approach and legal processes to collect the amounts owed to Council.
  - If necessary, the sale in execution of such property to recover arrear property rates and service charges will be instituted (if the account holder is also the owner of the property).
  - All legal expenses incurred by the municipality shall be for the account of the defaulting customer (CC&DC, 2006: s27.1-27.3, 38-39).

Msunduzi's arrangements with customers in arrears and the debt collection procedures have tightened over the last few years reducing the ability of households to meet such arrangements. To illustrate this point: in February 2005, I was handed the Msunduzi Municipal Credit Control Policy (by a Credit Control employee). The document was not dated, however; it can be assumed that it was Msunduzi's Credit Control policy prior to 2005 because the arrangements for defaulting customers for 2005 and 2006 were already in line with those issued in the CC&DC of 2006. This undated document issued the following: in respect of domestic consumers, "10% of the total overdue balance or the current account, whichever is the greatest, as an initial payment, shall be paid, and the balance of the account in equal instalments over a *maximum period equal to the number of months that the outstanding amount has accumulated*" (Msunduzi Credit Control Policy, not dated: s6.3, 9, my emphasis). Then, in 2006, the CC&DC (2006: s19.3, 30, my emphasis) issued an amendment on the previous arrangements: in respect of domestic consumers, "10% of the total overdue balance or the current account, whichever is greatest, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a *maximum of 12 months*." Hence, prior to the Msunduzi Municipal Credit and Debt Collection Policy of 2006, households after paying an initial 10% of total arrears, were able to pay the remaining arrears off in equal instalments over as long as it had taken to accumulate the arrears (hence this could be over many years); but the amendments of 2006 mean that after the 10% of total arrears is paid, the remaining arrears must be paid off over 12 months. I confirmed these arrangements with the municipal debt collection consortia and numerous households handed over to these consortia and found this to be true.

#### **4.4 Municipal debt collection consortia**

Before June 2004 municipal debt collection was outsourced to numerous law and debt collection firms<sup>42</sup> (verified by lifestories, interviews and Venn, Nemeth & Hart [VNH] Call Centre Manager, 2006: pc). In

---

<sup>42</sup> Many households having paid outsourced lawyers for years were then handed over to the Msunduzi selected consortia (Lifestory interviews, 2006).

2003 Council decided to consolidate municipal debt collection<sup>43</sup> (VNH Call Centre Manager, 2006: pc). In June 2004 municipal debt collection contracts were awarded to two consortia:

- **MV Credit Management Consortium** – a joint venture between Venn, Nemeth & Hart Inc., Venn, Nemeth & Hart Credit Management and Kenlink Investments (Pty) Ltd trading as Mkonto Asset Management
- **Bambanani Joint Venture** – made up of Cajee, Setsubi, Chetty Incorporated, Natal Debt Corporation and Jika Trading (Pty) Ltd (*The Witness*: 13 September 2006).

The second PAIA instalment, sourced from Msunduzi's department of Strategic Analysis and Research (PAIA, 2007b) indicated that Msunduzi had "... no data prior to 2004" on the number of domestic households handed over to debt collectors and lawyers. Nevertheless, the figures granted to me were the following: as at 30 June 2004, 19 931 households had been handed over; 30 June 2005, 20 643 and 30 June 2006, 21 551 (PAIA, 2007b; MCB, 2006a: pc). The Msunduzi IDP Review (2006: 115) indicated that by July 2006, debts totalling R127 million had been handed over to the consortia for recovery. The contract started in November 2004 (VNH Call Centre Manager, 2006: pc). Representatives from VNH and Natal Debt Corporation are housed permanently in the A.S. Chetty Building (the main municipal building); their service windows are the equivalent of and flank those of Customer Services. The municipal debt collection consortia receive a commission of 17% of all monies collected (*The Witness*: 13 September 2006). The consortia only deal with original debt, hence interest raised for defaulting or paying late on current debt goes onto the household account and is payable directly to the municipality (VNH Call Centre Manager, 2006: pc). If a household defaults on the signed arrears payment instalments, the consortia will allow a short period of grace, and the household is allowed to re-negotiate the arrangements (VNH Call Centre Manager, 2006: pc; VNH Consultant, 2005: pc). However, these arrangements must be met, and to this end instalments are often paid via a garnishee order (direct from salary) or other (depending on employment status). If however, the household still does not 'honour' the arrangements, then they will be handed over to the consortia's legal partners and legal proceedings will be initiated [see Appendix D] (VNH Call Centre Manager, 2006: pc; VNH Consultant, 2005: pc).

On 13 September 2006 *The Witness*, (drawing on my initial findings) uncovered that ANC luminaries held positions as directors within the two municipal debt collection consortia. This was in addition to a search warrant, granted to the National Prosecuting Authority on 31 August 2006 to "... collect all documents pertaining to the advertisement, application, awarding of the subsequent execution of the tenders awarded for all municipal debt collection allocated between the period of June 2004 and June 2006" (*The Witness*: 13 September 2006).

#### **4.5 Restricted water services**

Restricting household water supplies and disconnecting electricity are primary credit control and debt collection strategies. The number of households restricted per month is disputed. The PAIA (2007a) suggested 600 households per month restricted (no time period or reconnection figure was given). MCB

---

<sup>43</sup> VNH and Natal Debt Corporation are the debt collection arms of the consortia.

(2005: pc) indicated that 30 water restriction devices are installed per day, or 400-500 per month. However the City Engineers Department (who carry out the restrictions) indicated that they install 60 restriction devices a day and remove 5-10 a day (MCE, 2005: pc). The daily figures provided by the City Engineers Department work out to 1 200 installations and between 100-200 restriction device removals a month. In ascertaining which figures are 'more accurate,' the City Engineers Department, who carry out the directives of the Consolidated Billing Department/Treasury, must be in a more favourable position to provide accurate data. The number of restriction devices installed per day is limited by physical resources, many more households should technically be restricted but the City Engineers Department does not have enough staff to carry out the required restrictions (MCB, 2005: pc). If, for example: 5-6 households in one street are due for restriction, "the worst offenders" are therefore selected on an "unlucky lottery" basis with the hope that the other defaulting households will be coerced into making payment (Local Government Consultant, 2005b: pc).

There appears to be some confusion regarding when a household is liable for restriction. MCB (2005: pc) indicated that "... there is no real rule but the Credit Control staff downstairs know that if total service arrears is R10 000 or more then these households get restricted." A customer services employee echoed this 'rule' and said, "... I am not really sure when a household's water gets restricted but I think it is if they have very high arrears" (CS, 2006d: pc). However, when this same question was put to the CS Manager (2006: pc), he said, "... your lights get disconnected after 30 days and 90 days for water restriction." I checked the 'rule' against several recently restricted households and saw that their arrears were not in excess of R10 000 but the households had been in arrears for more than 90 days. Hence, it might be concluded that where households are in arrears for longer than 90 days and where arrears are perceived (by Credit Control) to be high; then a household is liable for restriction (albeit there is no clear-cut tenet).

Msunduzi charges 'bad' debtors a penalty fee for installing restriction devices: this was R159.60 in 2005/6. The Water Department stated that the process of restricting households includes that "someone is sent to the household to negotiate payment options" (Centre for Applied Legal Studies, 2008: 44). This process, according to households, does not happen consistently (verified via lifestories). No additional restriction warning is provided prior to restriction of water supply apart from a warning message on the service bill, which states: "pay by due date to avoid disconnection/restriction." The warning message is written in English, in small print at the base of the bill and in the case of serial defaulting is always shown on the bill (see Appendix B). Because the message always appears on the bill, and sometimes does not result in restriction, it is disregarded (Lifestories, 2006). On being restricted, a household will receive a letter in their post box stating that they have been restricted for defaulting. Moreover, the water flow rate is not checked by the council employee post-restriction installation, nor is there an attempt to formally communicate with the household (this has implications for flow rate, explored in section 4.5.1 below). Such procedures do not appear to comply with the Water Services Act (RSA, 1997) nor the National Water Act (RSA, 1998) with regards to the observance of "... reasonable notice of intention to limit water services" nor adequate "... opportunity to make representation."

Households found to have tampered with restriction devices are charged for the re-installation of another device, at their own cost. Subsequent tampering results in the water supply being disconnected, the service connection removed, the service agreement cancelled and the matter being reported to the South African Police Service (CC&DC, 2006: 41).

#### **4.5.1 Flow rate through restriction washers**

Different types of restriction devices are being installed by the Municipal City Engineers (MCE): restriction washers (copper and plastic) and electronic flow devices (three types: black/blue, white and silver) [MCE, 2005: pc]. The type of restriction device installed is dependent on the type of meter, the purpose of restriction and cost (MCE, 2005: pc). The restriction washer (copper) is the cheapest device, most frequently used, easiest to tamper with and is the one used most prevalently in Eastwood (MCE, 2005: pc). The copper restriction washer is coin-like with a small round hole in the centre. It is fitted before the meter, in the connecting pipe, and is used in conjunction with the older type of meter (see Appendix E). The diameter of the hole in the centre of the restriction washer was indicated as being 1mm in 2005 (MCE, 2005: pc). The MCE (2005: pc) indicated that the diameter was supposed to be 0.5mm in diameter but “the drill bit used to make the hole kept on breaking.” The flow rate through the 1mm hole was indicated as “8.33 litres per hour” (MCE, 2005: pc). MCE (2005: pc) stated that the copper restriction washers theoretically restrict the water to 6kl per month because water just trickles out. However, they conceded that the flow rate is actually not known as it varies for gradient, water pressure and dirt particles within the system (MCE, 2005: pc). In 2006 however, I noticed that the diameter of the hole in the restriction washers was much smaller than those that I had seen in 2005 and therefore conclude that the MCE had reverted back to the 0.5 mm diameter hole thereby further reducing flow rate. Such a flow rate is in contravention of the prescribed regulations promulgated under section 9 (1) of the Water Services Act; which defines a basic minimum standard of water as: “six kilolitres per household per month or 25 litres per person per day within 200 metres of the household, at a flow rate of not less than 10 litres per minute” (DWAF, 2002c: 26; DWAF, 2003: 45).

#### **4.6 Electricity disconnections**

Msunduzi’s electricity disconnection and reconnection unit is outsourced to three companies (Private electricity contractor, 2005: pc). Official electricity disconnection figures (PAIA, 2007a) indicated a disconnection rate of 600 domestic households per month. Yet, these figures appeared far too low. Two private electricity contractors indicated that the companies receive a daily list implicating 250-400 electricity disconnections and 25 reconnections (Private electricity contractor, 2005: pc). Monthly, up to 5 000-8 000 disconnections and 500 reconnections are made. The private electricity contractors indicated that their company has five teams each with its own van. Their company alone disconnects approximately 250 households a day and endeavours to reconnect those households on the list who have made payment. The contractors work on commission: every disconnection yields R23 and reconnection R25 for their company (Private electricity contractor, 2005: pc). Half the commission goes to the employees and half to the boss, consequently: “We work like a well-oiled machine” (Private electricity contractor, 2005: pc). To disconnect or reconnect takes approximately 3-5 minutes (Lifestory interviews,

2006). Noting that there are three companies involved in disconnecting/reconnecting electricity; one company reportedly disconnected/reconnected in excess of 250 households a day. With such lucrative profits involved; it is plausible that daily disconnections for all companies exceed the "400 a day" quoted. Importantly, disconnections are reported as revenue ( $\pm$ R6.5 million) in Msunduzi's Operating Budget 2007/8 and amount to approximately 1% of the electricity operating budget (Msunduzi 2007 & 2008). Revenue generated by disconnections will be much higher if fines and other penalty fees are added, ( $\pm$ R50 million) but difficult to provide exact figures on electricity, as totals are unqualified (Msunduzi 2007 & 2008). Suffice to indicate that disconnections/reconnections represent a sizeable revenue base.

Although it is indicated in the CC&DC (2006: s27.1-27.3, 38) that households will be disconnected immediately after due date for payment, if no payment or only a partial payment has been received; households are given a grace period of approximately 6 days to make payment (MCB, 2006a: pc; CS, 2006b: pc). Electricity supply is always disconnected as a first option before the restriction of water supplies (CS, 2006d: pc; Msunduzi Customer Services department manager, 2006: pc; MCB, 2006a: pc). Disconnections and reconnections are carried out from the 7<sup>th</sup> to the 15<sup>th</sup> of each month (Fieldwork notes, 2006). Disconnected households (excluding 'indigent' households) must pay a penalty fee in addition to their outstanding current account: R234.95 (2005/6). Disconnected households are still charged the flat rate amperage charge despite the fact that they have no electricity (CS, 2005: pc). Only if a household's electricity meter box is removed do the amperage charges fall away. If the household's electricity supply is to be reconnected; the household must settle their current account and penalty fee in full; this is strictly enforced. For example: a woman related to me that her electricity had been disconnected because she had not paid her current account (now in arrears); she was R4 short in settling her current account plus penalty fee; the municipality would not reconnect her lights – she still owed R4 (Lifestory 9, 21 April 2006).

If the household has been found to be tampering on more than one occasion then the entire electricity meter box will be completely removed. The cost of getting the electricity meter box re-installed (after being removed for tampering) is R1 134.69 for the first offence and increases substantially thereafter (CS, 2006b: pc). As for the water service, no additional disconnection warning is provided prior to disconnection of electricity supply, apart from a warning message on the service bill. Subsequent tampering may result in the electricity supply to the property being discontinued by the removal of the meter and the cable and the water supply may also be restricted. Similarly, punitive measures are invoked and threats of police action are made (see water above). Prior to mid-2006, electricity was disconnected at the electricity box (at the home); electricity is now disconnected at the mains in the street; and the box is locked (CS, 2006c: pc; Lifestory interviews, 2006). This new policy has been implemented as an attempt to make it more difficult to tamper (the lock must be cut and the mains are more visible to the public). In the same regard, electricity meters which operate on a clock dial system are being replaced by electronic dials (CS, 2006c: pc; Lifestory interviews, 2006).

## 5 *CONCLUSION*

In this chapter I outlined the city's services and its institutional and bureaucratic architecture. I noted the disconnect between the glow of Msunduzi's official economic and financial position and somewhat extraordinary, albeit inexplicable, debt-collection 'successes' in direct contrast with that indicated in financial statements and by study-observed household debt and citizen struggle. I located this apparent paradox within the structure of Msunduzi's billing and cost recovery regime which, in the context of a major intergovernmental transfer deficit, and endeavouring to provide commercial entities with favourable investment concessions, sought to recover the bulk of monies for all services delivered in Msunduzi from a small core of billed domestic consumers. This, in part explains the shift towards the corporatisation of delivery and management units.

The glowing picture Msunduzi paints is incongruent with the accounts and reality of its citizens and indeed its own balance sheets. Yet, although Msunduzi's financial and governance position is tenuous, this is not immediately evident as municipal indicators are not sufficient and social implications are neither reflected nor are they prioritised.

I noted the uncomfortable relationship, overall irrationality and systemic conflicts between Msunduzi and its corporatised bulk water supplier UW. To this end, I questioned the role of UW in the large water access backlog in the Msunduzi jurisdiction and noted that basic supply standards were not defined, thereby positing that water service progress may be overstated. UW's part in transferring high water tariffs to Msunduzi citizens is palpable. It is no secret that both Msunduzi and eThekweni Municipalities, which purchase water from UW, account for some of the highest water tariffs in the country (MCE, 2005: pc; Intergovernmental Fiscal Review, 2003; DWAF Local Municipality Tariff Survey 2006/7). Although this does not absolve Msunduzi from contravening DWAF water service tariff regulations, it does point to the possibility that Msunduzi's contraventions may be an attempt to cope with escalating bulk water costs. The clearest validation of this supposition is that UW's own clients are moving to amalgamate to better contest the hegemony of UW.

The chapter unpacked in detail the conditions and procedures of municipal social benefits and service delivery mechanisms in free basic water, Indigent Policy, service tariffs, credit control and debt collection. Here I noted a distinct locally interpreted policy, which revealed a broader municipal disregard for national promulgated regulation. Indeed, the power of local bureaucrats to refashion poorly formulated national directives and policies, in the context of funding deficiencies, is particularly evident. The ways in which policies were constructed appeared to seriously vitiate the goal of helping the poor. The myriad of invented categories to classify and segment citizens – highly significant in itself – appeared to be more about managing an emerging social fall-out with rising levels of distrust and indeed a situation whereby citizens rejected state policies (explored in Chapter 8 and 9). A thread that will be woven throughout the thesis is that of a vicious cycle of decline in public trust which sees the local state scrambling to grasp its citizens via increasingly insidious means and byzantine sanction.

The next chapter (5) explores the billing and charges applied in Msunduzi. That is, how and how much citizens are charged for their municipal services. The analysis is located in Eastwood, Msunduzi.

## Chapter 5

### *EASTWOOD HOUSEHOLDS: BILLING AND CHARGES*

This chapter describes the billing and charges applied in Eastwood by the Msunduzi Municipality. This chapter analyses the bills of 336 Eastwood households (selected from the 377 households, by the elimination of outliers). The 336 households have been put into specific 'tariff or user groups' for substantive analysis: these are 'conventional,' 'indigent' (short for 'applied indigent'), 'lifeline,'<sup>44</sup> 'tampered,' 'restricted' and 'all' (aggregated). To be clear, categories are qualified briefly: 'conventional' households are households not registered as 'indigent,' not restricted or receiving lifeline tariffs and charged standard Msunduzi tariffs, 'indigent' households are those registered as 'indigent' thereby receiving water, electricity, sanitation and refuse subsidies, 'lifeline' households are those with automatic subsidy on refuse and sanitation only, 'tampered' households are 'bad' debtors charged standard Msunduzi tariffs and 'indigent' that had tampered with restriction washers, 'restricted' households are 'bad' debtors charged standard Msunduzi tariffs and 'indigent' that had **not** tampered with restriction washers.

This chapter considers the water bill but also the aggregated municipal bill with a detailed analysis of all service items (water, electricity, sanitation, refuse and rates). I also analyse the interest charges on late payments and penalties arising from water restrictions and electricity disconnections. Finally I detail historical debts and value added tax (VAT) which is levied on all services excluding rates. Data included in this chapter was sourced via 336 individual household bills, averaged over three consecutive months for the period August 2005 to December 2005 for the tariff period 2005/6.

The number of households within each category and presented in Tables 5.1 and 5.2 requires a brief explanation: 'conventional' households [N=252]; 'indigent' households [N=35] (include: sixteen households which had tampered with their restriction washers; eight restricted (not-tampered) and the remaining eleven which had not been restricted yet); 'lifeline' households [N=34]; 'tampered' households [N=28] (include: 'bad' debtors [N=12] and 'indigent' [N=16]); and 'restricted' households [N=11] (include: 'bad' debtors [N=3] and 'indigent' [N=8]). The sum total, for 'all' households [N=336] included all surveyed households, although the 'indigent' households were not duplicated in the sum total. The reason 'bad' debtors and 'indigent' households were aggregated in the 'tampered' and 'restricted' groupings was that these households exhibited characteristics atypical of the aggregated 'indigent' or 'conventional' group segmentation. Further it should be noted that 'bad' debtors simply means that the 15 households were restricted/tampered as per the survey; this does not mean the other 252

---

<sup>44</sup> In the recent past, 'lifeline' tariffs were universally applied to 'poor households' (qualification unknown). Households receiving 'lifeline' tariffs are automatically subsidised for refuse and sanitation (not water, rates or electricity). At the time of the study, the municipality was still using this categorisation but with the introduction of the Indigent Policy, many of these households were assumed to have registered as 'applied' indigents. Where households have not registered as 'applied' indigents, such 'lifeline' tariffs still appear on total bills. Msunduzi Credit Control indicated that they 'are still getting around to removing 'lifeline' subsidies'; such households would then receive 'conventional' tariffs if they do not register as 'indigent' (MCB, 2005b: pc). I have included 'lifeline' tariffs as a separate category as their characteristics are not clearly similar to households falling into the 'conventional' category. However, noting that such tariffs are now obsolete: an in-depth analysis will only be made where relevant.

households from the ‘conventional’ group were not in debt – just that these households had not yet been restricted and classed by the municipality as ‘bad.’

## 1 MSUNDUZI TOTAL BILLS

The total bill for a household refers to all municipal service charges as reflected on the monthly municipal bill. Msunduzi total bills are comparably higher than those of other municipalities (as shown in Chapter 2). The mean total bill for ‘all’ surveyed Eastwood households is R563.52 (see Table 5.1). The mean total bill charged for each ‘tariff and user’ grouping, is indicated in descending order: ‘conventional’ R621.34, ‘tampered’ R535.19, ‘lifeline’ R353.54, ‘indigent’ R328.35, and ‘restricted’ R265.76.

**Table 5.1: Msunduzi Municipality total bill per grouping.**

‘Tariff or user’ group	N	Total bill	% interest	% penalties	% interest & penalties	% VAT	% non-service items	Total non-service items
‘Conventional’	252	R 621.34	2%	5%	7%	11%	18%	R 115.64
‘Indigent’	35	R 328.35	23%	0%	23%	8%	31%	R 102.84
‘Lifeline’	34	R 353.54	6%	4%	10%	10%	20%	R 71.88
‘Tampered’	28	R 535.19	21%	4%	25%	9%	34%	R 181.21
‘Restricted’	11	R 265.76	24%	8%	32%	8%	40%	R 107.48
<b>All households</b>	<b>336</b>	<b>R 563.52</b>	<b>4%</b>	<b>5%</b>	<b>9%</b>	<b>11%</b>	<b>20%</b>	<b>R 114.71</b>

The mean total bill differs markedly between ‘tariff or user groups.’ Significantly, the total bills for all households, regardless of grouping, are all relatively high. Households paying ‘conventional’ tariffs formed the bulk consumer group in the study; they secured no subsidies or concessions, and were charged the highest total bill (R621.34). ‘Tampered’ households, charged ‘conventional’ tariffs, incurred the second highest mean total bill of R535.19. ‘Lifeline’ households were charged R353.54 (lower total bills attributed to subsidised sanitation and refuse). ‘Indigent’ households were charged R328.35 (lower total due to subsidised water, electricity, sanitation, refuse and potentially rates via rebate). ‘Restricted’ households were charged the lowest mean total bill of R265.76. This is attributed to very low (or no) water or electricity consumption levels due to restriction and/or electricity disconnection. Importantly, non-service charges added disproportionately to total bills. The implications of non-service items will be discussed later in this chapter. For now, Msunduzi water charges will be analysed.

## 2 MSUNDUZI WATER CHARGES

The mean water component of the total bill for ‘all’ surveyed Eastwood households (336) is R108.91 or 19% (inclusive of interest and VAT) of total bill. In the study area, mean consumption was ±15kℓ/month. The water component as a percentage of total bill for each ‘tariff and user’ grouping is indicated in descending order (see Table 5.2): ‘lifeline’ 22% (R77.22); ‘conventional’ 20% (R122.61); ‘tampered’ 18% (R95.95); ‘indigent’ 11% (R37.35) and ‘restricted’ 3% (R8.16). This ordering is similarly reflected in total bills and volumetric usage in general (see Table 5.1), and in particular, if the grouping is able to access free basic water and/or additional subsidies linked to volumetric usage.

**Table 5.2: Water as a percentage of the total bill by group.**

Consumption group	N	Mean water component of bill (including interest & VAT)	Mean interest on water component bill	% water component of total bill (including interest & VAT)
'Conventional'	252	R122.61	R2.16	20%
'Indigent'	35	R37.35	R2.51	11%
'Lifeline'	34	R77.22	R1.77	22%
'Tampered'	28	R95.95	R11.39	18%
'Restricted'	11	R8.16	R5.87	3%
All households	336	R108.91	R2.97	19%

Each 'tariff or user' group is analysed in turn (as per descending order above). 'Lifeline' households receive refuse and sanitation subsidies; not water subsidies. Hence their access to free basic water is premised on consumption of 6kℓ or less per meter reading period. However, like households charged 'conventional' tariffs, if free basic water is exceeded, it must be paid for (R25.44) and any additional consumption over 6kℓ must be paid for at the standard tariff rate of R8.37/kℓ (all figures include VAT, 2005/6). As mentioned before, 'lifeline' subsidies are being phased out, but were historically conceived for poorer households. In this regard, the water component of the 'lifeline' households' bill is a reflection of lower socio-economic status culminating in reduced consumption (mean 12.6kℓ per household per month) which is nevertheless charged at 'conventional' tariffs. Moreover, the refuse and sanitation subsidies render the total bill relatively lower and cause the water component as a percentage of the total bill to appear higher. Importantly, 'lifeline' households, securing no water subsidy yet consuming just marginally more than 'indigent' households (12.6kℓ versus 10.4kℓ/month respectively) – incur a significantly higher water charge – thereby showing how water subsidisation can potentially reduce total bills for different categories at similar consumption levels. Notwithstanding the problems with indigency application, many households currently receiving 'lifeline' tariffs should be eligible for 'indigency' tariffs thereby ensuring a reduction in water charges.

'Conventional' households registered the highest relative monetary water charges (R122.61). This is directly related to higher relative consumption which resulted in just 6% (15/252) of this grouping 'regularly' consuming within the 0-6kℓ parameter. This meant that the majority of 'conventional' households had to pay for their 'free' 6kℓ (R25.44) and all additional water at 8.37/kℓ. The mean consumption for all 'conventional' households **not** accessing free basic water was ±17kℓ/month. In this case, for example: households would be charged 6kℓ at R25.44 and the remaining 11kℓ at R8.37/kℓ. In sum, the high water charge for 'conventional' households is related to higher relative consumption levels, which disqualified their access to free basic water as well as the service package, which offered no further subsidy once 6kℓ was exceeded.

The water charges levied on the total bills of the 'tampering' group (R95.95) are explained by way of a mix of 'bad' debtors and 'indigent' households. The former are charged at 'conventional' tariff rates and the latter at 'indigent' tariff rates. The act of tampering had allowed this group to consume around 16.6kℓ (N=28). In this regard, 'bad' debtors were charged for both free basic water and any additional water at

the standard tariff rate of 8.37/kℓ; and 'indigent' households were able to access their first 6kℓ free of charge as well as to access the 6-12kℓ subsidy, at a relatively lower R3.41/kℓ.

'Indigent' households, guaranteed access to free basic water at zero charge regardless of consumption level, further received 'indigent' water subsidies from 7-12kℓ (R3.41/kℓ compared to R8.37/kℓ). These subsidies, together with lower relative consumption levels (11.39kℓ/month [N=35]) meant lesser water charges. Moreover, 57% (20/35) of all 'indigent' households consumed below the 12kℓ subsidy threshold; thereby accessing the maximum water subsidy. This is reflected in a greatly reduced water charge (R37.35 or 11% of total bill). Nevertheless, the financial gain came at a social cost for the 'indigent' households (23%) which abided by the indigent conditions of restricted supply (mean consumption 4.3kℓ/month). In most cases, applicants voiced that financial benefits were not equivalent to the limitation on services received (Lifestory interviews, 2006).

We would rather have a tap to run than a drip. I pay, I don't mind paying water, I don't mind, but then give me water! Let our taps run! I don't mind paying even R200 a month for water. But the fact remains is that we can't live like this (Lifestory 15, 31 May 2006).

'Tampered' and not-yet-restricted 'indigent' households, although able to access a normal flow, found their attempts at securing normal consumption under threat from eventual or renewed restriction, financial penalties, removal of systems and the constant fear of being under the gaze of a punitive state (Lifestory interviews, 2006).

'Restricted' households were charged the lowest at R8.16 per month (3% of their total bill). Very low levels of consumption around 4.1kℓ/month were consumed by 82% of the sample group and therefore registered at zero charge. The remaining 18% were both 'indigent' households and therefore still accessed the first 6kℓ at zero charge and the additional marginal water was charged at the subsidised indigent tariff (R3.41/kℓ). The interest charged on the water component of the bill is actually higher than the water charges levied. This is explained by the fact that although the majority of the group are not charged anything for their water; failure to comply with indigency conditions has meant that interest is again being levied on historical debt. Moreover, if payment is erratic, this water-related interest will continue to rise and in future may erode the free basic water gain altogether. The majority of restricted households have tampered, in their efforts to secure normative water volumes (Lifestory interviews, 2006).

It appears that Msunduzi's tariff parameters are not sufficiently wide to absorb normal consumption at affordable prices. Core to a tariff strategy of ensuring equity is the number of tariff blocks, width of tariff parameters and pricing of each block. In this regard the number of blocks should be sufficient to ensure that all users are accommodated; parameters should be wide enough to accommodate 'normative consumption,' and the price at each block should be equilibrated to ensure affordability (whilst simultaneously ensuring cross-subsidisation and sustainability). Normative consumption levels are defined as those volumes required by households to meet everyday water use activities necessary for

perceived dignity and health requirements. The Johannesburg and Cape Town case of achieving equity may be instructive. Increasing the number of tariff blocks, and pricing lower blocks affordably and higher blocks at successively higher rates achieves a more equitable equilibration than the limited two-block tariff structure of Msunduzi. For example: in Eastwood it was found that the majority of households' consumption needs would be met within a range of 15-18kℓ/month (see Chapter 7). In this regard tariff parameters, to accommodate this 'normative consumption,' may be better achieved by instituting (in the 'conventional' tariff structure) a second 'affordable' tariff block (e.g. 7-18kℓ) and third tariff block (e.g. 19kℓ+). That is, the segmentation of the 6kℓ to infinity block. As it stands however, and as this study has shown; Msunduzi contravenes DWAF regulation injunctions and principles against expensive and unaffordable water charges as well as secondary debt charges, which will now be discussed below.

### 3 *MSUNDUZI INTEREST CHARGES*

With only 56% of all surveyed Eastwood households (excluding 'lifeline') consistently paying in full and on time (see Table 6.2) and around 61% being in arrears; the interest rate and payment procedures become important. Interest, as a result of payment default (arrears), is levied on all services [electricity (amperage and consumption), water (free water if exceeded, and additional consumption), sanitation, refuse and rates] and service penalties (electricity disconnections, water restrictions and annual arrear rates penalty). Interest is charged from 30 days of bill issue. In this regard, Msunduzi stands to gain substantial revenues from usury finance: interest rates are very high; charged at 1.5% per month, or 18% per annum (Account Enquiries, 2005). Moreover, Msunduzi prioritises payment allocations, which implicates higher relative interest when households make only part-payment because services with higher relative charges are found at the end of priority lists. Households are therefore severely penalised if they do not pay consistently in full and on time. Payment rates and scope of payment [in full, partially or no payment] are therefore a significant factor in determining the contribution of interest as a percentage of total bills.

The 'conventional' group, with the highest full-pay and lowest no-pay percentages incurs a relatively low mean interest of 2% of the total bill (see Table 5.1). In stark contrast, 'restricted' households, with the lowest full-pay and highest no-pay percentages respectively incur the highest interest percentage of the total bill at 24% (R65.05). The same pattern is evidenced with 'indigent' households 23% (R74.19) and; 'tampered' households 21% (R113.90).

A further factor contributing to the high total interest value incurred by poor households is that (1) a very high proportion of households was in arrears and (2) interest was charged on a very high baseline of arrears: high baseline arrears was directly related to high relative monthly interest and number of years in debt. Indeed, of the 336 surveyed Eastwood households, 61% are in arrears (mean arrears ±R4 500). Mean arrears and proportion in arrears differ between groups. For example: 53% of all 'conventional' households were in arrears, with a mean baseline arrears of ±R2 700 compared with the 100% arrears of 'restricted' households and 'tampered' households with mean arrears of ±R9 500 and ±R10 500

respectively; and 91% of all 'indigent' households with a mean arrears of ±R9 300 (dealt with further in Chapter 6). At 1.5% per month or 18% per annum, interest weighs heavily on the shoulders of poor households, with major affordability and general socio-psycho and economic implications. For example: the monthly 1.5% interest on average historical debt alone (R10 000), is R150 – this amount is added to the current bill and must be settled, each month, in full. High interest rates tell us much about fundamentally unaffordable and iniquitous tariff structures, and probably reveal even more about the intentions of the municipality.

The cycles of poverty and municipal debt swing together in close, frenetic, fierce circles. Payments are skipped or part-paid as monies are directed to emergency crises so common amongst the poor. Interest is levied on arrears and services are disconnected, with penalties rendering the next bill even more unaffordable, which in turn makes it even harder to pay in full next time. All the while households struggle against electricity disconnections and water restrictions; and struggle to find money to pay off credit control or municipal debt collectors or lawyers, to delay complete service removal, dispossessions and evictions. In this context, soon the largest proportion of household total bill payments is directed towards staving off the debt collectors, reducing interest raised on accounts and other non-service items. A household can't bath or keep itself warm by paying interest.

#### **4 MSUNDUZI SERVICE PENALTIES**

Service penalties impose negative financial, domestic and social implications for all households but are particularly acute for poor households. This section deals primarily with the financial implications (service penalties), the social penalties will be dealt with in Chapter 8 and 9. Service penalties are enacted for non-payment or tampering with the electricity or water service.

Electricity disconnection, the first step in the credit control process, is the most common and most frequent punitive action enforced. Survey results showed that 33% (111) of 336 households had been disconnected at least once for the year 2005. Furthermore, the indications are that the majority of such households experienced more than one disconnection penalty for the year 2005 and for substantial periods. These power disconnections have become a social phenomenon for a large segment of Eastwood society.

Service penalties, in the first case, are enacted if full payment of the total current bill is not received within 30 days (usually by the end of every month). Outsourced companies disconnect electricity and a fine of R234.95 (2005/6) is levied on the bill. The service penalty must be paid in full and in addition to the current amount due if the electricity service is to be resumed.

If households do not respond to the electricity disconnection by making payment, then the second step in the credit control process is enacted: water is restricted to 6kℓ (the free basic water amount) and a financial penalty of R159.60 (2005/6) is imposed. Water restrictions are not imposed as frequently as

electricity disconnections (they are more time-consuming and therefore costly and harder to monitor) and, unless tampering occurs, the penalty fee is a once-off charge.

Eleven per cent (121) of all residential Eastwood households (1 090) were restricted to 6kℓ in June 2005.<sup>45</sup> Resumption of full water service once a household's water has been restricted is difficult; this is typically due to larger amounts of debt being permitted to accumulate before restriction is imposed, making it harder for households to settle in full. This has the implication that unlike electricity disconnections, water restrictions are typically around for a long time.

The third type of service penalty is related to total outstanding arrears in general and rates arrears in particular. In this regard, every payment made is allocated in accordance with the Msunduzi Credit Control and Debt Collection Policy (2006: s20.1, 32). This has the effect that unpaid property rates are the last to be allocated a part of any partial payment. A rates service penalty is imposed annually on any household liable to pay rates and in arrears as at September (exemption can be sought via the annual completion of a rates-exemption form – very few households know about this [Personal observation and lifestory interviews, 2006]). The percentage of all households included in the study (N=336) in rates arrears is 47.9% or 161 households (note that the figures differ for general arrears and rates in particular due to the rates-exemption status of some households). This service penalty is a once-off annual fine, levied in October and is calculated at 10% of the household's total annual rates bill.

The second category of penalties arises with water and electricity tampering. Households found tampering with water restriction washers are fined R159.60, with steeper fines and more punitive actions being imposed for subsequent tampering. Persistent tampering can result in the complete removal of the meter and water connection, with a new connection fee ranging from R600-R3 550, depending on pipe diameter. The municipality may even refuse to reconnect households based on 'risk'.

The fine for electricity tampering is R234.95, while persistent electricity tampering may result in the removal of the electricity meter box, reinstalled at a cost of R1 134.69 (CS, 2006b: pc). Once again, the total bill (including all arrears) must be settled in the case of a first tampering offence. There is a substantial increase for further offences. Interestingly, there appears to be no set rule with regards to how often a household is found tampering before harsher punitive measures are taken. Some households continue being fined at the initial rates whilst others are quickly faced with the removal of water and electricity systems (Personal observation from bill perusal and Lifestory interviews, 2006). It is worth noting that the initial penalty fines for defaulting are the same as those for tampering (in both water and electricity). Perhaps defaulting and tampering are similarly criminal?

All 'tariff and user' groups, with the apparent exception of 'indigent' households, incur service penalties on total bills. Although not reflected in monetary penalties, 'indigent' households are still restricted and

---

<sup>45</sup> See chapter 3, based on pre-main survey of consolidated restriction lists.

disconnected: 51% of all surveyed 'indigent' households registered at least one disconnection for the year 2005. The figure for 'restricted' households is relatively higher than for other groupings, due to an electricity penalty levied on a 'bad' debtor household and an additional three undisclosed penalties on three other households in the group.

In general service penalties provide an optic into the nature and scope of affordability struggles between residents and the local state. Indeed, along with interest charges, service penalties suggest that many households across all groups are struggling to pay their bills in full and on time. At the centre of the service penalty question is the paradox of being further financially penalised for inability to pay, as illustrated by the Lifestory excerpt below:

You have to pay your lights account [total bill], for it to stay on. If you haven't got the money and you pay three days later, your lights are gone. Where do you get connection fee? Connection fee is R250. Where do you get R250 when you can't pay R300 [the original bill total]? (Lifestory 3, 1 February 2006).

This excerpt lucidly describes the structural problem of disconnection penalty fees for poor households: if one cannot afford the total bill; how does one then pay the penalty fee *and* the total bill? Here the purpose and targeting of such a fine should be considered: as a slap on the wrist of a consumer who can ordinarily pay but drags her feet, it works and is possibly justified; but for a struggling household of a financially unpredictable nature, the penalty fee serves to push it closer to the edge of social disintegration. Here there is a clear difference: the first household can pay and is stalling; the second household cannot pay. The fine as 'a behavioural modification lesson' will achieve its objective in the first case – payment will be secured thereafter; but for the second case: the fine is misplaced; non-payment, part-payment or late-payment, in this case is not a behavioural but an economic response. A penalty on an electricity disconnection, a restriction washer or the annual arrear rates penalty is of great future consequence (see Appendix F). If it cannot be paid in full, the amount due carries over to the next month which if not paid; will implicate another disconnection and additional interest and VAT. Importantly, all municipal departments operate independently, so that even if a representation is made at the Customer Services or Credit Control department; Treasury has the ultimate say.

Indeed, it may be worth considering the monetary value of the disconnection penalty. Typically households experiencing service penalties are poor. Households are disconnected because they struggled to pay their bills in full and on time. For the very poor, R234.95 is not typically going to be found, and if it is, major compromises (with their own consequences) will be made. In most cases however; electricity will not be reconnected permanently, households will tamper or other inefficient, uncomfortable, expensive and hazardous sources will be sought. For the relatively less poor or lower-middle classes however, the amount of R234.95 may be potentially accessible via way of borrowing, loans or taking money from elsewhere in the household purse. Indeed, of the 93 'non-indigent' households which experienced a disconnection – 80% (74) paid up.

I include an excerpt from my fieldwork notes, which illustrates the experiences of one household included in the 80% of those who regularly get disconnected and make arrangements to settle:

[My notes] Freda (name changed) pays her account every month. This month she paid late. She paid on the 5<sup>th</sup> of May instead of the 31<sup>st</sup> April. Today is the 11<sup>th</sup> of May, disconnection week. Freda knew it was disconnection week and knew that she had paid late so she left her payment receipt with her mother, who is also her neighbour. The disconnectors came and Freda's mother showed the disconnectors Freda's receipt as proof of payment. The men disconnected Freda, despite her mother's pleas that she had paid. Freda returned home to a dark and cold house. She was furious because she had paid. She called me and asked me to explain to her what was going on. I told her that, as she had paid late and explained the process of the disconnection list. I told her that I had asked the municipality whether if a receipt of payment is shown to the disconnectors, if they were still allowed to disconnect. The municipality assured me that no, they could not proceed with disconnection. Freda thrust the R234 disconnection slip in my hands. She said that she had missed work on Monday because she had gone to collect her child's grant money. She had missed work on Tuesday because she had to go to hospital. She said that she couldn't take off another day's work to go and sort out the electricity. We spoke in the cold lounge, with a candle for me to see her bill, receipts and the disconnection statement. [Freda's voice] *"I have had a really shit day at work and now I come home to this: a very cold house and no electricity. I can't keep taking days off work to go and shout and swear at the municipality. I paid my bill, it is difficult, but I paid it. I am really tired of shouting and swearing at the municipality. What the hell are they doing? I am going to have to go and sort it out as we can't live without electricity."* [My notes] She is going to have to fight to get the R234 dropped and I don't know if she will win because, after all, she did pay late and that is municipal policy. Of course she should never have been disconnected because her mother had produced proof of payment. But she will have to take time off work, to get them to reconnect promptly and to try and negotiate for the R234 to be removed from her account. I really get the feeling that people have reached breaking point. Are people expected to go and 'swear and shout' every month<sup>46</sup>? Frequent disconnections appear to be an immense problem (Fieldwork notes, 11 May 2006).

Indeed, it is unremarkable that Freda was disconnected, even though there was proof of payment. The business of disconnecting and reconnecting households is very profitable (see Chapter 4, s4.6). Yet, it is clear that the value of the service penalty, for Msunduzi, extends beyond profit – it has a symbolic and pedagogic value. The real threat of the service penalty and the visibility of disconnections often makes people comply: its effect is to secure the majority of monthly payments. In this regard, poor households bear the cost of majority compliance with monies diverted from other essential requirements, pushing the poor into debt and ill-health and insecurity. Indeed, this simply reinforces the compliance mechanism. Public disconnections then, in the tradition of Foucault (1991: 48-49) take on a "juridico-political" function, for example: "The public execution did not re-establish justice; it reactivated power." Households can avoid all of this misery 'simply' by paying their bills. And indeed, this is where Msunduzi's strategy might have gone too far. The 'symbolic' threat affected far too many households; the implications were too severe. Some households simply could not pay the charges expected of them – for them; penalties were no longer symbolic, but real and devastating.

## 5 MSUNDUZI VALUE ADDED TAX (VAT)

The South African government introduced value added tax [VAT] in 1991. VAT revenue is paid directly to the South African Revenue Service (not local authorities) and distributed as per Treasury procedures.

<sup>46</sup> Some households are disconnected every month or just about (Fieldwork notes, 7 June 2006). A woman showed me her statements for five consecutive months: ever month she had been disconnected for late or part-payment (Lifestory 8, 11 April 2006).

It is broadly accepted that VAT, as a consumption tax, is regressive for the poor, as the proportion of income paid in VAT is relatively higher for the poor than the rich (Cosatu, 1999). VAT stands at 14% and is levied on all goods and services; with the exception of a few zero-rated basic staples (Alderman and del Ninno, 1999). The logic of zero-rating, shown to reduce the regressivity of VAT (Cosatu, 1999), is based on equity, "... revenue raised from the poor has different social costs than an equal amount raised from the less poor. Conversely, subsidies or tax exemptions which favour the poor are viewed as more socially desirable than those for the less poor" (Alderman and del Ninno, 1999: 1). Yet, municipal services – water, electricity, sanitation and refuse removal – all essential services, all used by the poor, all consuming a large proportion of household expenditure – are not VAT-exempt.

VAT is levied across all 'user and tariff' groups and on all services (excluding rates and free basic water – only if  $\leq 6\text{k}\ell$  is used), fixed charges and service penalties. VAT on water and electricity is consumption-based. That is, the more a household uses; the greater proportion of VAT a household pays. In the case of households charged at 'conventional' tariffs; if the free basic water allocation is exceeded, VAT is levied on both the 'free basic water' [ $R22.30 + 14\% = R25.44$  (2005/6)] and on every kilolitre thereafter. Indeed, even subsidised water tariffs for 'applied indigent' households, households which are known to be poor, are inclusive of VAT (second block [7-12kℓ]:  $R2.99 + 14\% = R3.41$ ). VAT on electricity is levied on flat-rate amperage charges and on the total kilowatts consumed. VAT on sanitation and refuse is determined by service package. This is problematic as not all households within the same service package are socio-economically homogeneous. The starkest example of this is within the 'conventional' group. Here, a wealthy household (living in a mansion) will pay the same flat rate for the sanitation and refuse service (regardless whether a household discharges 60kℓ or 3kℓ into the sewage system or if 20 black bags of rubbish or just a few 'Checkers' packets are put out for collection) and therefore is charged the same amount of VAT as a poor household (not registered as 'indigent' or receiving other subsidies). In this regard, VAT linked to a flat-rate charge, which itself is inequitable, is inadequately targeted and nefarious. VAT is further charged on service penalties: electricity disconnection penalties [ $R206.10 + 14\% = R234.95$  (2005/6)] and insertion of restriction washers [ $R140 + 14\% = R159.60$  (2005/6)]. The inclusion of VAT on service penalties (for inability to pay) appears shocking: a penalty is not a 'taxable supply' – it is a punishment. It acts to take more money from the poor. Levying VAT on property rates which certainly have more positive and discretionary attributes (beautifying residential areas and maintaining public services e.g. clinics, community halls, sports grounds, libraries etc) could potentially act as a redistributive measure.

No 'tariff and user' groups register the full 14% on total bills because VAT is not levied on rates and interest charges. 'Indigent,' 'tampered' and 'restricted' groupings register a lower relative VAT total on bills (8-9%). The 'conventional' and 'lifeline' groups (10-11%) exhibit patterns closer to full VAT on all services. In the case of 'conventional' households, this is because of relatively higher variable consumption compared to non-variable rates and interest. In the case of 'lifeline' households, this is because of the higher relative water-to-bill ratio. The mean VAT payable on total bills for 'all' surveyed Eastwood households is 11% (R61.19). Importantly however, if bills are not paid in full and on time

every month, as arrears carry over; the compound interest accrues on total arrears, including the VAT component. The proportion of VAT on the total bill is therefore important; with 61% of all surveyed Eastwood households (N=336) in arrears; VAT on municipal service bills has profound affordability implications not just on current bills but for interest on total arrears.

The logic of zero-rating VAT on basic foodstuffs is not inconsistent with municipal services in general; and free basic services in particular. A case can be made that municipal services are indeed a basic need and at the very minimum 'basic' or lower levels of consumption should be exempted from VAT because of their proximity to poor consumers. In the interest of equity and poverty relief, VAT exemption should be targeted as a subsidisation and redistributive measure instead of a universal application. Cosatu (1999) argues that zero-rating VAT should be informed by equity considerations which include the prioritisation of goods and services that have a positive and improved social welfare impact on the poor. They further cite that consideration should be given to the zero-rating of municipal services, up to a certain level: "... zero-rating of a certain amount of electricity and taxing subsequent consumption at a higher rate would be an effective way of targeting the poor. A similar rationale could be applied to water, sewerage, and refuse removal" (Cosatu, 1999). Importantly, Cosatu's proposal can be easily implemented and would immediately and directly lighten the total bill.

## **6 MSUNDUZI AND EASTWOOD: CONSIDERING 'ALL' NON-SERVICE ITEMS**

Considering all non-service charges, it became evident that the proportion of non-service charges was exceedingly large while tariffs were exceptionally high. The inclusion of non-service charges further worsened the households' ability to pay. Indeed, struggling households had little space to manoeuvre; they were as the isiZulu saying goes "being boiled in a small pot" (*ukupheka ngebhodwe elincane*). It appeared however, that Msunduzi does not take household difficulties into account, nor does it appreciate the lengths and immense sacrifices made to effect payment; it simply compounds household anguish by issuing extra financial burdens and handing over households to its ubiquitous debt collectors. Indeed, removing all interest, VAT and penalties from the bill would leave it considerably reduced; albeit still an unreasonably high mean total bill. Yet, Msunduzi appears unconcerned about the immense strain total bills are putting on poorer households, or the enormous levels of household debt. In any other milieu the handing over of 35% of all billed households to municipal debt collectors (see Chapter 4) would surely constitute a crisis.

The benefit of service subsidies and free basic services is eroded by charges for non-service items; typically omitted from calculations of the real costs of municipal services to domestic households. These charges<sup>47</sup> bear substantially on total bills and hide (or in the Eastwood case, reveal) the real state of

---

<sup>47</sup> Total bills in this study do not include debt repayments to the municipal debt collection consortia. These figures are not listed on total bills; instead households make payments directly to the consortia. The implications of additional consortia debt repayments is that monies paid each month to Msunduzi must be seen as just one payment, with another to its partner debt collectors. That is, Eastwood households may spend more monies on servicing debt than the figures presented in the 'total bills'. Exact numbers of handed-over Eastwood households in general or surveyed Eastwood households in particular are unknown (official data is restricted

domestic crisis and municipal gerrymandering. The mean contribution of non-service items for 'all' surveyed Eastwood households is 20% (R114.71) of the total bill. Mean non-service charges make up 18% (R115.64) of total bills for 'conventional' households; and impact more brutally on 'restricted' households at 40% (R107.48), 'tampered' households at 34% (R181.21), and 'indigent' households' at 31% (R102.84). Each group will be discussed in turn (starting with the highest proportional charges).

If you don't pay that R100 from arrangements [debt collectors] they come and cut. If you don't pay that current account then they come and cut. So you are not winning in any way. You can't say I will pay Paul this month; I won't pay Peter. You have to pay Peter and Paul (Lifestory 7, 11 April 2006).

'Restricted' households, at the centre of the nastiest effects of the cost recovery apparatus, are charged the highest proportional non-service charges, yet receive, undoubtedly, the worst levels of service (or none at all). It bears repeating that these households have adhered to all state demands: but because they failed on one front – they are poor and cannot pay – they receive no clemency. The grubby household purse continues to be pilfered; it appears that the local state is not content to just limit households to survival consumption. If exempted from non-service charges, 'restricted' households would see mean total bills come down from R265.76 to R158.28 – a significant reduction, not low enough but more equitable considering the scope of services accessed.

The substantial non-service charges on 'indigent' total bills (31%) take on an altogether different hue. Firstly they suggest that households are not paying in full and on time; with implications for the revoking of the indigency contract and therefore the return of interest on historical debt. This means, for example, that a household having defaulted is now liable to pay interest on historical debt (see Appendix F). Secondly, non-service charges (R102.84) serve to obliterate social wage gains (explored in Chapter 6). The non-service charge reduces/eliminates the service subsidies, which means that the household now, with restricted water or disconnected or reduced amperage, may be expected to pay a relatively comparable total bill to that received prior to application to the Indigent Policy. But, now the total bill comes without the benefit of unconditional and full supply: households are paying similar charges for greatly reduced services. In short, instead of a gain, theirs is a major loss; not necessarily financial but social. 'Indigent' households are angry, as indicated by the following narrative:

It [the Indigent Policy] made a difference from the start, but then again, we failed to pay, we have to have a monthly income, you have to pay each month. so it becomes a problem again ... They sending accounts every month, they restricted me from this and that: water and the lights. Now when I receive the account, my account is more than the original account they sending to me. I got no lights and no water but they sending me the account every month with interest. That's R600 sometimes, R400, R500 to R600, R700. The difference is that I am without lights here, and I am getting a R600 account which I have to pay, according to their account there. I have to pay that money. Does that make sense? Alright, if they cut my lights and they don't send me an account. Why send me a big account, of interest and this and that with no lights and no water? That's just unfair man! Because I am paying even more than having lights. I would rather have lights!

---

[personal communication VNH Consultant, 2005: pc]). However, if I were to estimate the percentage of households within the study that have been handed over to the consortia, I would put the figure at 30-50% of all households in arrears (based on community engagement, surveys, and interviews).

Because I am paying less than this R700. You see my account [showing me old account], I get R200, R300 a month. But now when my lights and water are getting cut, I'm getting, R500, R600 or R700 account. That doesn't make sense? They are wrong. Because my lights are off but my account is more than when I have lights. I am still paying every month! It's like I am actually having lights 'cause I am getting a R600-R700 account every month. Now, I have to pay them this money! (Lifestory 4, 15 February 2006).

In other cases, the levying of historical debt on the total bills of 'indigent' households is not as explicit as in the case above. Some households have found their debt immediately transferred to municipal debt collectors. This means that although total bills 'look' substantially reduced, additional charges are paid directly to debt collectors and not reflected on total bills. For example: when I asked households if the Indigent Policy had made a difference to their total bills, this was the response:

I used to pay R300 to R400 before and now I pay around R200 but I also pay the lawyers R100 for arrears on services and another R50 for my handed-over rates, so it is still around that amount (Lifestory 11, 17 May 2006).

I don't know. But we still can't pay our bill and in June we were told to go pay the lawyers R50 a month. So, we still worry about our house because they can still take it from us even with this policy that is supposed to protect us, to help us (Korhoender Road, 20 December 2005).

These two cases differ from the first in that they appear to be an illusion of total bill reduction, yet are simply a restructuring of debt. Perhaps more importantly however, is that they indicate that the signing up for 'indigency' has not protected households against prosecution by debt collectors and their lawyers (together with the return of electricity; escaping prosecution was a strong incentive). Hence, although the indigency contract (also) gave the assurance that historical debt would be frozen; defaulting however has dissipated this concession and ironically with the conditional signing of acknowledgement of debt; has implicated even faster prosecution.

'Tampered' households incur the highest mean monetary non-service item charges of all groups: R181.21 (34%). This is due to high interest on service defaulting and relatively high VAT due to attempts by such households to secure normative consumption levels. If such charges were omitted from the bills of 'tampered' households; such households may be (1) in a better position to meet payments of approximately R350 per month (a reduction of  $\pm$ R180); and (2) more amenable to meeting payments, if service and municipal disaffection were a factor. 'Conventional' households too, are not exempt, with 18% (R115.64) of total bills made up of non-service charges. Although the major contributor to this figure is VAT; and household monies moved to national and not direct local coffers, such charges add considerable strain on total bills.

### **6.1 *The municipal financialisation mechanism***

The Msunduzi case, through the case study of Eastwood, suggests that what we are seeing is akin to monopoly financialisation (Bellamy Foster, 2007). The move to financialisation is part of the so-called 'new capital,' (Bellamy Foster, 2007) whereby capitalists in the face of declining consumption (and inadequate revenue streams) move to augment revenue losses via the imposition of debt-related financial

services. In this regard, the 'product' (municipal services) being sold becomes less important and the financialisation around the product becomes more significant. In short, the municipality itself and with outsourced debt collectors becomes a 'virtual bank,' actively locking consumers into the debt peonage. In this regard, mechanisms exist to reinforce a debt cycle. First, unaffordable and inequitable tariffs serve to promote default; without which non-service items could not be levied on total bills. Financial penalties ensure prolonged indebtedness and provide additional revenue for the municipality. Lastly, debt and disconnection outsourcing ensures that politically uncomfortable actions are removed from the confines of the state (Local Government Consultant, 2005b); simultaneously allowing for much higher interest rates on debt and more extensive service cuts. The financialisation mechanisms whereby debt products are sold alongside the provision of services provide valuable additional revenue. Non-service charges moderate under-recovery from not-billed/non-metered households, concessions given to non-domestic consumers, and unaccounted-for-water losses, and they fund operation and maintenance costs, finance new infrastructure and the extension of services to other poor households in the city.

Moreover, with key ANC luminaries holding directorship positions within Msunduzi's two municipal debt collection consortia (*The Witness*: 13 September 2006), a further insidious element is at play. Revenue gains from debt may well serve not public re-investment but private pockets. This, together with the limited pool of billed households, may in part explain the direct administrative and political pressure thwarting tariff structure change, thereby maintaining tariffs beyond the affordability thresholds of the majority of poor citizens.

## 7 CONCLUSION

The chapter outlined the day-to-day financial complexities and realities of municipal billing systems and procedures in Eastwood. Msunduzi chose a ruthless credit control and debt collection regime. It was clear that high bills have promoted default and prolonged indebtedness. Tariffs were poorly equilibrated (only two blocks), overpriced at low volumes, and thus inequitable and expensive (particularly evident for households accessing 'conventional' tariffs). Once pushed into default, a myriad of financialisation mechanisms, spring-loaded and set off by the smallest misdemeanour, to extract maximum revenue from households, were activated. Households once defaulted, found it very difficult to (1) return to the black and/or (2) even keep arrears levels down. All served to keep households keen: aware of their vulnerability and at the mercy of Msunduzi's 'grace' (explored in Chapter 9).

Msunduzi did not accommodate the financial situation of poor or struggling households by writing off historical debt and reducing penalties. If it did, total bills would not be made up of 30-40% non-service items; and urgent strategies would be implemented to disentangle households from the harsh cycle of municipal debt. The logic of financially penalising households because they could not afford to pay original charges could only be conceptualised within a particular framework of accumulation and cost recovery. Restricting water and disconnecting electricity services have become palpable and semi-permanent aspects of dispossession. Msunduzi used symbolic penalties and inflated non-service items to play a potentially dangerous strategy: it used the misery inflicted on poor households to reinforce

compliance in the majority; yet the social cost of this strategy, for poor households was devastatingly real (as the next chapters show).

It was apparent that poor households had little space to manoeuvre and even less for obtaining relief. The Indigent Policy brought some reprieve in water charges, but Msunduzi squashed this by re-introducing historical debt and the restriction of water supplies. Restricted households cut down on their water and electricity usage, but Msunduzi levied interest on outstanding arrears which countered the effects of their restraint. The continued spiral of tariffs and non-service items means that many households currently within the 'conventional' package may be forced into downgraded 'bad' debtor categories.

Having presented the billing paradigm; the next chapter (6) will explore how households responded to the billing charges and thereby better provide an insight into service affordability. That is: are households paying; how are they paying (in full, part-pay or no-pay); and frequency of payment (every month, skip a month, etc). The chapter will then consider affordability thresholds, that is, are households able to pay or not, in relation to total household income. Lastly, a more thorough analysis of the services component of the social wage will be conducted in the effort to determine the value of the Indigent Policy instrument in the face of escalating payment pressures and harsh credit control mechanisms.

## *Chapter 6*

### *EASTWOOD HOUSEHOLDS: PAYMENT RATES, AFFORDABILITY AND THE SOCIAL WAGE*

Whereas Chapter 5 looked at the structure of bills, various kinds of charges and what Msunduzi's IDP (2007: 132) termed its "aggressive approach to streamline our credit control policy," the first part of this chapter looks at how surveyed Eastwood residents responded to such charges in terms of payment behaviour. It then considers payment in relation to affordability thresholds. Lastly, the value of the social wage for 'indigent' households is analysed.

The data herein is sourced from the total bills of 302 selected Eastwood households (34 households accessing 'lifeline' tariffs were excluded from the analysis) as well as from lifestories.

#### *1 PAYMENT RATES FOR ALL MUNICIPAL SERVICES*

The previous chapter presented total bill charges. This section considers the payment responses of households. Are households paying total bills? What enables this payment? How are they paying? What strategies are employed? Are the same payment responses enacted regularly or is there movement between strategies? Are there differences between and within 'tariff and user' groups? The purpose of this inquiry is ultimately to determine the appropriateness of service package tariffs and subsidy sufficiency in relation to household affordability constraints. Payment rates therefore serve an important partial proxy<sup>48</sup> in this regard.

Noting the restriction of official municipal consumer payment data and the arduous process of acquiring individual household's bills (see Chapter 3); payment rates included in this section are confined to two bills. This is a limit for any analysis which seeks to explore payment trends; however the two bills are contextualised within a broader individual payment framework which shows total arrears owing. Hence, although the data herein serve only as an absolute within the timeframe of inquiry; it is nevertheless an instructive gauge.

Msunduzi Municipal payment procedures disallow payments to specific services, for example: the water component of the municipal bill (CC&DC, 2006: s20.2, 32). Therefore I could not isolate payment into separate service components but only show payment rates in relation to total bills. Payment data was read directly off household bills; this was an exact method, precise to the last cent. I used three consecutive bills in this regard: 'current' bill; 'last month's' bill and 'two months ago' bill (August 2005 through

---

<sup>48</sup> I qualify the term as other factors may influence payment, for example: the efficiency of punitive credit control mechanisms, service satisfaction levels, attitudes towards governance and other behavioural indices. In this regard, qualitative interviews with households and individual community members (see Chapters 8 and 9) appear to suggest that punitive credit control mechanisms enact a strong influence. That is, payment is made out of fear of default consequences and indeed aspirations of securing notions of 'good' citizenry. Due to this, the payment rates and trends reflected may be higher than the true absorption of costs. In this case, households may consume at levels deemed less than appropriate and further compromise the securing of other essential services in efforts to keep up with monthly total bill payments.

December 2005: tariff period 2005/6). However to verify payment (read off subsequent bill e.g. if a payment is made towards 'last month's' bill the amount paid will be reflected on the 'current' bill) and for the purposes of this analysis, I used payments made on 'last month's' bill and 'two months ago' bill (checked against 'current' and 'last month's' bill respectively). To assist reading, 'last month's' bill will be referred to as bill '1' and 'two months ago' bill as bill '2'. Moreover, 'full-payment' means the exact amount due was paid; 'partial-payment' means some but not all due was paid, and 'no payment' means that no payment was made towards the amount due.

### 1.1 'All' households' payment rates

The average full-payment rate (bill '1' & bill '2') for 'all' surveyed Eastwood households (302) is 68% (see Table 6.1).<sup>49</sup> It is important to note that only households paying in full and on time escape the imposition of non-service charges; hence 32% of 'all' households would be liable to additional penalties.

**Table 6.1: Payment rates: 'all' surveyed households (N=302).**

Response variable [N=302]	Bill '1'	Bill '2'	Average for bills '1' & '2'
No-pay	24%	7%	16%
Full-pay	60%	77%	68%
Partial-pay	16%	16%	16%
Total	100%	100%	100%

Noting the difference in payment rates between bill '1' and bill '2'; it is evident that there is a fair amount of movement between full-pay and no-pay (partial-pay appears to remain constant). For example: more households are in arrears at bill '1' (40%) than at bill '2' (23%). This suggests that some households employ different payment strategies. Table 6.1 indicates average payment rates and particular responses for 'all' households; it does not reveal anything about each 'tariff and user' category nor particular individual household responses within categories. To determine the extent of movement within and between each 'tariff and user' group; we need to look at: (1) each group in isolation; (2) 'regular' responses across bills '1' and '2' (e.g.) full-pay bill '1' and full-pay bill '2'; and (3) movement between payment responses (e.g.) full-pay bill '1' and part-pay bill '2'.

**Table 6.2: 'Regular' payment responses across both bills '1' and '2' (N=302).**

Grouping	'Regular' no-pay %	'Regular' full-pay %	'Regular' part-pay %	'Regular' all responses %
'Conventional'	2%	62%	9%	73%
'Indigent'	23%	34%	17%	74%
'Tampered'	32%	36%	11%	79%
'Restricted'	27%	18%	18%	63%
All [302]	6%	56%	10%	73% [219/302]

<sup>49</sup> This figure is higher than the official payment rate (65.6%), for all billed domestic connections within the Msunduzi jurisdiction (PAIA, 2007a).

The percentage of households across all groups that employed the same strategy for both bills is within a range of 63-79%. The margin of difference in the 'conventional' group suggests greater leeway to manoeuvre between payment responses; however in the 'restricted' group such movement is consistent with financial vulnerability. It is clear however that the type of response strategy employed differs between groups. For example: apart from 'restricted' households all other groups registered full-payment as the most common response. Importantly, some households within all groups (21-37%) moved between different payment responses. That this oscillation is exhibited across all groupings, in addition to the data that shows that proportions within all groups are not making regular full payments deserves closer scrutiny. To explore this nuanced phenomenon more meaningfully, it is necessary to disaggregate 'all' households into their particular 'tariff and user' categories. In this regard, use is made of particular category tables for bill '1' and bill '2' payment rates in conjunction with Table 6.2. This analysis will indicate the appropriateness of service package tariffs and sufficiency of subsidies to absorb household affordability thresholds. Moreover, it will show compliance levels and explore justifications for particular responses.

## 1.2 'Conventional' households' payment rates

Table 6.3 shows that the 'conventional' group registered the highest average full-pay rate (74%). However, fewer 'regularly' paid their bills in full (62%) [see Table 6.2]. The 65% full-pay rate for bill '1' [see Table 6.3] resonates with those households making 'regular' full-payment (62%). In this regard; 95% of the households in this group consistently paid in full (for both bills); with only 4% making a partial payment and 1% making no payment. Although this indicates that 'regular' full-pay is accurately reflected around the 62% level, study statistics considering total arrears rates (beyond the two bills) indicate that 53% of all 'conventional' households were in arrears (mean arrears were R2 784.57). Hence more households probably fail to make regular full-payments. Nevertheless the scenario above suggests that some households (38%) within the 'conventional' group are struggling to meet monthly payments: 2% are 'regularly' not making a payment; 9% are 'regularly' making part-payments and 27% move between strategies [see Table 6.2]. Importantly, rarely is no payment made at all. That is, where a household has not paid in full for a particular month, full-payment or partial-payment has been made either the preceding or the subsequent month, thereby indicating the existence of a 'culture of payment'.

**Table 6.3: Payment rates: 'conventional' households (N=252).**

Response variable [N=252]	Bill '1'	'Bill '2'	Average for bills '1' & '2'
No-pay	20%	2%	11%
Full-pay	65%	83%	74%
Partial-pay	15%	15%	15%
% in arrears	35%	17%	26%

By far, the most likely strategy employed by the oscillating 27% is to pay one month and skip another. For example: of the 52 households that did not pay bill '1': 75% paid bill '2' in full. This is evident in the higher full-pay rate, up from 65% (bill '1') to 83% (bill '2'). This group may be attempting to

outsmart the municipality; delaying payment for as long as possible before being disconnected. As a strategy it is always going to be precarious, there is only a fine margin of time, as disconnections are rigorously enforced. Of the remaining households that did not pay bill '1' [25%]: 15% paid partially and 10% did not pay (this 10% is the same '2%' that 'regularly' did not pay). Indeed, the payment rates of 'conventional' households show that the majority are making regular full payments, fewer are making part payments and the remainder oscillating between paying in full or delaying payment. Very few households (2%) are 'making a habit of not paying' ('culture of non-payment'); thereby indicating that the group of 'conventional' households, as a whole, are compliant and exhibiting a 'culture of payment'.

The 'regular' non-paying group (2%) presents an unusual case. All households within this group explained non-payment in terms of a *refusal* to pay (in contrast to all other 'regular' non-paying 'user and tariff' groups; who explicitly cited inability to pay). Total bills for this group exceeded R1 100 per month, of which interest contributed 20% ( $\pm$ R220) and total outstanding arrears  $\pm$ R22 000. All of these households indicated that they tampered with their water and electricity. The perception was that making payment is futile, but more importantly they didn't believe that they should pay – "we are being ripped off" (Fieldwork notes, 2006). This case is significant in showing that these households that consistently did not pay; were not desperately 'poor' but also perceived a sense of injustice. They were able to 'protect' themselves from prosecution by using locks and aggressive dogs to keep municipal officials at bay. They were unlike other struggling poor households who had no gates or fences, little security and no money in the bank to pay bribes. In this regard, households frequently referred to examples of how the state actively pursued the poor for minuscule misdemeanours yet let brazen non-payers off the hook.

A large proportion of households within the 'conventional' group – 38% – struggle to make regular full-payments (see Table 6.2). Yet only 4% of all 'conventional' households satisfy the income conditions (2005/6) which would qualify them for 'indigent' status. This signals an emerging municipal service affordability crisis for a large proportion of households within the 'conventional' group.

### 1.3 'Indigent' households' payment rates

The average full-payment rate registered by 'indigent' households is 43% (see Table 6.4), with 'regular' full-payment at a lower 34% (see Table 6.2). This 34% figure, reflecting 'regular' responses for the two months is underestimated: an arrears analysis (beyond the two bills) found that 91% of all surveyed 'indigent' households were in arrears averaging around R9 300, and were therefore charged interest on historical debt.

**Table 6.4: Payment rates: 'indigent' households (N=35).**

Response variable [N=35]	Bill '1'	Bill '2'	Average for bills '1' & '2'
No-pay	40%	26%	33%
Full-pay	37%	48%	43%
Partial-pay	23%	26%	24%
% in arrears	63%	52%	57%

Strategies informing payment responses in this group are more nuanced. Attempts at making full-payments are motivated by preventing service disconnections/removals and keeping debt down (Lifestory interviews, 2006). Indeed, the common thread running through strategies to make full or part-payments is fear: fear of complete removal of water and electricity boxes;<sup>50</sup> fear of debt collectors and lawyers; fear of dispossession and eviction; and fear of the police (Lifestory interviews, 2006). Higher relative 'regular' partial payment responses (17%) are conspicuous (see Table 6.2). Households (unable to pay in full) believe that attempts to make at least a small contribution will show the municipality that they are trying to pay, thereby staving off punitive measures (Lifestory interviews, 2006). Such a strategy is pointless in the context of Msunduzi's rigid debt collection enforcement. Partial payments do not prevent the enacting of punitive measures, attempts to pay are not enough; the municipality only responds to "full payment, on time, every month" (Lifestory interviews, 2006).

The 23% of 'indigent' households that registered a 'regular' no-pay had fallen so far behind that none of the indigent conditions were worth meeting. Even though subsidies were still reflected on bills; the return of historical debt, water restrictions and disconnected electricity meant that even if households had money (50% registered a zero household income) there was nothing worth paying for. Although households were still scared of the municipality; they were already in deep trouble. Indeed, it was hard to see, apart from removing services altogether, how much further services could be reduced (Lifestory interviews, 2006).

If you don't pay; you don't get nothing. What they going to do next? Put a washer on top of a washer, it will be thirty times worse; already it is so slow (Lifestory 12, 18 May 2006).

You tell me, from that 10 amp where do you think they are going to take us to? (Lifestory 7, 11 April 2006).

#### **1.4 'Restricted' households' payment rates**

A relatively high 37% of 'restricted' households oscillate between payment responses (see Table 6.2). Lifestory interviews (2006) suggest that households base payment decisions on shifting circumstances (financial and in response to municipal threats). 'Restricted' households registered the lowest average full pay (32%) and 'regular' full pay (18%) of all 'tariff and user' groups. This is due to major financial constraints (see below).

'Restricted' households made the highest average part payments (32%) and 'regular' part payments (18%) of all 'tariff and user' groups. This is primarily an indication of affordability constraints, hence households 'pay what they can.' But this further suggests that partial payment is made out of fear, amid worry that water and electricity systems may be completely removed, seeing that indigent conditions have

---

<sup>50</sup> Many households mentioned that one of the main reasons for their signing onto the Indigent Policy was to 'get their electricity box back' (Lifestory interviews, 2006). Memories of paraffin, candles and collecting wood are still fresh in peoples' minds. Households make serious efforts to keep up with payments.

been breached or in the 'bad' debtor's case, because such households are being actively pursued for debt recovery (Lifestory interviews, 2006).

**Table 6.5: Payment rates: 'restricted' households (N=11).**

Response variable [N=11]	Bill '1'	Bill '2'	Average for bills '1' & '2'
No-pay	36%	36%	36%
Full-pay	18%	46%	32%
Partial-pay	46%	18%	32%
% in arrears	82%	54%	68%

'Restricted' households registered the second highest average and 'regular' non-payment rate (36% and 27%) [see Table 6.5 and Table 6.2]. The high 'regular' non-payment rate suggests non-payment is not a behavioural but an economic response: total bills made up 10% of total household income R2 629.09 (the lowest income registered by all groups) and 24% of the total bill was made up of interest charges (100% of households were in arrears of approximately R9 500).

We did not pay not because we didn't feel like paying, we didn't pay because we didn't have the money; that is why we did not pay (Lifestory 9, 21 April 2006).

Similarly with decisions not to tamper; the non-payment of bills may indicate that households have resigned themselves to their containment and deem payment pointless. Other reasons might be that the cost of bills is not equivalent to the limited or no services received. Importantly, even if feelings of injustice are perceived; no apparent action is taken (these households have not tampered) – in this regard such households are probably too exhausted to resist or worst, feel responsible for their wretchedness (Lifestory interviews, 2006; Personal observation, 2006).

### **1.5 'Tampered' households' payment rates**

More households within the 'tampered' group (46%) made full-payment than part or no-payment over the two months of analysis (see Table 6.6). These payment rates might appear peculiar if one were to conflate tampering with a 'culture of non-payment.' Of course, as this study shows; tampering is not equivalent to 'deviance' but rather occurs as an attempt to secure normative volumes and there are not 'cultures of non-payment' at play, only "economics of non-payment" (Desai, 2002: 17).

**Table 6.6: Payment rates: 'tampered' households (N=28).**

Response variable [N=28]	Bill '1'	Bill '2'	Average for bills '1' & '2'
No-pay	43%	36%	39.5%
Full-pay	39%	53%	46%
Partial-pay	18%	11%	14.5%
% in arrears	61%	47%	54%

Nevertheless, high relative full and part payments may be explained in the following ways: although 'tampered' households have similar arrears characteristics as 'restricted' households (100% in arrears

with mean above R10 500, interest charges account for 21% of total bill and total bills account for 11% of total household income), 'tampered' households earn almost twice as much (R4 854.93) as their 'restricted' counterparts. Hence, although 'tampered' households' total bills are more than twice as much as the 'restricted' household total bills (R563.52 to R265.76); they appear to be in a better financial position to be able to pay. An additional possibility underlying full or partial payments (linked above); may be due to the enacting of payment as a decoy against prosecution (the act of tampering may induce greater fear of prosecution countered by more regular payment responses to mimic 'responsible citizenship') [Lifestory interviews, 2006]. Noting the general admonishment by the community at large regarding perceived tampering (more on this in Chapter 9), payment is offered to counter judgement ("we may be tampering because we need more water but we still try to pay when we can").

## **2 AFFORDABILITY THRESHOLDS**

The National Water Services Regulation Strategy explicitly stipulates affordability criteria to a 'basic' supply and not supply per se (DWAF, 2008a: 57). At the heart of the affordability question is the definition of basic supply. Tariff structures, after the first 6kl block, do not have to reflect 'affordability'. Tariff structures, after the first 6kl block must be 'cost-reflexive' and therefore may increase sharply (RSA, 1997: 18; DWAF, 2003: 27). This is in line with DWAF-regulated punitive tariffs at higher consumption levels (DWAF, 2002c: 72-74). Importantly, whilst cost recovery is legislated; affordability studies are not (Centre for Applied Legal Studies, 2008).

It is commonly held that poor South Africans face a severe municipal service affordability crisis (Bond, 2001; Fiil-Flynn, 2001; McDonald, 2002b). This is echoed by The World Health Organisation, "... South Africans are paying too much for their water" and The Department of Provincial and Local Government, which states that municipalities are "charging unaffordable and unreasonably high service rates" (cited by Pauw, 2003: 5); and Msunduzi's own City Engineer, who stated that the municipality has "the most expensive water in the country" (MCE, 2005: pc).

The World Bank's senior water and sanitation engineer in Latin America stated that water and sanitation charges should not exceed payment thresholds of 3 to 4% of household income, otherwise people will simply be unable to pay (cited by Pauw, 2003). The United Nations Development Programme, as a target for the Millennium Development Goal to eradicate extreme poverty and hunger, proposed a "target ceiling of 3% for the share of household income spent on water" (UNDP: Human Development Report, 2006: 22). Camdessus and Winpenny (2003) and The World Health Organisation put the affordability threshold at 5% and 7% of total household incomes, respectively. These benchmarks refer only to water and sanitation services and are international directives; hence they may not be appropriate to the South African situation, which has numerous non-service items and hidden costs. They are however, a useful guide.

Before I present the water and sanitation charges as a percentage of total household income, it is important to note that households (in Msunduzi) cannot allocate payments to particular services. Hence if

water is to be secured; the total bill must be paid in full. Hence total bills as a proportion of total household income gain significance. Unlike for water and sanitation; there are no international guidelines in this regard; the total bill percentages merely indicate that water and sanitation affordability thresholds must be seen in the context of total bills.

**Table 6.7: Total bill, water and sanitation charges as a proportion of total household income.**

Total household monthly income	% total bill	% water & sanitation	% of households making 'regular' full-payment for specified income range
Zero-R1 000	39%	9%	46%
R1 001-R2 000	21%	6%	50%
R2 001-R3 000	17%	5%	56%
R3 001-R5 000	13%	4%	56%
R5 001+	7%	2%	57%

It is evident (from Table 6.7) that households with lower total household incomes are charged proportionally more of their incomes on total bills and the water and sanitation services. For example: households registering a total monthly income within the range zero-R 1000 per month; are expected to spend 39% of total income on the total bill and 9% of total income on the water and sanitation services; whereas households registering a total monthly income within the range R2 001-R3 000; are expected to spend 17% of total income on the total bill and 5% on the water and sanitation component. This raises serious questions for equity, as issued by DWAF (2002b: 37) across different socio-economic users.

It is clear that there is a disjuncture between the benchmarks suggested above and the charges levied for Eastwood households. There is variance however: the fault line is more acute at lower total household income levels, with higher relative income levels suggesting an affordability caution. Moreover, testing regular full-payment rates against total household income showed that 46% of households within the income bracket [zero-R1 000] paid both bill '1' and '2' in full; 50% at [R1 001-R2 000], 56% at [R 2001-R3 000], 56% at [R3 001-R5 000], and 57% at [R5 001+] (see Table 6.7). McDonald (2002b), in a similar service affordability study, yet including far more respondents, found that the income range [R3 001-R5 000] typically absorbed all municipal service affordability constraints, with only 3% of all households unable to pay for municipal services at this level. This study however found that only 56% of all surveyed Eastwood households within this same income bracket regularly paid total bills in full. This may suggest that the 'international' benchmarks are too high but probably has more to do with the fact that services cannot be separated in the consolidated municipal bill; that is, the total bill in relation to household income appears to be high, in general up to the R3 001-R5 000 bracket [at 13%] but particularly at lower income brackets [zero-R1 000 at 39%]. Such a scenario suggests an overall high bill across incomes but importantly also reveals increased affordability pressures for the marginally better off, albeit still 'lower-middle' income, households.

The implications of affordability constraints with regards to basic municipal services is that households have to make critical decisions regarding which needs to pay for, which needs to restrict and which needs

to compromise or forfeit (McDonald, 2002b). However, because water is an essential life source any decision taken will typically have major implications for household livelihoods (see The Coalition Against Water Privatisation, the Anti-Privatisation Forum and Public Citizen's *Nothing for Mahala*, 2004). If money is mobilised to pay water charges (in Msunduzi's case the total bill) then less money is available for other necessities, such as food, education, transport and medical expenses. The lifestories and other community interviews (2006) all told of such compromises made to meet monthly bills: pulling kids out of school; walking to work instead of taking public transport [*kombis*]; forfeiting quality and pressing medical attention; asking neighbours or family for food, and relying on church or other feeding schemes. There was a general surrendering of all the infinitesimal necessities necessary for dignity: households gave up attending social functions and gave up buying personal and household products such as deodorants, sanitary materials and cleaning products:

There was a time that we had to give everything that we had to our bills and lawyers and I had to go around asking for food, so I just go to a few ladies and ask them to give us a few potatoes, few of this, a few rice. Yes, actually that is exactly what I have been doing. Going around to the women, the ladies. If we can be free from bills ... that would really help. The account ... maybe, it mustn't be too high. It's not that we don't want to pay; we want to pay and also try and buy clothing for our children, and shoes and food. If the lights account can come down, a little low, just a little bit, you know maybe like R100 a month then at least I can even buy single beds for my children. I can even buy food, I can even buy them shoes and clothing, at least this little money that we are getting too can just not be finished there on the lights and rates (Lifestory 8, 11 April 2006).

And all these years we have been *sukkeling* [struggling] because why, my mother used to make sure that at least there is electricity. Sometimes you even go so far as cutting down on your groceries in order to make sure that you are under a roof and electricity (Lifestory 7, 11 April 2006).

I don't like arrears; I'd rather not eat (Rooiborsie Road, 17 January 2006).

With affordability of municipal services presenting a real economic burden to poor households the concessions and subsidies offered by the social wage gains greater significance. The next section will consider the scope of welfare-type municipal benefits and analyse their impact on poverty relief and transformation.

### 3 THE SOCIAL WAGE

In an exceptional study which sought to quantify the contribution of the social wage in the alleviation of poverty; Meth and Dias (2004: 20, 25) found that the social wage even if easing poverty, "has not been sufficient to bring households anywhere near to an acceptable standard of living" and further has had "little impact on the spending power of the poor." This finding resonates with welfare: poor households are generally better off when receiving welfare than not receiving it, yet concessions are not enough to be transformative (Gough, 1979; Alcock, 1987; Walker, 1993). Acknowledging the significance of Meth and Dias's study (2004), there are nevertheless three gaps: (1) general and therefore arbitrary estimates are used to value water concessions (municipal tariffs and policy applications differ across jurisdictions, see Chapter 2), and refuse and sanitation concessions are omitted; (2) their study, like many others, is

framed in a largely quantitative framework and (3) heeding Roberts's (2005) concern that a time lag exists between policy implementation and measurable change, Meth and Dias's study was based on survey data from 1999-2002, and may not have allowed sufficient time to pass to do justice to measurable change.

The social wage has come to the fore in the calculation and consolidation of all poverty relief efforts to poor households, in the words of Mbeki (President's speech, 2006) "... [the] social wage plays a vital role in our continuing efforts to address the challenge of poverty." Yet, how much of a role does the social wage actually play in the reduction of poverty, easing affordability constraints, equalising and transforming society? This section attempts to partly answer this question by analysing the municipal service component of the social wage, which in South Africa, at the local government level, is delivered via the instrument of the Indigent Policy.

As indicated in Chapter 2, previous attempts at calculating the services component of the social wage have been diminished by attempts to put a general and national face on benefits within a context of vast municipal tariff, subsidy and service disparity. In this regard, noting the gaps in knowledge and methodological critique of Meth and Dias's (2004) nevertheless important study, this section addresses the first gap and aims to present a more comprehensive and reliable computation of the services component of the social wage in Msunduzi (the methodological and time-lag gaps are addressed in Chapter 8 and 9). That is, concessions, subsidies and service charges are only a reflection of 'applied indigent' and 'conventional' tariffs as instituted in Msunduzi. Note that this section deals with the monetary components of the social wage; qualitative implications will be discussed in Chapter 8.

### ***3.1 Value of services component of social wage in Msunduzi***

The services component of the social wage considered in the study included water (free basic water and indigent subsidy), sanitation (indigent subsidy), refuse (indigent subsidy) and electricity (free basic electricity). Municipal rates were excluded for three reasons: (1) the services secured by the payment of rates could not be quantified; (2) the service nature of rates was inconsistent with the other four services and; (3) 'indigent' households had to apply separately for rates rebates, hence not all 'indigent' households received a rebate. The social wage benefit for sanitation, refuse and electricity was constant, and was calculated by subtracting the 'indigent' tariff from the 'conventional' tariff. The social wage benefit for water was based on consumption and calculated by subtracting the 'indigent' tariff from the 'conventional' tariff at each tariff step over the indicated metered period (less than or greater than 30 days). Table 6.8 below indicates the potential social wage benefit for the four considered services for all 'applied indigent' Msunduzi households. Two figures are provided: (1) indigent gain at consumption levels of 0-6kl [R100.29] and (2) indigent gain at consumption levels of 12kl [R130.06].

**Table 6.8: Potential social wage benefit (2005/6).**

Services	'Conventional' tariff (incl VAT)	'Indigent' tariff (incl VAT)	Potential social wage benefit
Water 0-6kl <sup>1</sup>	FREE if <6kl	FREE	{R4.24/kl} R25.44 (max for 30 days)
Water 7-12kl <sup>2</sup>	R8.37/kl	R3.41/kl	{R4.96/kl} R29.77 (max for 30 days)
Water 13kl + <sup>3</sup>	R8.37/kl	R8.37/kl	ZERO GAIN
Sanitation	R76.04	R32.05	R43.99 (constant)
Refuse	R49.19	R28.70	R20.49 (constant)
Electricity 50kWh	R10.39	FREE	R10.39 (constant)
Indigent gain <sup>1</sup>			R100.29 (max for 30 days)
Indigent gain <sup>2&amp;3</sup>			R130.06 (max for 30 days)

Table 6.9 below indicates the actual social wage benefit for surveyed Eastwood 'indigent' households. Three scenarios are presented, based on mean consumption. Namely, (I) what 'indigent' households would be paying if no social benefit was received ('conventional' tariffs); (II) actual total bill charged to 'indigent' households for the four identified services (excluding interest and service penalties); and (III) actual social wage benefit gained by 'indigent' households.

**Table 6.9: Comparison of service scenarios: at 'conventional' tariffs; 'actual bill,' and actual social wage benefit.**

Scenarios	Scenario I	Scenario II	Scenario III
Services	'Indigent' bill if charged at 'conventional' tariffs. [4 items – mean]	Actual 'indigent' bill at 'indigent' tariffs [4 items – mean]	Actual social wage benefit [4 items – mean]
Water	R64.00	R25.63	R38.37
Sanitation	R76.04	R32.05	R43.99
Refuse	R49.19	R28.70	R20.49
Electricity	R110.24	R99.85	R10.39
Total [4 services items]	R299.47	R186.24	R113.24

The actual social wage benefits gained by 'indigent' households for each service, and indicated in Table 6.9, are the following: water R38.37, sanitation R43.99, refuse R20.49, electricity R10.39. The actual mean social wage benefit gained is R113.24. That is, the difference between a mean bill of R186.24 (with social wage) and R299.47 (without social wage). The social wage benefit gained is diminished by the servicing of debt (see later).

It is clear from Table 6.9 that the greatest social wage benefit is accrued via sanitation subsidies. Here, a little insight is useful. Sanitation charges, for 'conventional' households are levied as a fixed, non-volumetric charge. Indeed, there are numerous problems with such a format. Low-volume water consumers are at a distinct disadvantage in such a calculation and the 'relief' acquired should in fact be extended to all low-volume consumers and not just 'indigent' households. Moreover, households have to pay twice: once for the water that comes into the home, and once to discharge it back into the system. It is also common for a household to use less than 6kl, thereby getting free water; but to subsequently be charged for this 'free' water to be discharged. Even free water is not free, because sanitation charges of R76.04 are levied (see Appendix G). The second-highest benefit, in descending order, is water. Again,

such profit must be tempered: financial relief is bound up with restricted water supply and as such, the majority of 'indigent' households have indicated that they would rather have full service at the deemed cost (Lifestory interviews, 2006). The refuse benefit is welcomed by 'indigent' households (Lifestory interviews, 2006) but comes with a rider that excessive wastage is not a characteristic of poor households. The municipal refuse service also has been voiced, by poor households, as being inadequate and discriminatory (Lifestory interviews, 2006). The last on the social wage list is electricity; a relief of R10.39 for 50kWh. The Department of Minerals and Energy (DME) states that 50kWh is only sufficient for "basic lighting, small black and white TV, small radio, basic ironing and basic water boiling through an electric kettle" (DME website: [www.dme.gov.za/energy/elect\\_fbe.stm](http://www.dme.gov.za/energy/elect_fbe.stm), accessed 24 November 2008). 'Indigent' households must also reduce their amperage to 20 amps; hence must manage their usage lest the lights trip. Apart from this frustration, the ramifications of a low amperage mean that 'indigent' households are unable to optimally use or perhaps invest in higher-end infrastructure (fridges, geysers, stoves etc) and therefore must submit to an automatically downgraded lifestyle; a lifestyle that appears constructed to reinforce domestic burden and inequality. It would be hard to imagine that a 'saving' of R10.39 coupled with low amperage delivers not only real relief but actually helps the poor. Rather, it is not far-fetched to imagine that such concessions and structural restrictions simply operate to keep the poor in their place (Ruiters, 2005). However, the apparent subtlety of the above may not even matter, many 'indigent' households face continual disconnections for late or partial payment so don't actually have lights at all (51% of surveyed 'indigent households' were disconnected at the time of study). And finally, regardless if disconnected or not, 'indigent' households must still pay for their fixed monthly amperage charges (R53.12 for 20 amps, 2005/6); which eats up the 'free' electricity.

It is clear that mechanisms have been put in place to systematically erode any real social wage relief. Moreover, the value of the social wage is linked to the trumped up and poorly equilibrated 'conventional' tariffs. In this respect the more expensive or iniquitous the 'conventional' service tariff; the greater the potential social wage gain, without in actuality effecting an eased economic burden. Indeed, would it matter if the social wage benefit were doubled or even quadrupled, if the 'indigent' total bill were to remain the same or thereabouts – and the service to be restricted or disconnected? We must again return to the total bill charged to 'indigent' households (see Chapter 5, Table 5.1). The substantial difference between the 'indigent' total bill levied (R328.35) and the 'actual indigent bill' (R186.24) is attributed to the items that fell outside of the ambit of calculation: rates (rebated/charged), interest and service penalties. Here it is significant to note the mean interest charges levied on 'indigent' total bills: R74.19. These charges reduced the social wage benefit from R113.24 to **R39.05**. The social wage benefit is diminished by the servicing of debt.

$$\boxed{R113.24 \text{ (social wage benefit)} - R74.19 \text{ (debt)} = R39.05 \text{ (social wage benefit after debt)}}$$

In the broader context of 'indigent' conditions: restricted water, reduced amperage, increased surveillance, stigmatisation and criminalisation, administrative burden and humiliation – and households, in reality, only gained R39.05. Moreover, this analysis shows that any social wage benefit must be

considered in the context of total bills levied. In isolation the social wage is merely hypothetical and not reflective of the wider reality of systematic elimination of potential gains. Importantly, the social wage benefit in the Eastwood context has not realised any substantial economic relief, has not eased affordability constraints, and it is almost preposterous to imagine that it acts as a transformative measure. As such the study findings resonate with Meth and Dias's (2004: 20, 25) conclusions which indicated that the social wage has had a limited impact on poverty alleviation and transformation. Yet, my study adds a different dimension: that the social wage has acted retrogressively and has actually reduced the quality of life of poor households.

This section suggests that municipal 'debt relief' or 'pro-poor' initiatives may not, after all, be about helping poor people. 'Pro-poor' policies in Msunduzi are not responsive to the needs and vulnerability circumstances of poor households. The few benefits that are offered are miserly, with careful deliberation given to the numerous conditions for accessing benefit. The conditions of course, are of significant value to street-level bureaucrats: to garner household information cheaply and efficiently, to segment, target and externalise 'bad' debtors. For example: "... the indigent approach has had a very positive impact on municipal debt management. The approach has contributed to improvements in collection rates by removing from the pool those who cannot afford to pay" (SACN, 2006: 139). Moreover, the social wage serves to reduce and restrict consumption, to secure payment, to reduce municipal debt, and to 'educate' and control. The broader intentions of the state, in conceding welfare-type benefits will be further explored in Chapter 9.

#### 4 CONCLUSION

This chapter showed that at the time of the research 94% of households in Eastwood (regardless of income) were paying monthly bills, despite Msunduzi's poorly equilibrated tariff framework – relatively expensive bills with high proportions of non-service items and despite the extraordinary burden that these imposed. Households oscillated between skipping payment, partially paying, and paying in full. Fifty-six per cent of 'all' households 'regularly' paid bills in full, 10% of 'all' households 'regularly' made part-payments and 27% oscillated between payment responses. Non-payment was rare: only 6% of 'all' households 'regularly' made no payment at all, thereby indicating a 'culture' of payment and compliance. Households regarded debt very seriously and made real efforts to settle outstanding debt.

'Regular' payment responses showed that only 56% of 'all' households paid both bills in full during the period of inquiry. That is, 44% of 'all' households either 'regularly' made part or no-payments or oscillated between payment strategies. This means that 44% of 'all' households were liable for additional non-service charges. These figures were more nuanced across service packages: although some households within all service packages struggled to make 'regular' full payment; compared to 'conventional' households making full-payment (62%) – about half as many 'tampered' and 'indigent' households (36% and 34% respectively) and only a quarter of 'restricted' households (18%) – paid bills in full. This showed that a very high proportion of households within all service packages but more acutely evident in 'downgraded' packages were struggling to pay bills in full. Poor households were

found to be spending significantly more of their incomes on water and sanitation services than laid down in international affordability benchmarks. It indicated that the affordability constraints of poor households were not absorbed within the many invented ways of delivery and non-delivery. Improved affordability would then come, not from better equilibrated tariff structures, but from service cutbacks.

The social wage delivered via the instrument of the Indigent Policy provided a mean financial gain of R113.24. Yet this relief is systematically eroded by interest, service penalty charges and fixed service charges, which reduces the net gain to a mere R39.05. The linkage of social wage gains to the poorly equilibrated 'conventional' tariff charges provides an exaggerated and largely illusory gain. There was little financial relief and that which was 'getting through' acted to subjugate the poor by reducing services and locking households into the debt apparatus: instead of attempting transformation: it offered retrogression.

Ironically, however, even this chance at spurious poor relief offered by the Indigent Policy excluded many struggling households. Only 4% of 'conventional' households would qualify; the rest (34%) were disqualified from 'indigent' status due to total income higher than the application threshold. This meant that in time, they might well join the 'bad' debtor grouping. This exclusion appeared intentional because as shown in Chapter 4 there did not actually appear to be sufficient intergovernmental funding to back up the social wage mandate. Msunduzi, instead of meeting this largely unfunded mandate by reorganising its tariff and billing structure; used the embedded limitation clauses to contain poor households to minimum service provisions and legitimise the exclusion of anything more than the basic offering. In this respect, social policy was twisted to limit the demand on Msunduzi's cash outflow. In this context the definition of a 'basic' supply, whereby poorly equilibrated tariffs excluded households from accessing an adequate level of service, became very significant. This will be further explored through the optic of free basic water in Chapter 7, which follows.

## *Chapter 7*

### *EASTWOOD HOUSEHOLDS: WATER USE AND FREE BASIC WATER ACCESS*

Whereas Chapter 5 looked at what residents were charged for water and Chapter 6 looked at how residents responded to such charges, this Chapter (7) focuses purely on notions and conceptions of water usage, the metered volumes of water used, comparisons across and within groups, and problems around the adequacy of free basic water. I further look at the influence of restriction, tampering and payment scope on consumption levels; and analyse the conditions of households' access to free basic water. Lastly I contextualise limited water volumes within an argument about the state's containment of poor households and further propose a consumption range based on Eastwood metered volumes which may be more appropriate in accommodating the water requirements of the majority of surveyed Eastwood households.

The information for this chapter comes from 336 selected Eastwood households (billed water consumption component over average of three consecutive months), survey questions related to service package, free basic water, consumption activities, restriction and demographics. I also used data from Msunduzi, DWAF and PAIA sources.

#### *1 NOTIONS AND CONCEPTIONS OF WATER USE ACROSS SPACE AND TIME*

Throughout history purity and cleanliness have been used to categorise and distinguish different groups of people (see Douglas, 1966: 1-28); and by default the access to resources, particularly water, needed to facilitate this differentiation. The 'unclean' are dangerous, uncivilised, disordered, immoral and sexually deviant (see Douglas, 1966: 1-28). An analysis of cleanliness and dirt is closely related to notions of fear, race and class. The passage below is redolent with such notions:

[Mistress Alya in conversation with Saartjie Baartman] – Cleanliness is godliness, she would whisper over and over, wringing her just-washed hands. As I understood it, to be clean was an affirmation of independence. What was cleansed was the dirt of the world: pollution and injustice. Dirt disguised violence and torture. It prevented self-knowledge. Cleaning made everything distinct and clear like the African dawn. To keep oneself clean was to set oneself apart in a world of confusion and foreigners. Dirt was vagabond. Dirt was the appetite of the flesh. Dirt was folly, disorder and sex. The Hottentots, she would say, were not only dirty, they were filthy. They smeared their bodies with butter and dung. They wore entrails around their necks. They painted their faces. They spat and urinated on brides and grooms. And when there was nothing to eat, they ate dirt rather than starve. I began to bathe myself twice a day, rising at dawn to wade in the river that ran through the farm or filling a wooden trough with hot water from the kitchen and letting the waters close over my head (Chase-Riboud, 2003: 48-49).

Different standards of water consumption and notions of water needs across space and time are reflective of the context of use. In the South African context the use of water for hygienic purposes is peculiarly racialised. For centuries Whites exerted their supremacy and civilisation via cleanliness. This of course was not perceived by Whites to be facilitated by the access to improved water infrastructure, hygiene

products and services, time and Black labour – but choice. In the same way it was the ‘choice,’ (ethical and moral) of Black South Africans not to be clean, powdered and fresh. Whites went further however to entrench this domination of cleanliness (and distinction of their superiority) by being very clean – even if, for the most part, this was facilitated by the labour of Black servants, the exploitation of Black labour and the theft of Black land and property. Notions of water need were particularly racialised in colonial Africa and under apartheid, on the assumption that Africans in general, and black South Africans in particular were merely labourers, mine workers, factory workers, farm workers or domestic workers – they did not need to be as clean as Whites.

This was reflected in the apartheid-era urban water architecture which constructed different conceptions of need and standards (see Mathewson, 1957). Water infrastructure in white suburbs, under apartheid, was built for full pressure, hot water, in-house multiple taps; diameters of pipe were large and plumbing was constructed in the front of streets. Black townships were built for low pressure, cold water, in-yard single taps; diameters of pipe were narrowed and plumbing was installed using backyard methods. Different municipal planning books existed (red and green books) which differentiated between racialised residential groups: one excellent standard for white suburbs and another inferior standard for black townships. Contemporary post-apartheid South Africa has seen the ANC government reproducing similar implicit racist notions of need through a type of discriminatory notion of basic needs and cost-cutting mechanisms.

In Msunduzi, water in poor areas is constructed on low pressure water systems and delivered by way of roof or ground tanks. Water flow is thus automatically pre-restricted, and then further restricted by way of manipulation of meters/implementation of restriction devices (MCE, 2005: pc). Household water infrastructure is rudimentary, limited to kennel-like ‘bathrooms,’ outdoor basins or water saving showers, low-flush toilets or pit latrines. There are no baths or kitchen sinks. Water drips out of taps, which are no longer made from sturdy shiny metals but cheap pink plastics; small, difficult to turn, and they break easily. Electricity is provided by way of prepaid electricity meters. Roofs are made of cheap, thin tin – blisteringly hot in summer and freezing cold in winter. There are no gutters or effective drainage. Shallow sanitation systems ensure that systems are frequently blocked and such places smell. When it rains, there is a lot of mud (Personal observation: Cinderella Park, Thenbalihle and France and Lifestories, 2006).

But look at how they are building these new houses, so small. One door and kitchen ... *Ja*, but you can't do nothing, even if they build you a shed, you go in (Lifestory 15, 31 May 2006).

Not that small little house ... There is no air vent, first of all, you have to put your own sink in, the toilets they put in are poor toilets, they've only got one door, so if there's a fire, you can only go through one entrance; the roofing, it's zinc roofs, there's no ceilings, they don't plaster the houses inside and out, that when it rains, the water goes inside. I don't know what were they trying? I mean they are giving, they are saying it's for the poor people. So, it means you are living, like you are living in a shack. That is not houses (Lifestory 3, 1 February 2006).

## **1.1 Basic water requirement**

As indicated in Chapter 2, due to the framing of 'basic' requirements within a rights-based and/or humanitarian crisis approach, notions of basic water requirements have been framed in physiological terms to meet absolute needs. Such an approach invokes a 'scientific' response; measurements are based on absolute minimums to ensure basic health and prevent death. Indeed, the full scope of water activities is largely unmet: no water for washing hands and face, brushing teeth; no water for flushing toilets; for washing dishes, utensils, pots and table tops; no water for washing clothes, linen, blankets, floors, furniture, baths and sinks; no water for small home enterprises or food gardens; no water for cultural uses, burial ceremonies or fire and other emergencies. In addition, no differentiation is made for demographic factors, all of which have implications for water requirements (e.g.) an ill child, a pregnant woman, a menstruating girl, a diabetic man, an infant, a woman feeding her child breast milk substitutes or a bedridden old woman. Ultimately, such physiological water requirements are impoverished from value or context. All 'users' are standardised; all contexts are equal. This orthodox discourse ignores Harvey's (1977 and 1996) thesis of the relational nature of 'resources' or 'basic needs' and thereby contains numerous gaps in grasping how households use and value water.

The calculation of basic water requirements is highly subjective. In this regard the framing and purpose of basic water requirements becomes significant. A water volume calculated to maintain health and prevent death, and accessed via water vendor or emergency tanker is going to be vastly different from one based on convenience, dignity, gender equity, transformation and accessed via in-house tap. In the same vein, if such basic water requirements are framed in the language of rights, with major legal and financial implications, the volumes arrived at will be dissimilar from those framed in the form of water as a public good to optimise citizenship.

Past attempts to measure water requirements via crude calculations of activities and frequencies have defied the fluidness and intimacy of use. How much and how and when a household uses water is subjective, contextual and often particular to the individual household doing the using. That is, when to flush, to share bath water or not and who shares, how hands are washed and when, to bath twice a day or once only and how much water to use; when and how often to clean homes and wash clothes etc. Values around water usage are not universal. The preference to run hands under a tap, wash in a bowl or wipe with a wet cloth are all important. Each inclination is drenched in meaning and implicates total volumes consumed. Moreover, the washing of bodies, clothes and homes in the South African milieu sometimes takes on a historical quest for false equity by the proving of humanity through cleanliness. The use of water in such a racialised hygiene context cannot be equated with international water volume research advocating volumes to meet basic physiological water needs precisely because of its closeness to recapturing dignity.

## 2 *VARIATIONS IN WATER CONSUMPTION BETWEEN GROUPS IN EASTWOOD*

Household consumption levels were garnered via municipal consolidated bills, although it is held that water meters are notoriously inaccurate (Baumann & Boland, 1998). Noting this as well as the financial impossibility of actually installing new meters at every household surveyed; I nevertheless put a number of controls in place to at least minimise 'visible' or 'obvious' irregularities. For example: in the data collection phase errors were reduced via the physical checking of meters, scrutiny of more than the study-limited three consecutive bills and engagement with households. In the data entry phase consumption was checked for consistency over the three bills and where questions were raised, households were revisited or surveys rejected. In the preliminary data cleaning and analysis phase values were considered as outliers if they exceeded the third quartile (75%) plus 1.5 (interquartile range) [ $q_3 + 1.5iqr$ ] and surveys registering meter reading errors (coded in SPSS) were removed. The large sample size further tempered against meter inaccuracies. What is important is that the consumption patterns presented are consistent against other variables. They suggest strong correlations and significances.

The next sub-sections will consider metered household consumption patterns within and across 'tariff and user' groups for the surveyed Eastwood households. The 'conventional' group will be presented first, where the prime focus will be on the relationship between household size and consumption levels. Thereafter volumes used by 'indigent' households will be presented and discussed, followed by a comparison between 'restricted', 'tampered,' and 'not-yet-restricted' water users, including consumption in relation to water access packages (specifically free basic water), technical limitations and household responses to restriction.

### *2.1 'Conventional' group: metered water consumption*

This consumption analysis is based on the 252 households included in the 'conventional' tariff grouping where consumption is not limited by any technical or administrative means. The analysis excludes a minority of households with more than 6 members per household (23) since the sample numbers were too few to render a meaningful average; and excludes a further 35 households which incurred bills that indicated meter reading disputes and errors or major consumption inconsistencies over three total bills. Unlike bill totals, which households are expected to pay regardless of error, consumption inaccuracies distort average household consumption volumes. The final household tally in this analysis is therefore 194.

Testing a number of relevant demographic variables (age, gender, illness status, socio-economic status, employment status, social security status, time at home etc.) and keeping the housing types constant (old apartheid council housing: tenement blocks, semi-detached houses and small single houses) against consumption patterns (see Baumann & Boland 1998: 22-26) it was found that the variable of household size had the strongest correlation with water consumption [1.000, sig. (1-tailed)  $p < 0.0001$ ]. In light of

this it was clear that merely calculating an average for this group was going to miss much of the consumption dynamics. Consumption patterns were therefore calculated within household size groups.

There are significant consumption differences between small and larger households (see Table 7.1). For example: households with 2 members use half the amount of households with 6 members. That is, there is a positive correlation between household size and monthly/daily household consumption; as household size increases so too does monthly/daily household consumption. There is however, an inverse correlation between household size and per capita consumption. The data showed that as household size increases, household monthly consumption also increases, but each member within the larger household uses less per capita per day (and month) than smaller households (also see Baumann & Boland 1998: 22-26).

**Table 7.1: ‘Conventional’ group: mean household and per capita consumption by household size = 6 (N=194).**

Household size (HHs)	N	Consumption per Household (HH)		Consumption per capita	
		per month(kl)	per day(l)	per month(kl)	per day(l)
1	8	4.4	147	4.4	147
2	17	8.8	283	4.4	148
3	63	12.5	417	4.2	139
4	59	15.3	512	3.8	128
5	35	17.9	596	3.6	119
6	12	18.5	617	3.1	103
<b>Total</b>	<b>194</b>	<b>14.1</b>	<b>467</b>	<b>3.9</b>	<b>131</b>

There are significant differences in variation for per capita consumption between household sizes. Households with 3-6 members benefit from economies of scale; with increasing benefit derived with each additional member. For example: sharing baths, washing clothes, cooking, cleaning home etc. It is important to note however, that sometimes, even with larger households, economies of scale do not cover all water activities for all age, gender or illness demographics. For example: baby’s bath water is not shared and baby’s clothing is washed separately; boys and girls up to their teens may share water but after this age boys typically don’t share bath water but girls continue to share water with sisters, aunts or mothers; men typically do not share bath water; if a member is very ill, bath water and washing is typically not shared, after urination toilets are immediately flushed, special food in separate pots may need to be prepared; menstruating women have to flush immediately and bath separately (or after someone); young women (older teenage girls) tend to flush fastidiously; toilets have to be flushed after defecation, for most people at least once a day (Fieldwork notes, lifestory interviews and survey data, 2006). In this regard many different factors affect how water is used in the home (not just household size); typically usage is fluid and consistent with particular household demographics, cultures, dignity values, time and the broader socio-economic environment (Ibid, 2006).

Although noting the problems around quantifying water consumption, average consumption for the Eastwood households (14.1kl/month) is far *below* the average (18kl) for Msunduzi Municipality as a whole [PAIA, 2007a].

## 2.2 'Indigent' households: metered water consumption

This consumption analysis is based on the 35 households included in the 'indigent' tariff grouping where consumption is meant to be limited by technical means. I excluded one 'indigent' tampering household from this analysis as it had a major leak and drastically skewed mean data. The final 'indigent' household sample size used in this analysis is 34. However, as noted, households have responded to such limitations in different ways. Eleven 'indigent' households are 'not-yet-restricted'. Interviews with several such households suggested that they had "chased the municipal employees away when they came to restrict us" (Lifestory interviews, 2006). Such a situation of unlimited access could however also be due to delayed administration procedures and hence 'not-yet-restricted' households will in all probability be restricted in future. The other responses include tampering with restriction washers.

The mean consumption for the 'indigent' group was 10.4kl per household per month. There were however acute differences within this 'indigent group' (household size as a factor in determining tampering will be explored later in this chapter). 'Restricted' households consumed  $\pm 8$ kl (65%) less than 'tampered' and 'not-yet-restricted' households (mean for 26: 12.3kl) and their 'conventional' group counterparts respectively.

Water restrictions to less than 6kl take on a special type of significance for 'indigent' households. The Msunduzi Indigent Policy contract stipulates that water be restricted to 12kl. The problem is that calculated flow rate of the restriction washer used for 'indigents' is 6kl (if a tap is left on 24 hours a day) (MCE, 2005: pc; DWAF, 2007b). 'Restricted' 'indigent' households consumed 4.3kl per month; this is 1.7kl less than the 6kl free water allowance. 'Restricted' indigent households noted that the savings of  $\pm R18$  (if there were no Free Basic Water or Indigent Policy at all in Msunduzi) were not perceived to adequately compensate for the negative social consequences of a reduced supply (Lifestory interviews, 2006).

**Table 7.2: 'Indigent group': mean household and per capita consumption per restriction status (N=34).**

'Indigent' households [34]	N	Household size	Consumption per HH per month (kl)	Consumption per capita per day (l)
'Restricted'	8	2.9	4.3	53
'Tampering'	15	4.8	13.4	101
'Not-yet-restricted'	11	4.2	10.9	99
Mean for all	34	4.1	10.4	89

The 'not-yet-restricted' 'indigent' group consumed less than the 12kl subsidy cap so they did stand to benefit from a net saving of  $\pm R25$  in the 2<sup>nd</sup> indigent block. 'Tampering' households also, despite

marginally exceeding the 12kl cap, saved ±R30 in the 2<sup>nd</sup> indigent block although they paid the full 'conventional' tariff of R8.37 in the 3<sup>rd</sup> tariff block (13kl+ used). That this benefit in the latter case is derived from tampering may itself be a paradox: one has to cheat the policy to benefit. However, both groups tend to limit consumption voluntarily and consumed less (±25-29%) than their 'conventional' group counterparts.

### 2.3 *Restricted and tampered: metered water consumption comparison*

This consumption analysis is based on the 28 'tampered' and 11 'restricted' water supply to households. I excluded 3 'tampered' households from this analysis for major leaks, bringing the total for the group to 25. The 'restricted' household numbers remain the same (11).

There are significant consumption differences between 'restricted' and 'tampered' households. 'Restricted' households consumed ±10kl (72%) less than their tampering counterparts. Yet, this difference tells us more about the modest consumption levels of 'restricted' households than the excessiveness of 'tampered' households (see later). 'Restricted' households should be consuming around the ±12kl mark consistent with 'conventional' households of equivalent household size. Yet they were not even able to access the minimum 6kl since 'restricted' households consume 32% less than their free basic water allowance.

**Table 7.3: 'Restricted' and 'tampered' group: mean household and per capita consumption per restriction status (N=36).**

'Restricted' group [36]	N	Household size	Consumption per HH per month (kl)	Consumption per capita per day (l)
'Restricted'	11	2.9	4.1	49
'Tampered'	25	4.5	14.4	117

'Tampering' households consumed 14.4 kl per month. For all groups of tampering households, across service packages or punitive measures, tampering is conducted out of the need to secure normal water volumes. This suggests the existence of a consumption threshold beneath which it is very difficult to function adequately. Moreover, that 'tampering' households are not over-consuming but actually consume ±2kl less than their 'conventional' household size equivalents means that the value of water does not appear to be less simply because it is accessed via tampering. Indeed, the myth of reckless water usage or deviant behaviour in relation to tampering does not appear to hold sway among these Eastwood households (explored further in Chapter 9). This study has shown clearly that households typically do not waste water. Water *is* valued and the more it is held up as a public good, with popular pressures to value it as such, the more volumes will be kept within appropriate levels. The implementation of technical limitations is therefore unnecessary and, as the comparison between 'not-yet-restricted' and 'tampered' 'indigent' households showed, counterproductive.

## 2.4 Consumption and payment correlations

There is a general perception (particularly at the municipal and national level) that households that do not pay or partially pay their total bills are feckless and use *more* water than their paying counterparts. Testing the independent variables of payment (full, partial, no-pay) against the dependent variable of monthly household consumption (for bill '1' and then bill '2') and per capita per day consumption; no significant differences (across all 'tariff and user' groups) were found in variances between households that paid in full, in part, or did not pay bill '1' and bill '2'. See Table 7.4 by way of example.

**Table 7.4: 'Tampered' households: consumption and payment correlations (N=25).**

'Tampered' [N=25]	Response variable	N	Consumption per HH (kl) per month [bill '1']	Consumption per capita per day (l) [bill '1']	Mean household size
Paid bill '1'	No-pay	12	14.6	105	4.1
	Full-pay	8	14.2	118	4.8
	Partial-pay	5	18.5	145	5
'Tampered' [N=25]	Response variable	N	Consumption per HH (kl) per month [bill '2']	Consumption per capita per day (l) [bill '2']	Mean household size
Paid bill '2'	No-pay	9	12.9	115	3.9
	Full-pay	13	15.3	131	4.5
	Partial-pay	3	15.1	77	6

This is a powerful indicator: payment rates, in Eastwood, do not reflect volumes consumed. That is, normal volumes are consumed regardless of payment. This again reaffirms the thesis of a consumption threshold below which households cannot function adequately – regardless of ability to pay in full for such volumes. Indeed, inability to pay in full does not equate with reckless or excessive water usage – water consumption remains moderate. These results indicate that myths of 'cultures of non-payment' and 'irresponsible behaviour' are unfounded.

It appears that dignity and needs, and not economics, are the major determinants of water value. The assumption that poor households will suffice themselves with wretched volumes of water just because payment is a problem is somewhat naive; nor is the ability to pay for water a fair instrument in determining how much water is needed. This assumption is also particularly racialised and classist. While poor households with fewer water-using appliances, fewer taps and toilets and bathrooms, typically limited gardens (more vegetable than flower) and certainly no sparkling cool pools; will use less water than wealthier equivalents – they place a high value on hygiene. My study found that such dignity is fiercely guarded and households have clearly rejected notions of water as commodity (Lifestory interviews, 2006).

### 3 ACCESS TO FREE BASIC WATER: EASTWOOD AND MSUNDUZI

In Msunduzi, free basic water is *only* guaranteed to 'conventional' households that consume equal to or less than 6kl per month (voluntarily) or households registered as 'indigent.' If 'conventional' households do not pay, their water may be restricted to 6kl, while, in the case of 'indigent' households restriction is a *condition* of access. This condition implies that the 'access to' free basic water may not necessarily entail a 'benefit' since restrictions may carry social and health sacrifices and burdens.<sup>51</sup>

Data for 'who is getting free basic water' is determined by consumption levels of equal to or less than 6kl per 30-day period (or 200l per day over billing period) for all 'conventional' and 'bad' debtor groups (registered as zero charge) and for the 'indigent' group, if the 6kl part of total consumption is levied as free (zero charge). I excluded one 'indigent' tampering household due to a massive leak. In this regard, all other households excluded from previous consumption analyses due to meter reading errors, inconsistencies, leaks and household size were included as I wanted to explore the free basic access phenomenon as it presents itself in reality. This free basic water analysis is based on the 335 Eastwood surveyed households.

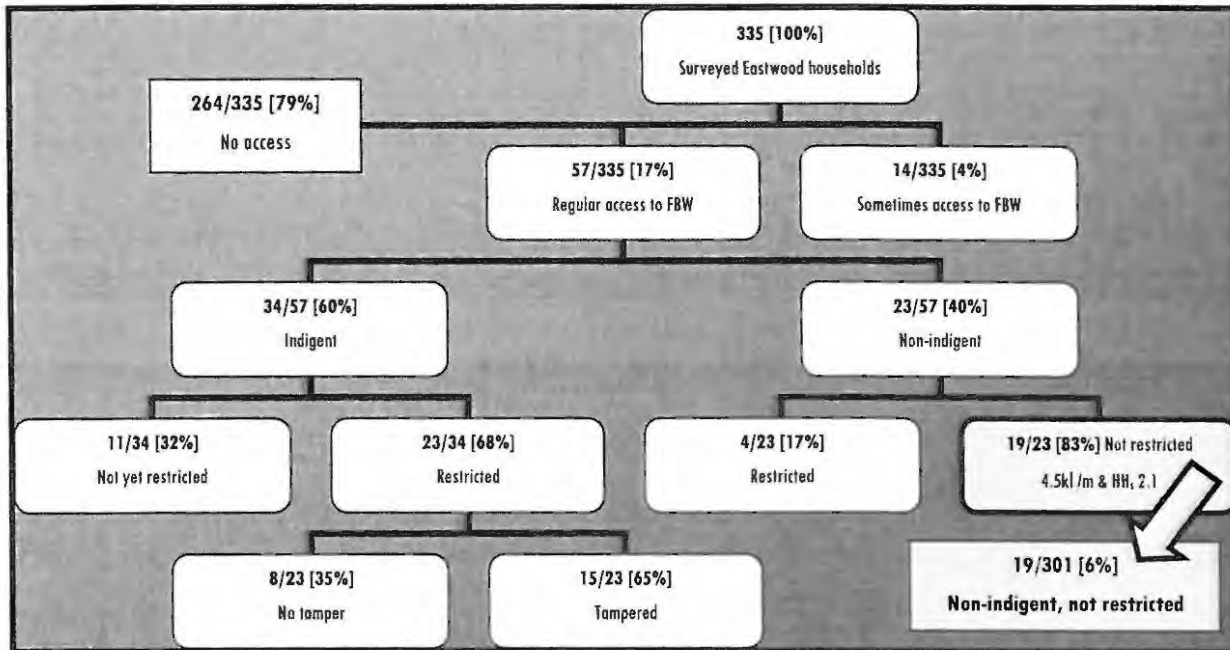
As shown in the diagram below (Figure 7.1), of my sample of 335:

- 264 (79%) households *never* accessed free basic water;
- 14 (4%) households *sometimes* accessed free basic water;
- 57 (17%) households *always* accessed free basic water.

Of the 57 households which always accessed free basic water, 40% (23) were found to be non-'indigent' and 60% (34) were found to be 'indigent.' The non-'indigent' were households with an average of 2.2 members. Four non-'indigent' households (from 'bad' debtor group) were found to have been restricted due to high levels of debt (mean debt R11 000) and therefore, by virtue of pain, were able to access free basic water. This left 19 non-'indigent' households (6% of total sample), which always accessed free basic water voluntarily (this group will be further explored below in section 3.1). All 34 'indigent' households accessed free basic water. 'Indigent' households comprised on average 4.1 members. Of the 'indigent' households which had been restricted at one or other time, 65% had tampered with their restriction washers. Free basic water access nuances for the 'indigent' grouping will be further explored in section 3.2.

---

<sup>51</sup> The term 'access to' is intentionally employed. It is not to be confused with 'benefit from' or even 'beneficiaries.' The terms carry different connotations; the former 'access to' is qualitatively neutral and, in this context, simply means that the household is receiving the free volume of 6kl at zero charge, whereas the latter distinctly implies a qualitative attribute: positive or pleasant.



**Figure 7.1: Surveyed Eastwood households with access to free basic water (N=335).**

### 3.1 The size of the non-'indigent' household and free basic water: Eastwood

It is evident that the access to free basic water by 19 'conventional' households is closely correlated to living in a small household ( $p < 0.0001$ ). The mean household size for the group is 2.1, yet the range differs between 1 and 4 members. This suggests that the relationship between household size and free basic water is slightly more nuanced than suggested by the group mean.

Of the 19 households getting free basic water; 47% live alone; 16% live in households with 2 members; another 16% with 3 members; and the remaining 21% live in a household of 4 members. Single-member households did not appear to be self-limiting and consumed at optimal levels. In contrast, the 10 remaining households, comprising two, three or four members used less water per capita per day than their 'conventional' household equivalents (see Table 7.1). Households comprising 2 members used 41% less per capita per day than their 'conventional' group counterparts (mean 87l compared to 148l); with 3-member households using 68% less per capita per day (44l compared to 139l) and 4-member households using 70% less per capita per day (38l compared to 128l) when compared with their equivalent counterparts. It is evident that as household size increased; daily water consumption per capita dropped. Yet the reduction is not consistent with the incremental economies of scale indicated in Table 7.1; these decreases are far more pronounced and indicate, especially in the 3-4 member households, that major self-limitations are occurring in order to secure a free water supply. Moreover, economic factors suggest reasons for limitation with 5 out of 10 of households registering that they use monies derived from social grants to pay bills.

It is further useful to consider the above consumption patterns in relation to the free basic water offering based on 8 members per household using 25l per capita per day. In this regard, even the largest

household group of 4 members always accessing free basic water exceeded the 25l per capita daily allowance. This hints at the incongruity between free volumes offered and the difficulty of actually consuming within volume parameters even if households substantially reduce consumption. Such a finding has import not only for administration options (free only if use =6kl per month) but also delivery options which privilege small households whilst simultaneously discriminating against larger ones. These findings suggest (1) the limited scope of access via non-‘indigent’ delivery and; (2) the inadequacy of the free 6kl volumetric cap.

Noting the distinction made between ‘access’ and ‘benefit,’ I now return to the term ‘beneficiaries’. Clearly, single-member households and small households able to self-limit but still maintain appropriate volumes have *benefitted* from free basic water. That is, only 6% (19) of all non-‘indigent’ surveyed Eastwood households benefit from free basic water.

### **3.2 ‘Indigent’ household access to free basic water: Eastwood**

Free basic water, delivered via the instrument of the Indigent Policy, appears more able to widen the scope of access by accommodating more households and importantly larger households – not by offering higher volumes of free water but simply by *not removing* it if 6kl is exceeded. This enables more households and larger households in particular, consuming volumes in proportion to size, to still access the financial benefits of free basic water despite using more than 6kl. ‘Indigent’ households had approximately twice as many members as non-‘indigent’ households similarly accessing free basic water (4.1 versus 2.2). Moreover while indigency is still skewed, with 60% of all ‘indigents’ living in ‘small’ households (1-4 members); the ratio of beneficiaries is better spread compared to non-‘indigent’ households. Nevertheless, a uniform free 6kl volume is always going to discriminate against larger households, so although a small financial benefit is gained, the volumetric equivalent is not equitable to household size. This means that while the Indigent Policy is better able to deliver free basic water than the ‘conventional’ package, the scope is still too small. Larger households are treated unequally. Arduousness of uptake and administration procedures (etc.) further limits ability to deliver free basic water (see Chapter 4). Moreover, conditional restriction actively subverts potential monetary and poverty alleviation gains by substantially reducing consumption.

Where household size does appear to have an impact is on the decision to tamper. Larger ‘indigent’ households (5-8 members) tampered more than smaller households. For example: of the 10 large households with restricted access, 9 tampered. In contrast, less than 50% of small households tampered. Significantly, tampering seems the most likely response to ‘indigent’ restriction across all households. That a rise in household size makes this action more likely is most typically attributed to substantial deprivation caused by restricted water supplies (see Chapter 8).

Indeed, where ‘indigent’ access to free basic water comes unstuck, consistent with non-‘indigent’ access, is at the point of restriction. ‘Restricted’ households [8] consumed 53l per capita per day compared to ‘not-yet-restricted’ and ‘tampered’ households, who together [26] consumed a mean 101l per capita per

day. In the case of 'restricted' households; the access to free basic water comes with acute deprivation. For example: the sole 'restricted' household in the larger household group, comprised 6 members – each member consumed 20l per capita per day. It is therefore unsurprising that the majority of 'indigent' households (small and large) have rejected the imposition of restriction washers.

Ironically, tampering might just be the Indigent Policy's salvation. Tampering facilitates, in most cases, improved access to normative volumes (not optimal but closer). Moreover, tampering ensures that the 'legitimate' contract to enable the access to 12kl is righted. The removal of the technical limitation together with a guaranteed free 6kl supply with further subsidisation from 7-12kl all ensure that not only are greater volumes of water accessible, but also that water is more affordable. In sum, households in the best position to truly benefit from free basic water and indigent subsidies are those that tampered. Yet households should guard against complacency as municipalities have shown their ingenuity in developing a myriad of restriction variants which may, in the future, thwart the tampering option.

Nevertheless, regardless of restriction status, 'indigent' households still consume less water than their 'conventional' household equivalents. That is, the Indigent Policy has instead of ensuring augmented consumption actually implicated decreased consumption. If this was the underlying intention of the Indigent Policy then it has succeeded; but, (on paper at least) the philosophy of the Indigent Policy is actually the contrary, as with free basic services. Both aim to improve the quality of life of poor households. A reduction in consumption, particularly to levels of acute deprivation, is incongruent with broader goals of transformation, equity and alleviating the fundamental constraints characterising wretchedness.

### **3.3 *Free basic water access in Msunduzi***

The PAIA request (2007a) indicated that there were 60 163 non-metered households and 61 443 metered and therefore billed domestic households in Msunduzi. Non-metered households do have access to water in some form but it may be a stretch to qualify this access in terms of 'free water access,' because the majority of such households source water through community standpipes (volumes limited by distance and ability to carry) or through automatically restricted sources such as ground/roof tanks etc. The introduction of free water for this group of households has simply allowed Msunduzi to continue the practice of providing minimum volumes and containing further consumption beyond that which has been offered.

With the 61 443 billed domestic households, the focus of this inquiry: 25 012 were registered as automatic or applied 'indigents' and thereby officially accessed free basic water through a restriction mechanism (as per PAIA, 2007a). This left 36 431 households, both metered and billed, who potentially could access free water via standard (conventional or non-'indigent') tariffs. In this regard, the PAIA request (2007a) indicated that only 3 729 Msunduzi households or ±10% consumed less than or equal to 6kl per month thereby accessing free basic water (no qualification e.g. household size or restriction status unknown). That is they do not pay a cent for water. Hence ±90% of Msunduzi households billed at

standard tariffs did not get free basic water since, by using more than 6kl, they have disqualified themselves.

#### **4 STATE CONCESSIONS VERSUS WATER REQUIREMENTS**

The government concession of 6kl free basic water falls far short of the current water requirements sought by poor households. There are dangers of reducing relative water requirements to absolute water requirements via technical or affordability limitations. The volume of water offered via the Free Basic Water Policy was never conceived originally as being sufficient to meet the appropriate water requirements of households, but rather a short-term measure (DWAF, 2003:27). Msunduzi deemed that not only is 6kl sufficient as a basic minimum but stretched this to 6kl being sufficient to satisfy water requirements in general (Msunduzi, 2001). Such a narrow interpretation has served municipal cost recovery well because it has allowed for the justification of a cap on consumption exceeding 6kl (via restriction mechanisms) and the maintenance of a high 2<sup>nd</sup> block tariff. This has the implications that poor households must (1) struggle with an inadequate volume of water and slow flow rate; (2) tamper with restriction devices with diffidence regarding being 'found out' or (3) pay for additional water volumes consumed at high tariffs with severe consequences for the household purse.

This case study has shown that the Free Basic Water Policy has failed on four major aspects: (1) account for the significance of household size on consumption levels and therefore, by default equitable access to free basic water; (2) adequately take into account the usage and value of water by poor households (perhaps discriminatory: class and race); (3) encourage broader tariff transformation to facilitate affordability after the first free 6kl; and (4) issue stronger and more rigorous injunctions on how municipalities interpreted Free Basic Water Policy implementation in line with the broad goals of free basic water.

The gap between the free water volumes offered by government and metered household consumption patterns is significant. Indeed, sufficiency has many interpretations. Let us now look at sufficiency through the optic of the Eastwood water requirement context.

##### **4.1 Water requirements of Eastwood residents**

Some may say that sufficiency just means enough water to maintain life or prevent death. Others may interpret 'sufficiency' within South Africa's developmental and historical context and insist that 'sufficiency' means enough for a productive, dignified and progressive life. There has been a general retreat in just how universal and progressive free basic services are meant to be. The objectives of service delivery were always located in the broader context of humanity and transformation: that is, delivering not just on physiological needs but dignity and equity; implicating positively on poverty alleviation, affordable access, public health and gender equity.

Although, in general, it is cautioned that metered consumption levels as per total bills should not be conflated with appropriate water requirements, this study has shown that payment rates and tampering

have little impact on the access of sufficient water supply. In this regard, the metered consumption levels of the 'conventional' group (see Table 7.1), which exclude technical limitations for 'bad' debt or as a condition of subsidy, provides an instructive guide in the determination of the range of volumes which may accommodate the water requirements of most Eastwood households. Note the deliberate use of the term 'range' as opposed to a minimum or uniform standard – a range does not limit but accommodates the subjective water requirements and size of households. Moreover, I intentionally break the linkage between how much water households require and the free 6kl offering. Quite clearly there is no relationship between the two. A range based on the original 6kl would simply reproduce the same unsubstantiated and untested notions of the poor household water requirement thereby continuing to omit the fundamental aspects of how households use and value water. The closeness of water to dignity and notions of humanity mean that the range should be wide enough to allow the user to have sufficient choice in how water activities are performed.

Attempts by the state to help the poor but at the same time instruct on how and how much water is used by poor households are very problematic. Capping water volumes will always be discriminatory and unresponsive to water requirements of households. Employing Schreiner's (2007: 118) interpretation of the welfare principle of general application (see Chapter 2); water requirements for the majority of surveyed Eastwood households (mean household size 4.3 for N=377), may be accommodated within the range of 15-18kl per month or 120-125l per capita per day. An augmented water supply would have to reflect this range above (where households do not have the money to pay for their full appropriate water requirements) and ensure this range is affordable, facilitated by direct tariff reductions and appropriate tariff restructuring (where households have some money to pay for their full appropriate water requirements). Further to this, noting the significant impact of household size on consumption level; where household size is significantly different from the mean shown here, avenues to make representations would be critical with regards to equity. This range is not proposed as an attempt at closure. Indeed this approach rejects any attempts to provide absolute figures because, as already stated, water requirements cannot be uniform. Determining water requirements for residents within specific contexts has to be done by people themselves. The range suggested is simply an indication of where such water requirements may fall if poor households in Eastwood are to be accommodated. The final volumes chosen should always reside with the people themselves.

The problem of meeting water requirements therefore is far more nuanced than delivering defined free volumes of water. Quite clearly, if the objectives of free basic water are to be realised, then a substantial re-thinking of its framework is essential. That is, the broad goal in recapturing the potential of free basic water to truly act transformatively, alleviate poverty and contribute positively to gender equity, health and productivity. Part of this review would be in returning the humanity of poor households to the centre of the water access discourse. It is recognised that securing the water requirements of poor households would have to be accompanied by a substantial paradigm shift which would re-locate water and indeed, the decisions around water, in public hands. If all are to have enough water to meet their water requirements, then perhaps there is no place for 'hedonistic' users (private swimming pools, exotic

gardens and golf courses etc.). In the same vein, there is no place for the commodification of the water required by poor households if it comes at the cost of public health, dignity, an erosion of the household purse, gender equity, community solidarity and undermines the broad goals of racial and socio-economic transformation in South Africa.

## 5 CONCLUSION

With the implementation of free basic water, where payment was not forthcoming or was sporadic, households formerly with unlimited water supplies were restricted just to the free basic water offering and could not access water beyond the 6kl cap (the state now being active in implementing punitive measures where conditions of access have been contravened). Free basic water in Eastwood, instead of advancing the access beyond what was previously available to appropriate volumes of water and making water more affordable for poor households, actually achieved the contrary – it eroded formerly unlimited water supplies via the imposition of restriction devices, exacerbating and contributing to the emerging affordability crisis. Indeed, the offering of free basic water and indigent subsidies cannot be seen outside the framework of social containment, cost recovery and corporatisation. That is, whether it was the local state's intention to use concessions as containment or not; where affordability or technical measures prevented households from accessing as much water as they perceived appropriate to meet their water requirements, any limitation was always going to be seen as containing the poor. Free basic water, in Msunduzi, has been used as a pseudo-moral justification to limit the water volumes of households struggling to meet full and timely total bill payments. It is bitterly ironic, then, that the most vulnerable, for whom free basic water might actually have implicated great benefits for transformation, equity, dignity and improvement in quality of life, are the ones for whom free basic water has acted retrogressively.

Free basic water was not accompanied by tariff reforms to increase affordability above 6kl. Free basic water in short provided a resource and financial control for municipalities to limit water service volumes to poor households whilst concurrently preserving a poorly equilibrated tariff structure via the erroneous justification that "all poor households" had been catered for. Indeed, and in contrast to the principles of welfare, very few households had access to and even fewer were benefiting from free basic water. Msunduzi's interpretation of free water via option 1 and 3 (see Chapter 4, s3), whereby a household could only access a guaranteed free basic water allocation if consumption was equal to or less than 200 litres per 30-day period (or equivalent) or if a household qualified as 'indigent,' severely strangled the scope of free basic water.

Only 6% of all Eastwood and 10% of all Msunduzi non-'indigent', non-restricted households were able to access free basic water. Small households in general and households with one to two members in particular were better able to access the benefits of free basic water. This finding implicated service delivery modes in relation to a standard offering of free basic water capped at 6kl per month.

The Department of Water Affairs and Forestry and local municipalities in general have not been able to regulate tariff systems and enlarge the numbers of free basic water beneficiaries. Quite clearly, as elucidated by the Msunduzi case, the Free Basic Water Policy, in Eastwood – an established urban setting, has failed: the volumes and delivery mechanisms enacted were not sufficient, nor appropriate, nor consistent with the broad goals of free basic water. This was due to the initial conceptualisation and framework governing the national Free Basic Water Policy in conjunction with Msunduzi's peculiar interpretation of free basic water within a rigorous credit control apparatus. DWAF's role in free basic water's failure is palpable. A much stronger and more visionary leadership was required. The autonomy of local authorities should not have extended to a policy with such scope to actively improve the lives of poor households (Dugard, 2008). The Msunduzi case laid bare the implications of loose implementation injunctions and lack of regulatory oversight. The Free Basic Water policy, failed by its own lack of imagination and temerity in acting within the South African miracle; has been reduced in the hands of blinkered technocrats to a miserly volume of water making no impact on affordability or transformation and acting retrogressively on original household water access with implications for quality of life, dignity, equity, productivity and citizenship (see Chapter 8).

Water volumes in the 1994 RDP and 1997 Water Services Act were conceived in a framework of access addressing apartheid backlogs and basic human rights. At the time of the conception of the Free Basic Water Policy, there appeared little international and local research to go on. International research at the time was framed within a limited 'rights-based' and 'physiological needs' approach to access. The Durban Metropolitan Municipality experience therefore set a precedent. The 'Durban experiment,' however carried fundamental flaws: (1) it misunderstood the link between improved water access and increased volumes; (2) its context of delivering water to households without previous access failed to account for households previously with optimal access; and (3) it was framed within a narrow cost-accountancy framework. The volume arrived at glossed over the significance of household size on household water consumption; had no relation to actual household water requirements; had no concept of the use of water within a real-life, fluid domestic environment; and had no conception of its intrinsic value for dignity, health, productivity, gender equity and citizenship. The 'Durban experiment,' located in informal settlements, formerly with non-permanent access should not have transcended beyond this context to areas of historical, full-pressure and grid access. The Eastwood case reflected the inappropriate national application of a policy practically conceptualised within a narrow local context and to meet particular objectives and needs.

This chapter has proposed that a water supply of between the range 15-18kl in Eastwood based on metered consumption and taking account of household size may be more appropriate for meeting the water requirements of the majority of poor households and end the cycle of debt. However, in line with Harvey's (1977 and 1996) thesis of the relational nature of 'resources' and 'basic needs,' and the social and cultural construction of needs; any final decision as to basic supply has to be located in the contexts and preferences of the people themselves. That is, the people themselves are to be the 'experts' and managers of their own perceptions of what they need. Importantly, Harvey (2006: pc) notes: unless there

is an ideological reclaiming of the popular ownership and control of water, technocrats will always find a way to limit water in ways not originally considered. In this regard all the required water does not have to be offered free. Of greater import however; is that an augmented water supply be accompanied by a substantial restructuring of tariff structures (prices, block numbers and block parameters) which prioritise affordability to facilitate appropriate access (especially where water systems are already in place) and absorb affordability constraints. In determining a more equitable tariff structure, Msunduzi through its Indigent Policy already has a mechanism which subsidises water volumes between 6kl and 12kl. Perhaps by widening the block parameters from 12kl to 18kl and applying the Indigent Policy tariffs as the water access policy for all poor households, minus restrictions and onerous uptake procedures; the quest for equity and financial relief may be decisively realised. However, this option may not be supported within the existing framework. If true equity is to be achieved however; the system which prioritises cost recovery via commodification and commercialisation above the needs of people will have to be dismantled.

It appears that the racialised notions of cleanliness employed in apartheid (and for centuries in other parts of colonial Africa) to distinguish black from white are being reproduced in contemporary water architecture. That race has been usurped by class – the poor are the new unclean – is merely a more subtle way to prevent poor mostly black households from accessing the volumes of water perceived to deliver dignity and equality. Yet, it appears that poor citizens rejected this overt classification and segmentation. In this, the state misjudged that the security of adequate volumes of water is intrinsic to reclaimed humanity. Indeed, despite porous state success to contain and deny households the access to their appropriate water requirements; ultimately, where households are limited to volumes below that which is deemed appropriate, the local state cannot win: households will ‘find a way’ to secure normative supplies.

The next chapter (8) will move beyond volumetric considerations and consider the micro-implications of restricted welfare in the domestic realm of the poor and working poor. The real life experiences of households pushed into ‘indigent’ service packages or simply restricted due to ‘bad’ debt will be explored. In addition, Chapter 8 will explore the political attitudes of households to welfare and the state.

## **Chapter 8**

### ***MICRO-IMPLICATIONS OF RESTRICTED WELFARE AND HOUSEHOLD PERCEPTIONS THEREOF***

Chapter 8 explores the micro-socio-political implications of restricted welfare for the homes and communities of the poor and working poor and their attitudes to welfare and the state. This chapter considers the social, practical and perceived micro-implications of water restrictions for poor households. The whole spectrum of water activities is considered. Thereafter the household perceptions of free basic services and indigent subsidies and conditions are explored, as are household perceptions of the local state. I close the chapter with a consideration of municipal perceptions of the poor and the services and subsidies given.

The qualitative information referred to herein adheres to all the naturalistic techniques employed to establish methodological adequacy and data trustworthiness (Erlandson, *et al.*, 1993: 131-161). Typically, household accounts of living with a restricted water supply read like a “tragicomic story” (Ginzburg, 1975: 78). I have tried to capture the feelings, perceptions and realities of poor households via excerpts from my field notes, lifestory interviews, Msunduzi management and debt collector interviews and informal engagements on Eastwood streets, in municipal offices and in broader community meetings.

This section takes its data from the 35 ‘indigent’ households, the 3 ‘restricted’ and 12 ‘tampering’ ‘bad debtor’ households (from major survey), the 159 restricted households included in the first exploratory restriction mini-survey, lifestory interviews, field notes, informal community engagement, primary municipal data and interviews with municipal officials; and much time spent on personal observation in homes and in the municipal payment hall.

#### ***1 MICRO-IMPLICATIONS OF RESTRICTIONS: SOCIAL, PRACTICAL AND PERCEIVED***

If the restriction system works as it should, the restriction washer with a hole diameter of 0.5mm and at the standard pressure, provides 8.33· litres per hour, or 6kl a month ( $8.33\text{l} \times 24\text{hr} \times 30\text{days} = 5999.99997\text{kl/month}$ ). This is in apparent contravention of DWAF-issued regulations which state that flow rate should not be less than 10 litres per minute [section 9 (1) of the Water Services Act, (DWAF, 2002c: 26; DWAF, 2003: 45)]. However, when Pietermaritzburg communities challenged Msunduzi and DWAF on this, they retorted, “... the flow rate of 8.3333 litres per hour does indeed amount to 6 000 litres per month and therefore conforms to national norms and standards” (DWAF, 2007b). Perhaps DWAF was unaware that households do not run their taps for 24 hours, 7 days a week and that hole diameters and pressures differ. Together, all of these factors meant that households could not even access the ‘basic’ 6kl.

The inadequacy of the free basic water volume coupled with the mode of low pressure delivery via restriction washers implied a deluge of negative consequences for major water activities (bathing, washing, flushing toilet) and minor activities (cleaning home; drinking water; washing hands and face and brushing teeth; washing and rinsing kitchen utensils, counters and foods; and running home enterprises). These negative consequences extended to time, gender-based burden, dignity, hygiene, stress, intra-household conflict and children's development.

This section will show that the flow rate coupled with a reduced supply had profound implications on household time, quality of activity and relative burden of activity. All household members were affected by restriction washers but the primary homemaker (typically a woman) was disproportionately burdened. That restriction washers were introduced into an already iniquitous milieu whereby domestic burden is located in both the public realm (at work: feminisation of labour whereby women follow the broom into the workplace [Samson, 2007], paid less than men and perform degrading 'service-type' work [Brown, 2006]) and private realm (in the home: sexual division of labour created by capitalism which saw a distinctly gendered domestic environment of unpaid reproductive work and familial caring) [Brown, 2006; Cock, 2008]; implied a third burden by making 'private' work more onerous.

It is the 'third burden' which is given space in this chapter and revealed through what is termed the 'étatisation' of time (Verdery, 1996) – the 'state control' or 'nationalisation' (Painter, 2006: 755) or 'theft' of the private time of citizens in its many guises. The 'étatisation' of time, in this study context, is enacted via restriction washers. Water access, within a home environment, was necessary to fulfil all activities of reproduction and caring. This meant that any limitation, containment or restriction, immediately and acutely affected the functioning of a household in general; and the person performing the task in particular. Unlike administrative time-stealing (explored later); restriction washers stole time directly within the home and more specifically from those responsible for conducting domestic activities – typically women.

### ***1.1 Waiting ... time and households***

Restriction washers severely reduced the water pressure in household water systems. Only one tap was operational at a time and the flow rate through this singular water source was very slow. The major consequence of such a reduced pressure was that households spent a vast amount of time waiting for water to perform an activity. For example: a flow rate of 8.33 litres per hour implicated that filling a 20-litre bucket of water meant  $\pm 2$  hours spent waiting. A direct result of this was that a restricted household typically had a scattering of containers of all shapes and sizes around the house: used either to save dirty water for re-use elsewhere or to store clean water to be used to bath, wash clothes or drink. Water was recycled until the smell could no longer be tolerated. Water could not be used freely. That is, at the time it was needed, in sufficient volumes required and in the mode preferred. Every water activity was consciously thought about, calculated, planned and timed. The use of water was approached with excessive vigilance and was constantly on the mind of the homemaker.

... waiting for the water, doing this, waiting to put on water for tea, waiting to bath your child, waiting to wash your clothes (Lifestory 3, 1 February 2006).

If you use the bathroom; the kitchen doesn't get water. If you use the kitchen; the bathroom doesn't get water ... Ja, the water, Man! The procession of putting, thinking, you know putting the pot, how long is it going to take ... (Lifestory 10, 2 May 2006).

When she had to wait and wait and wait for water, when she could only use one tap at a time; a woman could no longer multitask. Instead of performing a myriad of water activities simultaneously; for example: running her children's bath, rinsing the potatoes for supper, wiping the table, filling the kettle, soaking her children's school shirts and flushing the toilet; when her water is restricted – she can only do one thing at a time. She cannot run her children's bathwater *and* rinse the potatoes *and* soak her children's school shirts et cetera. Only once her children's bathwater had been run could she *only then* rinse the potatoes, once the potatoes had been rinsed, *only then* could she draw the water to soak her children's school shirts. Restriction meant that activities could only be performed sequentially, with major time implications.

## 1.2 *Waiting ... to bath*

Restriction washers severely limit water use activities which require relatively large volumes of water (such as bathing and washing) due to the longer waiting period required to reach a sufficient water volume and the planning involved. Subsequently, households had to severely limit the volumes used, which simultaneously changed the nature of 'bathing culture.' Having a bath was no longer "a delicious little thrill" as Ross (1996: 93) put it. Typically, the restricted household members would bath in a basin (plastic/enamel) instead of a bath. A bath simply took too long to fill. The prospect of running a long hot bath, to relax and soak away the day's stress and sweat, which was technically possible pre-restriction; was no longer possible: you bathed in a basin and you just washed and wiped to get clean. Moreover, households expressed that they could no longer rely on geysers for hot water. The low flow rate, they said, damaged their geysers.

The irony is that they make these washers out of the copper in old or broken geysers. The more washers; the more broken geysers. The more broken geysers; the more washers (Patrys Road, 3 December 2006).

Households, with electricity/gas, added a kettle/pot or two of hot water to a small basin of cold water. 'Bath' water was shared and reused (for other activities) wherever possible.

I bath my kids first and send them to school, then take their water and bath myself, then take that water and fill the toilet cistern (Korhoender Road, 2 March 2005).

We don't actually have a bath where we fill in the bath and relax in it. We are just basically putting it in a dish and we are washing in the dish. We don't actually put a bath of water; you are bathing in a dish (Lifestory 3, 1 February 2006).

We don't really bath, we just rub ourselves. You just rub yourself with the soap. We sit in the bath, rub ourselves and then pour the water over us (Lifestory 11, 17 May 2006).

We have to bath out of a dish. You can't bath. You have to wait too long. You have to bath out of a dish; you have like a shower when you are washing (Lifestory 4, 15 February 2006).

You've got to bath, you've got to wait one person ... the bathing, I would bath and then I would jump out and my daughter would jump in and use my water. And it's like you are having a splash. That is all you could do; there was no bath. And it's not hygienic, how can you live like that? (Lifestory 9, 21 April 2006).

Households expressed that sometimes they deferred or abandoned bathing altogether due to the preparation time required.

The thing is sometimes you want to go and bath and you think of the water and it sort of turns you off! You know! *Ayii!* (Lifestory 6, 15 March 2006).

You know like on a Sunday, I will be rushing for church and I think, *Ayii* I must still have a bath, and I watch the time and I see, oh, it is 8 o'clock, I can still ... and I think no, I can still have a bath and I think, no leave it never mind, by the time that water is full it will be half-past eight and so time has run out (Lifestory 10, 2 May 2006).

### **1.3    *Waiting ... to wash***

The procedures for washing clothes and linen became complicated. Waiting times were long and again volumes were cut. Only one tap was operable at a time. Water for washing implied the opening of a tap several hours before washing could start. Here too, households would have to have enough containers to hold water for washing and rinsing. Households indicated that frequently water was set aside after bathing to be re-used for washing clothes but that rinsing had to be performed with clean water. Moreover the volumes of water required for rinsing were greater than those for washing. Indeed, water required for rinsing clothes appeared to be very problematic. In this regard households complained that it took so long to get such water that less water than required was used. This meant that clothes and linen not sufficiently washed due to the overuse of soapy water were also not completely rinsed with the implication that clothes smelled and had that hardened feel of washing powder that was not completely rinsed out.

You've got to fill buckets in the evening, if you know you are doing washing the next day. Make sure all the buckets are filled. Then you've got to wash with the one bucket. Throw all your clothing in one bucket. There is no such luck as if you've got a machine you can separate the whites from the coloured clothes. You are just washing in one bucket. You don't separate anything; you are just washing in one bucket. There is not enough water. So, from there you've got to be rinsing in the next water. The rinsing you use two buckets, so like you are not even rinsing the clothes out perfectly. But just to rinse them so they are smelling okay. We soak the clothes before we wash them and then wash in the same water (Lifestory 3, 1 February 2006).

When we did the washing and things, we had to wait quite a while; we had to start early, to open the water, to go to the toilet. If you wanted to do the washing you had to turn on the water by 8am and then about 10am you could only do the washing. And even to rinse too, it was a problem, because when you wash, afterwards you have to rinse. You still have to wait, you know about another two hours waiting (Lifestory 4, 15 February 2006).

You saw how it drips. It takes a very long time; it does. When you wash, you fill the water and then when you rinse we must wait again for the rinsing. It takes long. When we start washing, we turn the water on at about 8 o'clock in the morning; and then can start washing at 10 o'clock,

about two hours. And then we still have to rinse the clothes. Wait again, it's terrible. We wash, in just a little bit of water, we have to wait till there is enough for washing. You let the water run till you think it is enough and then you put your powdered soap and all that, soak and all that. Then you start your washing, open again for washing. Then you open again for rinsing (Lifestory 6, 15 March 2006).

... this is how I do it: I have to wait. If I do my washing, it takes half a day. Because you see I have to rinse, takes time, full the bucket up again. I have to rinse, then wash and then rinse again (Lifestory 1, 24 January 2006).

But not always do we soak it 'cause the water comes out very slow, we can't afford to soak, we just wash. You think of the time and the water that's available and you really wait long for that water. You really wait long. Washing takes very long because you have to open the water at 3am in the morning, and by the time you wake up at 6am it's not even half way in the bath. You see, 'cause once you open the bathroom tap you can't open any other tap. Like you want to wash the dishes in the kitchen, but the water must first be finished in the bathroom (Lifestory 17, 21 December 2005).

I wash, you can check my washing. I have my white washing, coloured and running washing. Because of this water, you can see the colour of our clothes. Because you got to use a limited amount of water. And try and rinse and when that bit of water, rinses the white things first, then I got to take the coloured things, then I rinse them in the same water and then I got to put *Staysoft* in again, you rinse it and squeeze it and wring it out. But you know the water is not sufficient. Before, I won't bluff you, we used to use about half the tub, so that I could rinse my washing clean. And when you wring your washing, you can see your washing's clean. We don't have that now, so you got to use *stasoft*. And if you can't afford *stasoft*, what happens? Your clothes smell (Lifestory 2, 26 January 2006).

Households in possession of washing machines indicated concern that the flow rate via the restriction washers damaged their machines (specifically with washing machines that did not allow a manual input of water). In this regard households could no longer use them and reverted to washing clothes by hand. Households with machines allowing a manual water input, indicated that the restriction washers implicated that, like households that washed by hand, white clothes and dark clothes were washed and rinsed in the same water.

I've got a washing machine, but it took forever. In the end I started doing washing every third day, by hand. Because the machine would take forever and it wouldn't get full anyway. *Ja*, because it uses water to rinse and then wash and then new water to rinse. And there was not enough water and it almost damaged my machine. My machine was almost damaged. Because I was wondering ... because it was making a noise, like it's washing but the water is not even covering the clothing, because I mean it fills up and then it automatically switches off on its own, the machine. Now it doesn't know that it can't take more (water), so it switches off with hardly any water (inside) and starts operating on its own. So with the result that the drum, the thing that turns, almost broke. So, I stopped using my machine (Lifestory 9, 21 April 2006).

I don't even use my washing machine because I don't know what it will bugger, because now it doesn't fill. There must be so much water for it to wash. So I have to wash by hand. I only use the washing machine to spin. I just put it on spin (Lifestory 10, 2 May 2006).

Households further indicated that they did not wash their linen and clothes as often as they would like. Indeed, it is clear that all restricted households cut down on all activities, both the volumes used and the frequency of activity.

You see the washing now; I do it on a Friday. 'Cause I used to do it on a Monday and Fridays, now just once. So, I cut down because maybe we were using too much water. So we cut down the water, we actually close the taps in the day time, we don't use the taps in the kitchen. We use the bathroom, maybe after you have used the toilet, you wash your hands. And then we only use the kitchen taps when we are cooking and after that there, we close. Bathing, we only bath once. And the children just have a wash. It's just boys so we put a little water in the bath and the boys all share (Lifestory 7, 11 April 2006).

... it takes a whole day; we wash about once a month (Lifestory 1, 24 January 2006).

Before having a washer, we used to wash linen every week. But now with a restrictor on, you can't do it once a week. This is also unhygienic too cause you know body odour, you sleeping, you sweating, there is nothing you can do (Lifestory 3, 1 February 2006).

#### **1.4 *Waiting ... to flush***

A restricted water supply played havoc with sanitation and even the simple act of flushing the toilet was problematic. Cisterns took a long time to fill up and whilst the cistern was filling up no other taps were operable. To counter this, toilets were only flushed when absolutely necessary or were flushed physically by pouring water into the toilet bowl. Households indicated that pouring water into the toilet bowl was not an efficient way to keep the bowl clean. This was due to reduced flush efficiency but probably more so because the water invariably used to pour into the bowl came from soapy water from washed clothes, the same soapy water that was used to wash bodies tired and sweaty from work, school, play or just another exhausting day.

The difficulty in acquiring water for flushing implicated that toilets were frequently left unflushed until the smell became unbearable and toilets simply had to be flushed. Demographics, physiological requirements, ventilation and household hygiene norms all impacted on frequency of flush (both want and need). For example: number and age of members; gender (pregnancy, menstruation and young female dignity); illness status (bladder problems and infections, diarrhoea, diabetes, high blood pressure/sugar and persons living with HIV/AIDS); size and location of bath/toilet room; excretion requirements and perceptions of hygiene. Households indicated that toilets were not flushed enough.

It was too bad. It was too bad because you could only open one tap at a time. And the toilet, to flush it, how long did it take to fill up there. So you going, a person is urinating, the next one comes, you flush, the next one comes; you can't flush. Somebody goes and needs to make number two; you can't flush because there is no water. So you've got to sit and wait now, till it fills up for you to do that (Lifestory 9, 21 April 2006).

... the toilet is more worse. That's more worse, the toilet is more worse! You flush the toilet, then you can't flush the toilet, then you have to wait. You have to wait quite a while too, I think about an hour before you can flush (Lifestory 4, 15 February 2006).

I feel it is very unhealthy, even an inspector will tell you that. Because the toilet now, we have to wait until it fills. Say you have a running stomach and you have to wait now till it fills so you can flush it down. It takes hours and hours and hours, hours and hours to fill. Because now it is just dripping (Lifestory 10, 2 May 2006).

... do you know what it is like for all of us to need to shit in the morning? Sometimes we can't even flush before the other one goes. We also need to brush our teeth and have coffee and get

ready for work. We can't wait for the water for the cistern to fill. We must get out and go to work (Korhoender Road, 21 April 2006).

With a toilet that did not flush when needed and requiring physical cleaning; households were unhappy with the hygiene situation and felt that it was unhealthy. Not being able to flush the toilet on demand was perceived, by households, to create indignity, embarrassment, inconvenience and health problems. Not being able to flush the toilet meant that homes smelt (worse with poor ventilation, small homes and exacerbated by heat). Some households used all manner of air fresheners, candles et cetera but regardless of how aggressively such products were used, homes still smelled.

You know when a house is restricted. You know as soon as you walk through the door. You know the house is not flushing at all or just sometimes. You can smell it. You can smell the urine. You can see the people. You can feel the dirt (Duif Road, 7 December 2005).

Some households voiced that they got used to such indignity and privation; however, when visited by a neighbour, friend or relative the reality of their situations became all the more inescapable and acute. There was often an awkward rush to the toilet to flush it when such persons entered the home. To prevent embarrassment households often discouraged visitors from their homes and made alternative social arrangements. Such a situation limited socialisation in terms of holding church, women's groups or other gatherings in the home. Households became extremely embarrassed if visitors, friends etc. asked to use their toilet and the procedure of flushing then had to be confessed. The visitor too, became anxious and thought twice before asking to use the toilet: not wanting to embarrass the host and worrying that they would be using the household's scarce water (Lifestory interviews, 2006).

Alternatively household embarrassment was replaced by frustration, whereby households, vigilantly monitoring the use of their toilets, felt uncomfortable with the perception that flushing was literally money down the drain and actively asked relatives and friends to use alternative facilities.

I have to shout at people to stop using the toilet, hey you, stop using the toilet! Whoever comes here, the grandchildren, I have to shout at them to stop using the toilet, I tell them to go home. The toilet is broken, but we flush it from inside [the cistern]. I fight if it gets flushed a lot. We don't flush every time. It has to be flushed but I am frightened because so many litres go down. I have to tell them. They know, they know. They must be careful, they must just be careful, that's all. We mustn't go overboard (Lifestory 11, 17 May 2006).

Where income generation activities were run from homes (e.g. hair plaiting etc.), households expressed a desperate exasperation that the implications of not being able to efficiently flush the toilet and the subsequent smell and tangible insufficient hygiene was hampering their business.

I used to get a lot of customers, a lot of customers, maybe 4 or 5 people a day, all right. And I do their hair at home, you know because knowing that, I can't go to people's houses because someone else will come and they want me to do their hair and I'm not at home. So it did make a difference because the toilet would be smelling terrible and I would be doing somebody's hair and I would even feel so embarrassed and I can feel that the person is ... You know we don't have things like air fresheners, and you can spray the entire house, and so you can close the door, but at the end of the day that smell, that smell just seeps under the door and all of that. And you can't do anything.

The house has to be clean, first of all. It has to be clean and the toilet can't be smelling like that. And the person can't sit the entire day, plaiting braids and when they ask, "can I please use your toilet?" People are uncomfortable, using a place that is unhygienic. And a place that you can't flush the toilet, they are going to feel dirty. So, the toilet not being able to flush might not be a problem to the municipality but the water not being there is a big problem because the person is going to feel it. Maybe, they want to urinate or do something else and then they have to wait ... wait for water in the bucket and then the time ... they are going to say, "*Hawu!* I'm not going to go back to that girl, she plaits nice but the problem is, there is no toilet, we can't use the toilet. We must go and sit there for 5 or 6 hours, doing my hair, with no toilet. Can't drink water, things like that. So, it is a waste; I am losing out a lot (Lifestory 17, 21 December 2005).

### **1.5 *Waiting ... for dignity***

Many of the complications that have been presented deal with the major water activities; yet it is often the myriad of prosaic activities that together form a matrix of privation and indignity. For example: washing dishes, rinsing vegetables, cleaning counter tops, mopping up spills, drinking water, washing hands and face, brushing teeth and cleaning the home. Indeed, all the infinitesimal activities that households normally performed without thinking; suddenly with restriction, had to be consciously worked.

Restricted households washed dishes and utensils in a small container (such as an ice-cream container or small bowl); not the sink. A container was quicker to fill. Typically, dishes and utensils were not rinsed; just washed and put in the cupboard. Some households said that they did not even rinse their vegetables properly before they cooked them. They were wiped when needed. Water was collected in containers for drinking. Water for drinking was not accessed directly from the tap; a container was filled and then poured from when needed. Hands were not run under the tap but cleaned using water from a bowl or wiped with a wet cloth. Water for brushing teeth was put in a cup. Bath water was re-used for wiping floors and washing mats/carpets etc. Households voiced that the only water that was not re-used was the greasy, dirty and soapy water which had been used for washing dishes, pots and utensils.

If I have bath water that is still okay, I have a twin tub so I can wash the carpets in there (the bath water). No waste ... I rinse the carpets and things in there. I pour the water in the washing machine. Also, the water that comes from the spin-dry, I catch that water and I put it back into the machine to rinse the next load. So that water does not just evaporate and get finished. The rinsing water, I wash the carpets, so what ever water gets thrown out, it is dirty water. I make sure that it is really dirty water. So as I am saying, I make sure that the water is very dirty, and I even take some of that and I wipe the floors (Lifestory 11, 17 May 2006).

Because even minor water use activities were planned and or controlled, parental guidance was often needed in the case of children. Moreover, assistance from children with household chores had to be monitored or discouraged so as not to 'waste' water. This meant that women typically found it "easier just to do the work themselves" (Lifestory interviews, 2006). This meant that the burden on the primary homemaker increased.

It was clear that restrictions had negative implications for all household members; however the burden was more piercingly felt by the principal homemakers: typically women. In cases where the home included members who were mentally or physically challenged, ill or headed by a child; restrictions

further burdened the already struggling household. Restrictions had a clear impact on time (both the time needed to perform the specific activity and the opportunity cost of such activity on other non-water related activities), usability of infrastructure/appliances, efficiency of performance, perceptions of health and dignity.

It was the role of the homemaker to ensure that the home functioned efficiently. Restriction frustrated such duties and placed impossible odds against the homemaker. If a home was not clean and smelled, who was responsible? If clothes were not washed, who was responsible? Yes, the particular household might be restricted but activities still had to be carried out, regardless of the burden involved. This had the implication that women faced indignity, humiliation and frustration – both within the home and from outsiders (who might or might not have known that the household was restricted and, even if they did, might not have fully recognised the intensity of burden). Indeed, an overwhelming distress, voiced by restricted households, was the perception that ‘other people’ thought that they were both dirty and worse: dirty out of volition. With this came a great sense of shame and humiliation.

*‘Bathi siyanuka!’* [They say we stink!] (Lifestory 17, 21 December 2005).

## **1.6** *Waiting ... to die*

It was clear that restricted water had health ramifications; and not isolated to the realm of aesthetics, as suggested by some scholars (Eales, 2006; Palmer, 2007). I met many households that were caring for members living with HIV/AIDS. Service deprivations were perceived as a direct threat on their own and their ill family members’ lives. These excerpts below were conversations with a registered nurse and a woman who, as part of her church work, prayed for, and offered help and bereavement counselling to clergy members and their families.

Now you tell me ... do they realise that, does the government realise that we are dying out here? We are getting infected. Huh? We are infecting one another with AIDS, HIV. If they keep on coming here to put these things in here (restriction washers), cutting off our lights, are they after killing the whole of Eastwood? Because that is what they are after doing next; they are going to kill us. Its easy, it is easy. Firstly they are sick hey, dehydration, right, and plus food. You are going to assist, that person is not going to tell you they are HIV, they are not going to tell you they are HIV, you coming in there, you are entering the house, you can see the circumstances, *hawu* what happened, lights off, there is no water, no gloves. And the people, the mothers there are helping, assisting their children. No gloves, they’ve got nowhere to wash, and from there, from helping out the child, into the pots. Already, how many people am I infecting in one house? How many people are getting infected in one house? And then afterwards you are going to find children, I mean shingles, children of today don’t know what is shingles, it is very, very contagious, and that is how most of the people are contracting HIV, through shingles. Small children are playing around the house ... with shingles in the home ... the sores open up. The sores open up. And if you are not cleaning the bedding ... things like that, you need to clean, you need hygiene. And you tell me, by these people cutting off water, not giving them light, huh, how is the sanitary there? You can’t flush the toilet, wash hands, clothes. Illness, sickness, contracting HIV. Get people to come and check in the homes, how people are living, how many children; I am quite sure most of the people are full of shingles already but they wouldn’t know its shingles, they will think oh, it is scabies, even with the scabies, you will find them with a lot of sores and all that, then we are eating, then you are coming to console and saying oh I am so sorry, oh what happened and you are also contracting. Huh, from there you are passing it onto your place. Who

are you going to meet along the road, maybe two or three people? You shaking, you holding, you kissing, you carrying on. What's happening? It is spreading. Spreading and maybe you are coming to that house and sometimes it don't show but I tell you that germ of AIDS inside is still alive, the first person it wakes up to contracts it. No man, they are playing with our lives, they are killing us. They are killing us. You can't tell me with all this here ... they need to do something (Lifestory 7, 11 April 2006).

No. It's terrible really, you know when you really sit and think ... we are living in a society with an epidemic ... and I mean they are taking away people's water, they are taking away people's electricity and there are sick people in the house. And how is the hygiene? You go into those people's homes and you think no wonder that person died in this house. Because I mean we go to a lot of homes. Because I belong to the prayer group, St Francis Assisi. So whenever there are deaths in the community, let's say, because I am a Roman Catholic, if someone requests a prayer meeting in their home, then we go there and we will pray. But you go and you look at the conditions in the home and you know, you think ... but they had to ... go. I mean look at the way they lived ... how did they expect to survive (Lifestory 9, 21 April 2006).

## **2 HOUSEHOLD PERCEPTIONS OF RESTRICTION AND RELIEF**

The widespread perception of the Indigent and Free Basic Services policies is that household lives have been made more difficult. Hence, although our data indicated that financial burden was reduced if households paid in full and on time, only 9% of 'indigent' households in the study actually did (see Chapter 6 s1.3). Yet it appeared that even for those households able to extract maximum monetary savings (coupled with the 91% able to access some subsidies), the heightened domestic burden exceeded the monies saved.

In this regard, a 'saving' on the total bill was displaced as more work for women in the already unpaid realm of household reproduction and caring. Indeed, as shown in Chapter 6 s3.1, the social wage benefit, diminished by the servicing of debt (for the 91% of 'indigent' households), resulted in a net benefit of a mere R39.05. Unsurprisingly women in 'indigent' households perceived this 'gain' as wholly inadequate when compared to what it meant in terms of time, dignity and the ability to be free citizens and access a decent and productive quality of life. Indeed, households perceived indigent subsidies as retrogressive and injurious and voiced that they would rather revert to normal service levels at original tariffs (consistent with Lund's [2001] theory of the poor having to concede so much more than they receive). In this regard, it is useful to consider the push factors, which compelled poor households to sign up in the first place.

### **2.1 The tyranny of 'choice'**

Poor households unable to keep up with their monthly service payments are left with limited choices if they are to remain within the municipal system and access municipal services. They must (1) continue making payments by compromising other essential needs, struggle with regular electricity disconnections; ward off municipal debt collectors and lawyers; and face emotional, financial and physical insecurity; or (2) apply for indigency status. In this regard, Gronemeyer (1993: 53) asserts that "these days help can usually only be accepted if accompanied with threats." With either 'choice' the household's water and electricity will be restricted, the difference however is that with 'choice' (2) the household may escape immediate financial persecution, secure regular water and electricity services (albeit restricted) and access

service subsidies. Yet, this 'choice' is not an easy one to make: although the ability of households to decipher indigent forms and their knowledge of the onerousness of conditions typically influences uptake; it appears that the desperation status of a household plays a significant role. Hence, what may appear to be a voluntary decision is really a pseudo-choice – households that cannot pay for their services are most likely to succumb to the Indigent Policy regardless of the arduousness of policy conditions.

The Indigent Policy is embedded within the 'self-help' discourse. Here, as articulated by Dean (1991: 58-59), citizens enter into a "legal, quasi-contractual relationship with the state," which entitles citizens to certain benefits, subject to certain behavioural rules. Welfare benefits and their conditions are offered under the "guise of being voluntary," even if in truth they are not: "... benefits are presented as the right of a free citizen and ... the rules to which the citizen is subject appear more as a correlative duty to that right and less as an authoritative imposition" (Dean, 1991: 59). Indeed, the Msunduzi Indigent Policy requires households to sign a contract agreeing to Indigent Policy conditions of uptake, acknowledgement of debt, conditions of default and acknowledgement of understanding the legalese of the contract. Only once households have submitted to this "burden of proof" (Dean, 1991: 59) to the municipality's satisfaction and the conditions of contract are they able to benefit from indigent concessions.

The role of the 'Ward Councillor' in the administration of the Indigent Policy is important. The Councillor is responsible for explaining the conditions and implications of the Indigent Policy to households. He/she is further responsible for assisting the household in the completion of the Indigent Policy application forms. Because the Indigent Policy conditions are so onerous and because the forms are full of legalese, this step is crucial if households are to understand possible implications of the quasi-contract (see Appendix H). In the Eastwood case, it was found that the Councillor did not actually explain the Indigent Policy to households at all, nor did he assist with the completion of forms. In Eastwood, the Councillor simply signed the appropriate space on the Indigent Policy application form and left it with his secretary to distribute on demand (Lifestory interviews, 2006).

No, he (the councillor) wasn't there and his secretary never explained to me nothing. She never explained to me nothing. She just gave me the form and I took it to the corporation. She never explained to me nothing (Lifestory 16, 25 July 2006).

It was therefore up to the household to interpret the policy. In this regard, there was also an element of "Torchlusspanik" (*door-shut-panic*<sup>52</sup>), whereby households rushed to sign on without the necessary knowledge of the implications of such consensus. Typically households unaware of what they had signed were angry and upset at having their water restricted, amperage reduced and, in some cases, their arrear debts handed over to municipal debt collectors.

I didn't know that they were going to restrict us. The Indigent Policy is supposed to help poor old people but look now we have to use a bowl and wait very long for water. My wife and I have

---

<sup>52</sup> A German term "describing the frenzy as people fight to rush through a door before it is slammed in their face," see Francis Wheen's (2004: 239) *Idiot Proof: Deluded Celebrities, Irrational Power Brokers, Media Morons, and the Erosion of Common Sense*.

diabetes, we pee a lot, what do we do when our toilet doesn't flush? The government is making us smell in our own homes; it is taking us back to apartheid (Duif Road, 12 September 2005).

... this [indigent] policy is supposed to help people but it makes people's lives a living hell (Lifestory 9, 21 April 2006).

We go to them for help. They don't help us. We tell them we cannot pay. Instead of helping us they make our lives a desperate, a desperate, terrible struggle (Tarentaal Road, 27 August 2005).

Then I didn't know what the woman was doing, she made my husband sign [the acknowledgement of debt] because the house is on his name. I came home and I opened up the papers and I saw *Hawu!* She actually made my husband sign to say that if this R150 is not paid on a certain date, every month, then a summons would be sent to him. I said *Hawu!* Now you see, it's because they don't make you read first and they don't tell you first what is this thing for or what are you signing for. It is only when I came home that I realised this man is in trouble; if I don't pay this (Lifestory 11, 17 May 2006).

Frans is on a pension and struggles to walk, his wife Bettie is sickly, has severe diabetes and is on a disability grant. They live with their daughter and grandchild. They signed up for the Indigent Policy as, although they consistently paid their bill in full and on time; it was a major struggle. The municipality immediately installed a restriction washer. Water dripped out of their tap and made it very difficult for them to cope with their health problems. They were bitter because they had paid their bills and did not understand why they were restricted.

Because we paying! We pay; it's a different thing if I wasn't paying every month. Every month. I pay full, I don't pay half now and half the next month, I pay full. Always! (Lifestory 15, 31 May 2006).

The municipality could not remedy their situation apart from explaining that these were the conditions of indigency. Frans and Bettie had not expected to be restricted; they had expected relief. Frans and Bettie's story is not unique.

Apart from the obvious difficulty in comprehending the legalese, as well as manoeuvring through the misleading claims and illegalities; the most significant issue regarding informed take-up was the capacity of households to anticipate the implications of living with a restriction washer and reduced amperage; and coupled with this understanding was a fair degree of financial desperation. However, even an informed judgement is rendered difficult by the fact that measuring water volumes is deceptive. Here noting that very few households actually could analyse their service bill and then go beyond this and conceptualise actual usage in relation to a restricted 6kl or 12kl per month. Hence, in order for households to conceive the implications of the conditions of the Indigent Policy, households must have some experience or some sort of dialogue with the members of a household experiencing the Indigent Policy or indeed a household restricted due to default.

Yet, as previously noted, restricted households are generally ashamed of their situations and subsequently do not readily share their experiences. Inadequate information procedures and guidance, narrow conceptualisations of volumes and limited experience or dialogue with restricted households has the

implication that households are not adequately informed as to the conditions of the Indigent Policy. Here it appears that households accept the prevailing Council message that the Indigent Policy reduces service costs and therefore readily sign up. The converse however, indicates that where a household is literate (able to navigate through the legalese and conditions of the Indigent Policy form) and able to conceptualise what the conditions would mean for their household or have some sort of experience with the arduousness of such conditions, it is able to make an informed decision: which is generally to reject the Indigent Policy – such is the case in the accounts below.

I went to the police station to get the affidavits signed to get onto that subsidy policy [Indigent Policy]. I had to give them my unemployment forms and other stuff. Well, I was looking through the form and I started to see so many conditions. Electricity amperage gets reduced, your water gets restricted, and you have to sign to say that you have debt. I don't want my electricity reduced, my water limited. I have visitors sometimes, my family also. I need the service that I have now. I started to decide that I didn't want this policy, I didn't want to sign. I took the papers, went home and tore them up. This policy is not going to help me. It's not good (Adelaar Road, 16 December 2005).

This man was hustling with a customer services representative (CSR) to try and get his electricity box returned; which is possible on condition of Indigent Policy sign up, but implicates the restriction of the household's water supply:

CSR: ... they will have to restrict your water.

Man: You put it in; I will take it out. I'll take it out! If my water is restricted my kids won't even be able to take a bath. I have seen it. You can't live with those things!

CSR: You can [live with it]; thousands of people live with it.

Man: No, I can't live with it! You don't have to live with it! That is why you are saying I can live with it. You live with it and you will then tell me, that no you can't live with it. I'll take it out! You can't put it in (Fieldwork notes, 15 March 2006).

Ironically, with most welfare concessions, households will do anything to continue uptake; not so with the Indigent Policy. Households were often desperate to resume full services, but could only do so once full outstanding arrears had been paid or after waiting for a year to pass, allowing the contract to lapse. Both options appeared unfeasible: the first required large sums of money that households did not have and the second entailed prolonged privation and indignity. With no option, households simply defaulted on their monthly payments and removed restriction washers. That the rejections of the conditions attached to the Indigent Policy were done post- and not pre-sign up however, had implications. Households had already divulged their socio-economic status and labelled themselves as irregular payers. They were now within the gaze of the state. Any indiscretion was promptly noticed and because the state had administrative demographical access, and a signature enabling debt pursuance – debt collection and state surveillance were activated.

## **2.2 *Household perceptions of the state in giving service welfare***

It is clear that the expectations of households regarding the Indigent and Free Basic Services Policies were not met. Such policies were framed in a language of benevolence; the message clearly dispatched as a measure 'to help the poor.' Households, whilst overestimating the potential relief simultaneously

underestimated the value placed on previously normal levels of service; and perhaps more pertinently did not imagine the sheer scope and misery of deprivation and burden that restrictions would bring.

The reality accompanying the implementation of Indigent Policy and Free Basic Service conditions dawned quickly for poor households. There was a clear feeling that water was restricted below the levels required for the household to function optimally. In this regard households felt tricked and betrayed by Msunduzi because (1) they had expected to be assisted; (2) they felt the onerousness of conditions were not fully conveyed to them; and (3) they realised that they were now worse off than before. Moreover, anger towards the local state was more acute as households acknowledged an element of injustice in the miserly concessions received. The following lifestory and informal engagement excerpts elucidate such a perception:

[Do you think the municipality is trying to help you, by being on the Indigent Policy?] No, in the indigency policy they helping one way; in the other way they are punishing us. I don't know if you get what I am trying to say? ... Ja, because they are helping us in the one way, like with the lights, they are helping us. And then they are punishing us with the water. I mean, they should have let the water come out in the toilet and in the kitchen, you know, just restricting a little bit, not so much (Lifestory 10, 2 May 2006).

They restrict our water and then they restrict our lives. We never asked for our lives to be restricted (Tarentaal Road, 27 August 2005).

You are going back to a home where there are no lights. You are going to a home where your basic water is restricted (Lifestory 9, 21 April 2006).

[How does it make you feel, to be restricted?] Hew! I never really thought about how it really makes me feel! When I think about how it makes me feel, I always think to my mother, *ayii* life is really hard. When these people come and restrict the water, if I was really not female, these people who come and restrict people's water; I wish I had big dogs and that when they come into the yard, I would just open the dogs and it just rips them apart because you know, because if these people, at least at least ... I don't feel any sympathy for them or feel anything nice ... I can't describe how I really feel, but it is terrible, it is really terrible. But still we are living like this. You know it is Christmas just now, and we have nothing to show. We've got nothing to show, we've just got a smelling toilet, a whole lot of washing, but at the end of the day I know that it is not fair, it's not fair, it's not fair. And nobody can help you out with water, nobody! (Lifestory 17, 21 December 2005).

I don't see that helping business there. I don't see it as help. There is more of crook business on this here (Lifestory 15, 31 May 2006).

When she [Msunduzi] is closing my water; do you think she is helping me? No, she is not helping me. When she is closing my water; she is not helping me. When I haven't got water; what must I do? Water, we are supposed to have water. When I need to do something in my house, I am supposed to use the water. You can't do something when you haven't got the water. Water is ... you are supposed to got the water. When you haven't got the water now, what must I do? What must I do when I haven't got the water? I don't know, but they aren't thinking nice when they are closing the water. Now, this thing, we took it out, it's got a little bit hole. Too small! That is why, I never even got water, because when I opened the tap nothing came out (Lifestory 16, 25 July 2006).

... I was angry that I thought fine, I can't afford to pay this but not because we can't afford to pay should we be treated in this manner. You know, at least have the decency to tell us 'this is what we are doing,' and they must come and see if they will be able to live like this, the way the water is dripping, 'would you be able to live under those conditions?' You know, come and see how the

water is coming out and ask yourself, 'could you live like this?' (Tamarisk Place, 15 March 2006).

Households swiftly drew the link between a restricted water supply and social control, the expansion of which they did not readily imagine nor endorse. There is a clear perception that the local state has transcended its normal place and has now reached into the homes and intimate spaces of the poor (see Foucault, 1991). Part of this extension need not be real in the sense of an augmented municipal apparatus (municipal offices, police stations, courts, social welfare offices) but "as the intensification of the symbolic presence of the state across all kinds of social practices and relations" (Painter, 2006: 758). Indeed, restricted water, disconnected or tripping lights, sending municipal officials to 'check' that services are still cut or distributing purportedly 'helpful' leaflets, sending registered letters or even telephoning homes to force payment; all serve as symbolic representations of the threat of the state (see later in Chapter 9 for state rebuttal to critique of invasiveness). In response to an 'education' leaflet issued by Msunduzi, entitled: *Help, I have a high water bill*, a woman retorted "government is in our home" (from Korhoender Road, 20 July 2005). Another woman added bitterly, "they are trying to run our lives" (from Rooiborsie Road, 20 July 2005). The perception of households therefore, was that the state, whether imagined or real had permeated into the everyday. That this presence was perceived as a disciplining or controlling force and in some cases insidious made the infiltration especially repugnant.

### ***2.3 Inconsistent gratitude: household perceptions of welfare services proper and free basic services***

International welfare scholars note that despite the tensions and contradictions within welfare, poor households are generally better off when receiving welfare than when not receiving it (Gough, 1979; Alcock, 1987; Walker, 1993). This suggestion is inconsistent with welfare services in the form of free basic service concessions in Eastwood. Indeed, whilst welfare services proper – pensions, disability and child support grants and other social wage programmes (e.g.) access to free anti-retrovirals, health care, primary education and school feeding schemes, were typically embraced with great appreciation (Lifestory interviews, 2006) – free basic services were not.

Indeed herein lies a fundamental question: why is it that households typically express gratitude for welfare services proper and other anti-poverty measures but not free basic services? Common to both welfare services proper and free basic service concessions is the perception of insufficiency of benefits and onerousness of administrative procedures (Lifestory interviews, 2006). If indeed, as common to both welfare services and free basic services, we dismiss insufficiency of benefits and administrative burden, then we must look at the scope of free basic services via the Indigent Policy to effect real life improvements. Here it is clear that government has not delivered on its formative objectives to alleviate poverty, enhance affordability, improve public health, and promote gender and equity (DWAF, 2002a). Yet these unmet objectives appear not to tell the whole story of citizen unhappiness. Indeed, social policies fail all the time; objectives are frequently not achieved (see Ferguson, 1994; Painter 2006).

Where free basic services departs from standard policy performance is this: their roll-out has had retrogressive implications for households:

And you find that that is when all the drugs come in. They start selling drugs to make money. They start stealing. The girls start prostituting. Because they need to make ends meet. It's no more where you could sit and say, 'Oh, look at Mrs so and so's daughter, she's gone to the dogs!' She was forced to go that way. And who forced her? The same people that are supposed to be helping us (Lifestory 9, 21 April 2006).

Post-free basic water and indigent policy implementation, the affordability crisis has worsened.<sup>53</sup> Household water security has become more precarious. Water flow has decreased. Social control and discipline has become more entrenched. Perceived quality of life has depreciated. Regulation of everyday activities has increased. Gender burden has intensified. Hygiene and perceived health has deteriorated. Dignity and social citizenship has been eroded. In addition to experiential policy inflections – systemic injustice, betrayal, deception, inequity and administrative callousness permeate citizen perceptions of free basic services. Indeed, in all my time speaking to citizens, interviewing households, sitting in at community meetings, standing in municipal queues, observing, eavesdropping and listening; I never once heard anyone assert that free basic services had had a positive impact on their lives, no matter how infinitesimal. Instead citizens, constantly and consistently, relayed the wretchedness of policy implications.

### **3 HOUSEHOLD PERCEPTIONS OF THE LOCAL STATE**

Having dealt with the substantive burden of service conditions; this section aims to interrogate household perceptions of culpability. Here I move beyond policy and consider the administrative apparatus from front-line staff to middle management to wider municipal governance. I consider the limited space within which front-line staff operate; not to apportion blame but rather to present a realistic picture of operational truths. It must be noted however, that many of the citizens and households interviewed in this regard did not share my own leniency. The main Municipal Building operated as both pacifier and instigator: the prime avenue for voicing service delivery frustrations and the all-powerful administrative hub where policies were animated, payments enforced and punitive measures launched.

#### **3.1 Attribution of blame**

Households encountered the bureaucratic state most commonly and indeed most strongly at the main municipal payment and query point – the A.S. Chetty Building. This building embodied, for households, the nature of the state and indeed it was where blame was attributed. Their value as citizens – 'good' citizens at that – was lucidly perceived as wholly connected to timely and full payment. That the majority of poor households were unable to pay implicated the recanting of their identity as citizens, which caused tensions, animated within the context of the municipal hall and instrumentalised via high bills, restrictions and disconnections, debt collection threats and municipal surveillance. Perceptions and conceptions of

---

<sup>53</sup> Note that comparisons of affordability problems etc. are limited to pre and post Free Basic Water and Indigent Policies. Although some community respondents refer to pre and post apartheid, such comparisons are beyond the scope of this thesis. refer to Chapter 1 on the scope of this thesis.

the failure of the state to recognise poor householders as citizens in their own right all converged in the municipal hall. The front-line staff in the Customer Services department epitomised, in a tangible form, an uncaring, inflexible and callous state.

With few spaces to channel dissent, this, the prime citizen-state interface, was the place most used to direct citizen vitriol. While it is acknowledged that the Customer Services department was not the most effective arm of state to lobby, staff were merely following protocol and policy and were not in a position to bend or indeed even question policy, it was one of the few spaces that citizens still had relative liberty to access and importantly provided a visible 'antagonist'. This space however was limited, as it only allowed citizens to complain within the parameters of policy and not rage against the injustices of the policies themselves (see later). This meant that engagement typically reinforced animosity and perceptions of injustice.

Here we briefly digress to note the architectural design of the Msunduzi offices. The payment clerks were distinguished from the CSRs via queue segmentation (payment, query, bill collection, electricity re-connection and debt collector's queue) operationalised via designated areas, posters or stickers indicating differential assistance and seating arrangements. Municipal designers had replaced the windowless cosmos flowing between CSR and citizen with a glassed barrier and small, off-centred portholes (as opposed to a smattering of 'bullet' holes preferred by banks and 'no' holes preferred for the municipal payment clerks). Inquiries as to the rationale behind the porthole revealed that "... this way it is more difficult for a customer to throttle you; although customers sometimes still try" (CS, 2006a: pc). To be fair, Msunduzi is responsible for the safety of their staff; however something must be said regarding the conduciveness of a thick glass window for appropriate communication (consistent with Walker's [1993: 157] observations of welfare offices). Privacy and dignity considerations were not apparently part of the administrative design: citizens 'marked' by the queue they joined were then to plead for clemency in a full, all-hearing all-seeing hall.

I hate going in there because it is not private. You have to sit there and tell all your personal stuff, some of those ladies are so rude that when they answer you, it's like the whole place can hear what they are saying because they get rude, 'If you can't pay your water and lights, don't come and make it our problem!' You know, they need to train their people to at least have a way of telling the people. You know it is enough that you are embarrassed that you can't pay this thing, now for them to even announce it louder, how much more embarrassing is that ... (Lifestory 9, 21 April 2006).

The ladies are raw. They talk loud so everyone can hear (Tamarisk Place, 15 March 2006).

They will talk to you harshly; you won't be able to talk to them. You have that fear now, how are you going to talk? (Lifestory 5, 24 February 2006).

Attempts to contest certain municipal practices or punitive measures were made worse by the CSRs' apparent perfunctory attitude. Here it was clear that a standard neo-Taylorist response would not do. Perhaps a note should be made here on the purpose of engagement: citizens approach CSRs not to engage in banter about banal issues but (in most cases) concerns with serious ramifications. Citizens

voiced the need to 'feel' that CSRs listened to their concerns and thereby to offer advice on the best approach to resolution. This need was not forthcoming: citizens perceived that CSRs did not listen, they did not display an awareness of the seriousness of citizen problems nor did they necessarily assist/advise in the easing of affordability burdens, punitive measures or to resolve errors.

I won't lie, I do feel nervous when I go in there because you don't know what is going to come out ... when I went once, when I walked in there, I thought that maybe they would help me. And when I spoke to them and they said they could not help me, I felt very down and I felt like crying when I walked out of there and I didn't know where to go. They are not helpful. They really are not helpful. Because even if you are trying to explain to them the situation or the lifestyle that you are living, they don't care, they just want the payment and that is their job (Lifestory 8, 11 April 2006).

As long as they are getting their fat cheque ... (Lifestory 10, 2 May 2006).

And then you go there, you sit there and you tell them your problem – because they want to know ... And I mean, we have explained our situation, I mean I am not just talking for myself, but whoever has got those restrictions has got a [financial] problem ... and you made us express these problems to you guys and is this the way you help us now? You know, to me, that is not helping someone ... But you sat there, you listened to my whole problem that happened to me and then you turn around and you, you ... What help do I get? No help! (Lifestory 9, 21 April 2006).

Customer services are supposed to help you. But they put people in there that, I think, I mean no disrespect to the people that are working there, but they put people there that are not sensitive to the people's needs. 'Cause there are a lot of people that have real issues, you know, you see them literally crying at those windows. I don't say that they must be sympathetic but at least be a little bit empathetic to the people who go there. A little bit flexible, give a little leeway man (Tamarisk Place, 15 March 2006).

Unsurprisingly citizens approached Msunduzi offices reluctantly. More bluntly, citizens hated approaching the municipality: they found the experience intimidating, humiliating, frustrating and time-consuming (again consistent with Walker's [1993: 161] study on welfare claimants' perspectives of welfare administrators; and Verdery, 1996). Inevitably, women were the major pursuers of assistance from municipal authorities because men were simply not prepared to "waste their time in queues or to be treated like naughty children" (Lifestory interviews, 2006). Again the gendered impact of the negative implications of 'pro-poor' policies and municipal administrations was stark – women, purported to be the chief beneficiaries of a caring policy and system, were its greatest victims (consistent with Walker, 1993; Brown, 2006).

Citizens felt that they did not have enough 'information' to engage confidently with CSRs: poor understanding of bills meant that citizens were not sure how to contest what they perceived as injustice or administrative irregularities; nor did they know how much leeway was provided in the administrative system. Households experienced a high level of anxiety when engaging with CSRs as they did not know how CSRs would respond to their problems. Commonly, instead of empathy and accommodation, citizens were belittled and scolded. This may have been tolerated if the desired outcome were forthcoming; but citizens indicated frustration that their issues were seldom resolved. Indeed, in many cases, a visit to the Customer Services department yielded greater distress. Indeed, it appeared that even thrusting themselves on the municipal payment floor and thrashing around in tight mad circles; made no

difference whatsoever. The municipal foyer echoed with the desperation and futility depicted in Camus's (1950) novel *The Plague*: 'Rambert' was simply replaced by poor women similarly desperate for relief and 'Oran' by Msunduzi.

It's a *bugger up*. It's like when you get there, anywhere, you can swear, you can *fucken, fucken*, you can, you know they can call a mental institution, call the cops, you can just go off, and nothing, nothing. There is no ... no no, they are playing (Lifestory 12, 18 May 2006).

What am I going to do? I get angry and then? I get very angry but what am I going to do? (Lifestory 11, 17 May 2006).

I get nervous. We always lose. I think that they don't want you to win. What I am saying is that you never win with them, you always lose; they've always got the answer (Lifestory 11, 17 May 2006).

... And you will never win a case with them, you will never. All you have to do is just pay, just pay (Lifestory 7, 11 April 2006).

The apathy and disregard with which consumers were treated was indicative of the service delivery paradigm which sought to segment and manage poor people. Citizens sought assistance from the local state delivery and administrative apparatus as a response to systemic injustices. It was clear that the Customer Services department was unable to respond adequately to this crucial role: it governed via policies and procedures that did not reflect the needs and expectations of poor citizens. Poor citizens, with heterogeneous problems, found little relief via a visit to the local Customer Services department. The quality and substance of assistance sought was dissimilar from the assistance granted. Indeed, citizens typically sought relief and leniency, yet none was forthcoming because policy parameters were unyielding and such amelioration was not the function of the Customer Services department. Hence, one found a mismatch – with frustrations on both sides of the barbed divide. The implication of course, and it was a disparate one, was that the administrative apparatus was frustrated but not personally affected; the poor citizen however, and this is important, received no respite from systemic injustices, had nowhere else to turn and bore these injuries alone.

I went there, I told them it's through my unemployment [that I defaulted]. They say no it's your fault. *Ja*, they say it is my fault. All they worried about is the money. I feel that they don't care. They don't care about our situation. They don't care. I don't think they care about anybody, as long as they are collecting their money. They don't worry about us. They're not worried. We are sitting here without lights, water, in arrears. They're not worried. They sitting in their offices, they say they want that R3 000, where's that money? We must get that money out of the air? (Lifestory 4, 15 February 2006)

But they don't care for anybody. You think they care sometimes for any people? They care about money only. Do you think the ANC cares about other people? *Ayii*, they never do nothing. This corporation, she never do nothing. She never do nothing, true (Lifestory 16, 25 July 2006).

Maritzburg Municipality doesn't give a damn about us. It doesn't care a damn about us! They just cut the lights when you don't pay, and that is their job. They don't worry how you live. They don't worry. Those officials that work there, they don't bother how you live. They don't bother. (Lifestory 3, 1 February 2006).

### 3.2 *Household perceptions of accountability and crookery*

In August 1908, shortly before King Leopold II officially handed over the Congo to Belgium, King Leopold's young military aide Gustave Stinglhamber, whilst visiting a friend in the nearby Congo state office, sat on a burning hot radiator. Summoning the janitor for an explanation, the janitor replied, "Sorry, but they're burning the State archives." The furnaces burned for eight days, turning most of the Congo state records to ash and smoke in the sky over Brussels. "I will give them my Congo," Leopold told Stinglhamber, "but they have no right to know what I did there" (cited by Hochschild, 2006: 294).

Households expressed disdain for perceived municipal dishonesty and profiteering. The major indicators voiced were: inaccurate meter readings, billing errors, inflated and lengthy arrears, high bills and interest, unscrupulous debt collection, the soliciting of bribes by municipal contractors or employees to prevent disconnection or full water restriction, inability of municipal officials to take personal circumstances into account. No households (included in lifestories) articulated this as 'corruption,' but terms used were 'crooking,' 'eating,' 'money-making,' 'profit business' etc. This was because, unlike 'corruption,' which is generally held to mean the theft from the public purse; in Eastwood, households perceived this theft to be directly from their person – their own pockets.

Why! Why are they robbing the people! And I can guarantee, those people that are working at the municipality, they are stealing. They know how to work it; they know how to steal. They are eating too much of our money, these people (Lifestory 3, 1 February 2006).

They are crooking according to the bills that they are giving to the people. The municipality itself, *ayii!* They are crooking, they are crooking. Because we have people that are crying about this municipality, they are crooking. There is nothing that is right there. If they were doing their job properly, we wouldn't be living like this. People are owing, owing, frustrated (Lifestory 5, 24 February 2006).

I think it is a money-making scheme. They trying to cover up, I don't know monies coming in and I don't know, people that is running the interest, it is becoming a business place, this municipality in Maritzburg. I think they are business people here. They are running a business and profit-running place here in Maritzburg. Because, this has been happening for years here ... This is a business place here. It is really a business interest (Lifestory 4, 15 February 2006).

They are really doing sin, this corporation. True. (Lifestory 10, 2 May 2006).

Certainly it appeared that Msunduzi had something to hide. The mass exodus of senior and middle management (see Chapter 4), and the ongoing investigations into allegations of the involvement of ANC luminaries in municipal debt collection all pointed to something rotten. Yet, to date nobody has been prosecuted. Perhaps, like King Leopold II and his brutality in The 'Belgian' Congo, everything will end up in smoke? (cited by Hochschild, 2006: 294). But, if anyone just cared to look, they might "[be] looking for dirty needles in a stack of dirty needles" (Mckenzie & Cilliers, 2007: 231). Yet, settling on corruption as the cause of citizen discontent is strangely unsatisfying. Perhaps this is because of the cloudy characteristics of corruption which points to individuals and not the nature of the institution (see Gupta, 2006: 220-226). This will be explored, albeit briefly, at the end of the following section.

#### 4 *MSUNDUZI'S PERCEPTION OF HELPING THE POOR*

This section explores the views of Msunduzi front-line staff (and debt collectors) and middle managers (Municipal Consolidated Billing, Customer Services, Promis Income and Venn Nemeth and Hart Call Centre) of their own functional environment and poor citizens. This section took its data from semi-structured interviews, informal engagement and observation. The views of middle management and front-line staff were revealing because (1) they were devoid of the political obfuscation so common when eliciting comment from top level management and politicians and (2) they showed more familiarity with the grassroots service delivery paradigm.

It was clear that the attitude of front-line staff towards the poor vacillated between contempt and exasperation. Certainly the poor presented a problem. Front-line staff administered policy responses to household non-payment. Indeed, the municipality provided services and households should pay for them. The role of front-line staff was therefore to 'help' households find the 'right package of services' and then cajole payment out of them. "Customers that could not meet their obligations within their package [of services] could not be helped further" (MCB, 2006a: pc). Perhaps it was a frustration brought about by the inability of front-line staff to truly 'help' that fed the citizen perception that CSRs did not care and were rude etc. Alternatively, front-line staff really did not recognise that non-payment extended beyond parochial conceptions of a 'culture of non-payment' and 'over-consumption.' Indeed, even if they did, there was not much they could do about it; they were constrained by policy parameters. The position of front-line staff was therefore an uncomfortable one.

Climbing higher up the rungs, I found that the views of front-line staff resonated with middle management. Indeed middle management made it clear that they, not privy to policy development, must still manage cost recovery and poor citizens. Certainly they did not approach this role with grace and I sensed that frustration simmered beneath the contrived surface of 'efficiency and normalcy.' There had been a substantial increase in the numbers of complaints and numbers of households asking for financial relief. Households not satisfied with CSR flip-sheet responses endeavoured to seek assistance higher up. Consequently middle managers expressed that more consumers come knocking on their doors.

Consumers are just complaining and complaining ... I don't know why they [consumers] don't pay and be done with it ... There are few staff on duty. It is very difficult to carry on with normal work because we have to keep speaking to the consumers. Consumers are our top priority. We have to address their needs first. They come in constantly and complain. We have to leave our work and deal with things (Promis Income Consultant, 2005: pc).

It was clear that Msunduzi was ill-equipped and lacked capacity (and space) to deal with such a barrage of consumer complaints. Yet, arrogantly, instead of recognising the wave of complaints as a manifestation of systemic problems and that households may have legitimate reasons for not paying in full, middle management responses reflected the municipal dogma that consumers were bucking the system; they simply did not want to pay.

The message therefore was that households should simply stick to their indigent conditions, pay their accounts, pay off their arrears and not use too much water and electricity. Indeed when I approached the Municipal Consolidated Billing department regarding the case of a desperately ill HIV+ women who was generously caring for her two daughters and five relatives on her disability grant; on seeing her water consumption of 20kl the tone of the municipal authorities quickly changed from empathy to admonishment. "How could [they] help her if she was using so much water? She's not even trying to cut down!" (MCB, 2006a: pc; consistent with Durban Metro's response to Thulisile Manqele, see Desai, 2002: 67-76). The fact that there were seven other people in the house was seen as irrelevant – 'this [desperately ill] woman' was using too much water. Further to that, they then saw (on the computer screen) that she was, in fact restricted. Immediately they concluded that she was tampering and that she had the gall to send me to do her bidding in an effort to bring her arrears down! A few days later the woman told me that her water had been re-restricted. This time she did not remove her washer: her sister, brother-in-law, their three children – her caregivers – moved out.

On another occasion I approached the Municipal Consolidated Billing department on behalf of a mentally challenged pensioner. She was living alone and never consumed more than 3kl a month. Registering as 'indigent,' she had found her water restricted to 1kl a month. She approached me, angry because it was very difficult for her to juggle her water activities. I again tried to reason with the authorities, with the sound logic that she never consumed more than 6kl, her constitutional rights were in jeopardy and really it was silly to restrict her. The response was that "it is policy and we can't go around applying it anyhow" (MCB, 2006b) – even if a mentally challenged pensioner can't cope and it makes no sense at all.

Other occasions elicited quite different responses, however. For example: in one case a Municipal Consolidated Billing Manager simply checked a number of keys on his computer and erased R400 off a bill and went on to advise me on how to 'reclassify' a house so as to avoid eviction (MCB, 2006a: pc). In another, a CSR leaned towards the porthole and gently advised on how a woman could avoid being disconnected; she whispered ...

CSR ... does she have gates?

Me Gates? Yes she has a gate.

CSR Lock the gate ... just make sure you lock the gate. They [electricity disconnectors] are not allowed to jump over the gate. Lock the gate. They can shout, they can scream, they can swear at you. It is your property. They have no right to come into your property if you do not allow them in. They have to have permission; just don't let them in (Fieldwork notes, 3 January 2006).

One never does know how municipal staff will respond to citizen dilemmas and indeed this is really the problem. My own experience of negotiating on behalf of citizens with the authorities bears this out. Sometimes municipal staff genuinely tried to help and yet other times responses were abrasive, letting loose a torrent of municipal restrictions and policing. It is clear that municipal staff are constrained in how much leeway they allow, and indeed how often. Perhaps it is dependent on whether a consumer can 'touch' that person behind the porthole window or office door (and whether such messages are received in a favourable way). But mostly, it is imagined that municipal staff come to work and leave their humanity at home – the ones who can't do this don't stay in the job.

As stated in Chapter 4, municipal debt collection had been outsourced to two consortia. Noting that the anecdotal perceptions of public service employees towards poor citizens was altogether disenchanting, the relationship of private municipally-contracted debt collectors towards the poor raised further questions: if the municipality, a public institution, was hurting the poor, how much more so a private entity constructed to pursue defaulters? In a telephonic interview with the Venn Nemeth and Hart [VNH] Call Centre Manager (7 March 2006), I questioned her regarding how VNH saw its role. She responded as follows:

When we won the contract 18 months ago in November 2004, the Mayor specifically told us that we must have the human touch – we must be compassionate. You know our debtors are flesh and blood. You can't kill the debtor. We must be compassionate ... we appeal to their conscience. Most of our debtors are poor black people. It is really horrible sometimes ... we have people who cry in our offices, it is terribly sad. We have to help them and explain how they can pay off their debt. We do try and help as much as possible.

Whenever I went to the Customer Services department, I made a point of sitting near the municipal debt collectors' windows. I heard many conversations between the debt collectors and defaulters, most of which appeared in contradistinction to the VNH Call Centre Manager's 'compassion.' I include one such conversation (Fieldwork notes, 16 March 2006), below (Venn Nemeth & Hart [VNH] and the woman [W]):

- W My brother passed away. I'm here to find out about his account, I got told to come here.  
VNH The total outstanding arrears is R25 000. You must pay 10% of that arrears, which is R2 500, and then the rest over the next year.  
W How much? Shhoo! I don't work, I will have to talk to my husband.  
VNH R2 500, to First National Bank, here at Market Square. You must also keep paying the current account.  
W R2 500. And the rest?  
VNH I'll tell you, I must work it out (inaudible) ... You must pay or they will send you a warrant. What is your phone number, your address?  
W [Tells VNH her phone number, her address.]  
VNH When will you pay?  
W I don't know, I will have to find the money.  
VNH It needs to be soon otherwise they will sell your stuff. Your first payment is March  
W This month!  
VNH Yes, the end of March. I'm telling you they will send you a warrant.  
W I can't pay before the end of March, can't we make it the end of April?  
VNH When you going to pay? You must tell me.  
W I can't pay before March.  
VNH Can't make it end of March, okay you can pay end of April but you must come and talk to me, you must show me the deposit slip and your ID.  
W Okay [gets up, turns her back.]  
VNH Okay, Ma'm, pay at First National Bank, must be before end of April.

This conversation was particularly disturbing to listen to. No empathy was shown; the woman had just lost her brother. The tone of the VNH representative was taut and threatening; rebuking her for her brother's defaulting. The VNH representative appeared to give the woman very little information or explanation; she rushed her into accepting maximum payment. The woman on the other hand, clearly shocked, couldn't engage further than the limited parameters of the conversation and clearly did not know what her rights were or how to negotiate. The VNH representative used fear to maximum effect via words such as "warrant" and "they will sell your stuff." In the case of the former, 'warrant,' the VNH representative must have intentionally employed this term, which in actual fact was the incorrect term.

'Warrant' clearly denotes arrest, being 'locked up,' it was meant to frighten; although still threatening, what she was actually referring to was 'writ of execution.'

On 11 May 2006 I was waiting in a municipal queue in the A.S. Chetty Building. It was a particularly busy day with many people queuing to pay. The VNH Departmental Head of Debt Recoveries, apparently supervising the debt recovery section, marched into the Customer Services section and loudly (and zealously) addressed his colleague manning the VNH desk. His words suggested an altogether truer nature of private municipal debt collection. It left me examining the nature of 'help.' I include his words and my immediate notes, as entered (unmodified) into my Fieldwork journal:

"Getting lots of money ... [realising how boisterously he had spoken, he subsequently quietened his tone and said] ... helping the people." [He only said, "helping the people," because he looked up and saw the long line of dishevelled and desperate people (all trying to get their electricity re-connected because this is disconnection week, and possibly a little unnerved by his own garish disclosure)] (Fieldwork notes, 11 May 2006).

Indeed, perhaps VNH's Departmental Head of Debt Recoveries expressed it best: money *was* being made from the poor. Perhaps, this man and his staff are not nasty or malicious and maybe (to satisfy their conscience) they genuinely believe that they are "helping the people," but their power coupled with a pernicious indifference to the misery that their profiteering or inflexibility is causing – is wicked. And this leads us to the crux of the matter: corporations are purposively structured (and legally required) to maximise profit. The outsourcing of the debt collection mechanism to a corporation is never going to be sympathetic or lenient towards its 'clients.' In the same way, where municipalities are legally required to not only remain financially stable but also compete (nationally and now internationally) for funding by ensuring favourable credit ratings, poor citizens are going to be hurt. In this regard, the staff and management of this type of entity do not necessarily have to be particularly venomous; but because the institution is constructed – not to serve the greater public good but the imperatives of finance and profit; the result is going to be one of venom – and that is a fact.

## 5 CONCLUSION

Free basic water and the Indigent Policy were framed in the language of benevolence, poverty alleviation and equity. This message was widely accepted by poor communities. Yet the Indigent Policy offered false subsidies: water volumes and electricity amperage were restricted with an implication for time, quality of activity and dignity. This meant that whilst an 'indigent' household did have potential access to cheaper services; any benefit was substantially eroded as the small concessions granted were not comparable with the cost in attainment because of the accompanying torrent of onerous conditions. As a pensioner remarked, "... they don't count the cost and now we ... now we have to count the cost" (Lifestory 11, 17 May 2006).

Because the conditions of the Indigent Policy are a restricted water supply and a reduced amperage, households had to manage these costs. Every time a tap was opened or a switch triggered, a cost was invoked. I showed that a restricted water supply increased unpaid domestic labour (time and quality of

activity etc.) and further negatively affected household functioning, intra- and inter-household relationships and dignity. It was a cost shouldered by all household members but disproportionately by women because of their unequal role in the domestic functioning of households. The concessions of the Indigent Policy could not be reconciled with the implications of the accompanying conditions. Indeed, the negative implications of restriction washers were so extreme and numerous as to raise questions regarding the intelligence of implementing volumetric restrictions. Domestic burden increased and standards of living, instead of improving, declined. The Indigent Policy exploited the domestic labour of poor women; already unpaid and undervalued. Just as a poor person's assets of time and labour are sold in the marketplace; the Indigent Policy bought time and labour in the home but instead of wages offered wholly inadequate subsidies whose conditions enacted a dual twist: restricted access and greater burden. Because this cost was borne in silence, in the intimate spaces where poor women dwelled, it was a cost to individual households and dappled communities, but not to the local state. The offering of free basic services for the purposes of credit and citizen control must be seen as an internecine measure, which although not affecting Msunduzi in the short-term; will certainly have an impact on the long-term security, governance and health of Msunduzi.

This chapter served not only to elucidate the experiences of households with regard to coping with water restrictions and other punitive measures but also to elicit citizen and household perceptions of the municipal apparatus. Here it was found that households were not fooled by 'anti-poverty' rhetoric. There were insidious measures at work and households felt it. Symbols of state power, 'guidance' and enforced discipline pervaded the homes of the poor. Articulation of such injustice meant that attribution of blame was firmly housed within Msunduzi Municipality's administrative and operating systems. Emerging strongly from this discourse was the fact that households could not obtain any relief via the official municipal channels. Municipal 'helping' did not extend beyond policy parameters nor did it engage with the cause of being unable to pay. The 'helping role' of Msunduzi and its partners was therefore to keep poor households within the ropes of a system that chafed and bled them. In practice this meant pressing citizens into the 'right' menu of services (which they did not want); pushing citizens to make arrears payment arrangements with municipal debt collectors (which they could not afford) and proclaiming on the virtues of 'responsible citizenship' (from which their financial situation excluded them). It was all very self-righteous. Indeed apart from pressurising payment there was little help extended by municipal administrators to poor citizens. Attempts at relief came then from individual households themselves (explored in Chapter 9).

Msunduzi was found to be in contravention with current flow rate regulations (under section 9 [1] of the Water Services Act), that is, restriction washers only allowed a maximum of 8.33 litres per hour, instead of the DWAF-issued regulations of 10 litres a minute. The implications of such contraventions, as shown via the experiences of Eastwood households, were found to be severe. However, DWAF is considering the future rescinding of flow rate regulations (Dugard, 2007: pc), that is, the repeal of the minimum flow rate of not less than 10 litres per minute (DWAF, 2002c:26; DWAF, 2003:45) to whatever flow rates municipalities choose as long as 6kl is delivered. The dangers of such a proposition, as elucidated by

Msunduzi's clever bureaucrats who carefully calculated just how big the restriction 'hole' and pressure should be to ensure 6kl was technically accessible if taps were run 24/7, are clear. This chapter shows that flow rate is important and has serious and very widespread implications for poor households, particularly women. Moreover, it appears that the retrogressive implications caused by restriction washers, and indeed the Free Basic Water Policy itself which served to harm existing/original access to appropriate water supplies raises certain constitutional questions. In this regard, it is useful to return to De Waal, Currie & Erasmus (2001: 432), who stressed that negative rights impose a duty on the state "not to act in certain ways," that is, they define a "a deliberately retrogressive measure," as "one which has the effects of denying individuals their existing access of water ... or preventing them from using whatever resources they have at their disposal to satisfy their water ... needs. More generally, law or conduct leading to a decline rather than progressive improvement in living and housing conditions would be a violation of this negative aspect of the socio-economic right" (De Waal, *et al.*, 2001: 434-435).

This chapter (8) explored the micro-implications of restricted welfare for the homes and communities of the poor and working poor and their political attitudes to welfare and the state. The next chapter (9) considers how these free basic services and indigent subsidies have strengthened the governance and disciplinary apparatus of the state. It explores the broader rationalities of the state in imagining free basic services and indigent subsidies as a welfare measure and state strategies to enforce such an interpretation. Noting the experiences of households to state containment; Chapter 9 further considers household responses and approaches to the strategies employed by the state.

## Chapter 9

### *A STRENGTHENED GOVERNANCE APPARATUS, CITIZEN RESPONSES AND RESISTANCE*

Chapter 9 explores how free basic services and indigent subsidies have changed and perhaps strengthened the governance and disciplinary apparatus of the state and it explores the resistance and strategies employed by poor households to undermine the state's 'micro-powers.' It further considers the broader rationalities of the state in imagining free basic services and indigent subsidies to be a welfare measure, and state strategies to enforce such a view. Finally I consider the implications for community cohesion.

The thesis proposed that, in the face of an increasingly restive populace who historically had to outwit racialised regulation, the post-apartheid state has used free basic services as a welfare hook to grasp a degree of control over poor households. State welfare requires state knowledge of subjects such as residential, demographic and socio-economic data. Ultimately, the offering of free basic services and indigent subsidies produced the appearance of fulfilling government's delivery mandate, but the onerous conditions have in many cases simultaneously facilitated the augmentation of the state's governance and disciplinary mechanisms. This chapter explores the micro-strategies of the local state to reinforce the state disciplinary apparatus, via the optic of three modes through which governments might exercise their power: panoptic, algocratic and bureaucratic. The chapter further seeks to illustrate that fear, threats and penalties remained core to this apparatus. Given that power is at the very least a two-way relationship, I explore household responses and strategies to the state apparatuses; which was typically rejection. To this end, I examine water and electricity tampering, the thought processes involved and the underlying rationales of households. Community perceptions of other households' tampering activity were also elicited to determine broader community tolerance or admonishment or tacit approval for illegality. The last section considers the changing nature of communities as a result of the state corporatisation and individualising agenda. Here I conclude by exploring the 'shut-down' of spaces for community dialogue and warn that protest in the township where poor people exercise some power is increasingly becoming the prime platform for dissent.

The qualitative information referred to herein adheres to all the naturalistic techniques employed to establish methodological adequacy and data trustworthiness (Erlandson, *et al.*, 1993: 131-161). Data in this chapter is sourced, similarly with the previous chapter, via excerpts from fieldwork notes, lifestory interviews, interviews with Msunduzi officials, and informal engagements on Eastwood streets, in municipal offices and broader community meetings.

## **1 LOCAL STATE STRATEGIES AND TACTICS TO REINFORCE STATE DISCIPLINARY APPARATUS**

Aneesh (2002: 2) identifies three modes through which governments exercise their power: panoptic, algocratic and bureaucratic (the first is mechanised surveillance, the second and third coded power and the office, respectively). I add a fourth, although in the strictest terms it falls under panoptic: fear and penalties.<sup>54</sup> I discuss how government mechanises such power; and consider the qualitative implications of an enhanced 'reach' of the state into the homes and spaces of the poor and explore the perceptions thereof and responses thereto of poor households. I show how the introduction of free basic services and indigent policies has acted as a vehicle to govern poor households (Ferguson, 1994) via the expansion of the state security apparatus through increased visibility, monitoring and limited service provision. Indeed, the offering of concessions further beefs up state administrative and bureaucratic apparatuses and entrenches surveillance (Foucault, 1991; Piven & Cloward, 1993; Walker, 1993), justified lest the 'undeserving' citizens deceive the state (Hobsbawm, 1969; Scott, 1985) or indeed as a 'pseudo-protection' to ensure that all have equal access to services.

### **1.1 Panoptic**

Sunlight is said to be the best of disinfectants (Supreme Court Justice Louis D. Brandeis; cited by Levitt & Dubner, 2005: 67).

We asked for basic services and instead they gave us the police (Unnamed Khutsong resident: *Fokus*, 15 June 2008).

During apartheid, the state regulatory apparatus over African people was chiefly mechanised via the 'pass' system and a brutal security force. Yet during the years of apartheid, the government's control of urban 'black' townships and, increasingly, mobility was always precarious. Robinson (1996), in her seminal work on the spatial character of municipal apartheid *The Power of Apartheid: State, power and space in South African cities*, argued that from the late 1970s until the rent and municipal service boycotts of the 1980s and early 1990s, the apartheid state lost control of 'black' areas. Indeed one of the prime strategies used by struggle activists was to render such areas 'ungovernable' – the popular phrase used in the 1980s. This was achieved via the tactics of boycotts, stay-aways, and street committees and enforced sometimes brutally by comrades. Part of the apartheid government's answer, attempting to regain order and white power, was a violent militarised crackdown on revolt, a relaxing of influx control as well as the provision of improved, yet wholly inferior shelter: site-and-service schemes, and piecemeal upgrades (Robinson, 1996). Yet as Sparks (2003: 53) noted, and consistent with Ramphela (1999):

... instead of mollifying the black population, this inflamed them. Botha ... had failed to heed Alexis de Tocqueville's warning that 'the most perilous moment for a bad government is when it seeks to mend its ways;' that revolutionary movements tend to arise, not out of circumstances of absolute deprivation and oppression, but when things begin to improve and loosen up and when the aspirations of the oppressed rise and they feel that they have a chance to liberate themselves at last.

---

<sup>54</sup> In Eastwood the starkest modality of power is enacted via fear and penalties, that is the blatantly coercive use of disconnections, restrictions, debt collection, dispossession and eviction threats and the police.

Post-apartheid South Africa repealed all apartheid influx controls and the Group Areas Act and abolished homelands. This saw a mass exodus out of 'homelands' and rural areas to urban locales as well as a general freedom of movement between urban areas as a response to decades of oppressive closures. In effect, the post-apartheid government assumed responsibility for a now de-racialised populace, which for between 20 and 30 years had been completely ignored or precariously controlled via the chief force of violent racial repression.

Apart from delivering on its non-racialised development mandates; the ANC government needed an entry point to enhanced regulation and a way to claw back control of potentially highly charged and politically threatening urban townships. After the initial seven years in power, in particular the five years from 1996-2001, with the effects of GEAR implying massive job losses and spiralling non-payment for services, and a cholera outbreak; the black majority started to question post-apartheid gains and became increasingly restless. Over 9 440 municipal protests took place between 2006/7 (Minister of Safety and Security, 2007) and unofficial payment and electoral boycotts and land invasions were threatened in some protests. With many households still without access to their promised services and an increasingly ungovernable urban populace; the ANC government needed to devise plans. I argue here that free basic services and indigent subsidies are core to these strategies. The offering of subsidised municipal services meant that government could ensure that it could quieten dissent, make good on its delivery promise; yet at the same time grasp control of its populace.

Free basic service policies and indigent policies may be likened to a can-opener, prising the tin open and pouring light onto the once private lives of citizens. 'Pro-poor' policies advanced the capacity of the state to know who you are, where you live, how many people live in your home, and whether or not you pay your bill. Invisibility and access to municipal services (regardless of form) were no longer possible, the poor household had to submit to the state.

The 'solar-state' penetrated further to illuminate the infinitesimal spaces within a home. It is this which Foucault (1991: 215) referred to as "disciplining the non-disciplinary spaces" – the extension of the disciplinary apparatus via the essential services of water and electricity. Bureaucratic visibility was facilitated through the volumetric metering of water and electricity. Every time a light was switched on, a tap opened: the meter dial turned. This information in turn was delivered along a labyrinth of scrutiny to return again in the form of a municipal bill or a visit from the municipal security apparatus. The installation of restrictions by technology (washers) made surveillance all the more conspicuous. The gaze of the state, on all walls, over all shoulders, in the tendons that turned handles or flipped switches, appeared unceasing (Foucault, 1991: 236). This filtered into personal consciousness reinforced by a dripping tap and blinking lights. Indeed it was the state's rendering of *limited* services through technical or tariff mechanisms which required fierce regulation, by both the household and the local state. With self-regulation the citizen 'assumed responsibility' when 'over-consuming' or 'volunteered' for restraints by requesting a restriction device.

The intentional sowing in the minds of citizens, that 'all have to suffer because some people cannot be trusted to behave in a normal, considerate manner' is reinforced by public pronouncements that people are stealing water, electricity, telephone cables, welfare grants etc., and in order to keep costs down and ensure the supply to all citizens; everyone must be under the state's gaze. The giving of free services promotes this view because the state 'has gone beyond its duty in ensuring that all have access to basic services,' invoking a heightened responsibility to respect and honour such gifts. The misuse/overuse of such basic services (judged via ability to pay) is thus even more abhorrent. All citizens must therefore submit to and be the subjects of surveillance because 'some people will act out and "we" need a viable way of catching "them;" in this way all of "our" rights to access services will be secured.' In short, the state will increase its gaze because some people cannot be trusted. In the same vein, this principle allowed for the restriction and disconnection of water and electricity as a penalty justified for the protection of the rights of others. The questioning of the sufficiency of basic services offered and indeed the arduousness of the conditions attached thereto was seldom part of such logic.

The more organised a community was in terms of linear infrastructure, geographic indicators (post boxes, street names, house numbers), metered water and electricity, phone lines etc., the easier it was for communities and indeed, increasingly, individual households, to be monitored (Scott, 1998). They could be pursued and penalised for non-payment or apparent 'over-consumption.' Moreover, the lack of material accumulation further moved to prevent poor households from resisting the state's march. Where others might build higher walls, employ a pack of dogs or hire private security to prevent the intrusion of criminals or municipal meter readers; the poor had little capacity to create a fortress. As such meters got read, electricity got disconnected, big men banged on doors late at night and registered letters and summonses were signed for under duress.

Citizens rejected attempts by the state to govern via the manipulation of geographic order and developmental 'advancement.' Resistance was registered via the removal of house numbers, the graffiti-isation of street names, the denial of demographical acknowledgement, and even by the drawing of curtains and stillness of homes. Such strategies relied on the solidarity/complicity of neighbours and wider community not to divulge 'local knowledge' (a term used by Scott, 1998). Yet, as I will show later, the state was succeeding (perhaps only temporarily) in eroding the neighbourly ties that offered the most vulnerable a solid line of defence.

## **1.2 *Algoocratic***

Farelo and Morris (undated: 1-2) define electronic government – 'e-government' – as the use of ICT to promote more efficient and effective government, facilitate more accessible government services, allow greater public access to information, and make government more accountable to citizens ... e-government is about transforming government to be more citizen-centred.

Aneesh (2002) defines algoocracy as power mechanised via codes. He differentiates algoocratic power from panoptic or bureaucratic power by the supposition that "... behavior is controlled not by telling the

person not to engage in illegal behavior, nor necessarily by punishing the person for their failure, but by shaping an environment in which there are no alternatives to acting as prescribed” (Aneesh, 2002: 15). I limit the examples of algocratic power within citizen-state contexts, specifically the Municipal administration level of the Customer Services department. I choose this because information and computing technology (ICT) that households experience most acutely are typically invoked in the Customer Services department. Specifically I look at the systems which customer service representatives (CSRs) use in order to provide ‘customer services’ to citizens. The instrument I focus on (like Aneesh) is the computer.

ICT systems are programmed via commands. Data is manipulated to fit with these commands. Data is quantitative and specific. Code is black or white; not grey. Programmes operate on predetermined variables, reflecting administrative norms and values not the socio-economic realities of poor households. Operating systems at the CSR level enable simple data capture and file retrieval. When a citizen approaches the CSR window, the CSR calls up the ‘case-file’ via coded account number. The file is used by the CSR as a tool to inform a decision. The screen is not faced outwards so that the citizen can see what information is displayed on the screen – it is the CSR’s private tool. The ICT systems being unfamiliar to the general populace can be intimidating and disempowering. Computer-based decision-making absolves or perhaps disempowers the CSR of subjectivity, as she/he too cannot argue with the data presented. In this, the power of the CSR is displaced by the “smart machine,” the computer takes on the role of the “controlling authority” (Aneesh, 2002: 15) and the CSR is restricted to the limits of the code. Importantly the reliance on computer-based decision-making at the citizen-state interface does not enhance trust and open communication between citizen and state. What it does is immediately reinforce the perception of citizens that the state is not prepared to listen. Power through the code reinforces the ‘deaf’ state, sanctions and frustrates citizens.

One cannot dispute the benefits of ICT; clearly computer records offer much quicker access to consumer information. I do however question the form, timing and purpose of how certain technology is used. Is the poor citizen ready for e-government? Can citizen problems be addressed and indeed represented via code? Is the improved data via new ICT programmes accessible to the citizen concerned or is it used against them? What information is held on computer systems and how is it used? If ICT systems are used to discipline and exclude households from information that they need to negotiate or manage their services, then as a mechanism, e-government is not acceptable. It is not enough that ICT enhances municipal administration; it must be accessible to and appropriate for citizen engagement.

Households don’t know what details are on the computer screen but they can be sure that it does *not* qualitatively show what their situation is.

When I went and told them about me getting a pension, can I not pay my lights on pension day, that lady told me no, we can’t fiddle with the computers (Lifestory 11, 17 May 2006).

... they don't explain you, they just put put put on their computer, and then say pay these lights, this, this, this ... And then they come and disconnect you ... You know and those computers are very easy, they just push the buttons and then they can see everything, where you are sitting. And sometimes they take a long time looking at that computer. And you are sitting there wondering, I wonder if they are going to take it or refuse it [partial payment]. And they are going to town on that computer. And you just want to walk out (Lifestory 1, 24 January 2006).

They will just go to the computer. Check it, check it, check it ... I don't know how they work it out? They don't explain anything they just say this is the amount I must pay. Because you ask them and they don't tell you (Lifestory 15, 31 May 2006).

In most cases, as already indicated, the citizen finds herself alone in front of a CSR and the ubiquitous computer. Intense disaffection moreover may result in a complete breakdown in communication with implications for citizen-state relations, resulting in disengagement from the system and for both sectors, a weakened service delivery regime. Indeed, even in a so-called traditional system, citizens indicate great frustration at the perceived inability of government to listen and respond adequately to demands. Yet, the algocratic machine actively shuts down public platforms and directs individual communications via those channels deemed officially appropriate. Where citizen voice is channelled via the state into dead-end one-way communication traps, whilst not given the space to choose whom to talk to and how engagement is to occur; dissatisfaction is bound to result in rejection.

### **1.3 Bureaucratic**

The bureaucratic state employs dual tactics of municipal inefficiency and efficiency in different circumstances and to further different ends. Piven and Cloward (1993), Walker (1993), Althusser (2006), Brown (2006), Gupta (2006) and Weber (2006) have identified various bureaucratic administration tactics which serve to delay government support to citizens in general and poor people in particular. Indeed, Hašek's *The Good Soldier Švejk and His Fortunes in the World War* (2000), presents a bitter-funny parody that poignantly illustrates the verity that the state is meant to be bureaucratic; it is structured purposively to frustrate. In this regard, it is naive to locate such tactics within the realm of pure inefficiency and dispassion; rather, in most cases, bureaucratic hurdles are intentional. In a municipal milieu, such tactics serve to deny access by poor households to information or personnel whilst at the same time operating to reinforce timely payment and general adherence to municipal by-laws by the employment of monetary and technical penalties.

Indeed citizens were increasingly being required to divulge more and more personal information: sign more contracts, agree to more sanctions, organise affidavits, apply and reapply while the state simultaneously ensured that citizen access to personal and public information was progressively unobtainable (Freedom of Expression Institute website: [www.fxj.org.za/content/view/15/29/](http://www.fxj.org.za/content/view/15/29/), accessed 12 March 2008). This despite the popular information access messages in the media and via recent charters. Yet Abrams (2006: 115-121) has suggested that such closure is inherent to the state. Indeed, he noted that the state "resists discovery," it will not be "unmasked" and indeed it is the ability to remain "hidden" that facilitates its "powerfulness." Perhaps then, it is useful, in the Msunduzi context, to explore these new closures and indeed what a concealed state serves and produces. Earlier I noted the difficulty

households experienced in accessing information pertaining to household bills, service packages, and historical debt. Such reflections were consistent with Walker (1993) who noted that information was purposively omitted, withheld, unwieldy and sometimes outright inaccessible. Such tactics had the effect of deterring further pursuit as they acted to humiliate and frustrate and incurred the costs of time, dignity and money. Saliently however, such tactics had a critical purpose in ensuring that the poor did not have access to the resources and information required to demand their rights or indeed decide, within the various options, which service package etc. was most appropriate. Typically, therefore any request for information or access to the person in charge of a particular jurisdiction would be accompanied by a volley of suspicious interrogation. In this regard 'customers' were commonly sent to the wrong person or were seen wandering along the municipal halls, up stairs, down lifts, stymied by receptionists and security guards, knocking on doors – told to go and see 'so and so,' who was either never in the office or did not have jurisdiction over the particular complaint.

...when you go there they send you from one person to another (Lifestory 15, 31 May 2006).

You see the problem here at the municipality, is others give you wrong information, and then the others give you some information, they just tell you to go and pay (Lifestory 3, 1 February 2006).

Too many systems at the Municipality! Too many ... changing all the time. Today they talk one thing, tomorrow they talk another. The other department doesn't know what the other [department] has changed ... How do we know, when they don't [know]? (KwaMpande, 3 May 2007).

I wanted to test this phenomenon, particularly because middle management had expressed exasperation at the steady flow of citizens making their way up the stairs and directly obstructing their normal work duties. I envisaged that this may force either one of two responses: (1) a re-look at policy for the poor or (2) a restriction or shutting down of avenues for dissent. At that time, via lifestory interviews, I knew of more than ten households who were struggling to pay off their municipal arrears, some of whom still had their homes on the list for auction. After identifying the correct bureaucrat dealing with arrears, we appraised whether households could access him directly. I had accompanied two such women to the Municipal Consolidated Billing Manager's (MCB) door; which entailed signing in (and being interrogated) at the main security gate entrance, climbing two flights of stairs, presenting ourselves at the MCB's receptionist on the floor (announcing our intention), being buzzed through, getting permission from the MCB's personal assistant (PA) (more fierce interrogation) and then waiting to see him. The third and fourth women (accompanied by one woman who had followed the process above), made it through the gauntlet but with great difficulty and a fierce reception from the MCB who did little more than dismiss them. The fifth man said that he got right up to the door of the big man, but was told that he first must make an appointment; but not then, he had to phone the PA (who was then, right in front of him). At home, he phoned. He phoned and phoned; when he eventually got through he made an appointment. On the day and at the set time, the MCB never showed. He decided to try again but this time, just arrive at the office. This time the ground floor's security official had to phone through to the MCB's PA – he was not allowed past the security gates.

As this experience has shown; middle management opted for the latter response; all manner of barriers had been put in place to obstruct access to the top (consistent with Althusser, 2006). Although this experience is disturbing as here was the 'right man,' to address the arrears problem; it was indicative of the impossible quest to secure a response to citizen grievances. The stage remained the same yet the main actors became increasingly reluctant to play their part and the props were augmented at each knock of the door. Indeed, such an experience resonates with Hašek's (2000) charge that bureaucracy humiliates you; it is supposed to humiliate you. The maze pursued to secure relief or resolution was tortuous and acted as a deterrent. Indeed, although a refusal to enter may not be the most common cause of defeat; the systematic wearing down by the dictated moving from one department to another, filling in complaint forms, making appointments which are not honoured or calls that are not answered all served to exasperate. In this regard, households indicated that they typically tried three times to access help, thereafter if all efforts had come to nought, this pursuit was abandoned. In this regard, the state had effectively diffused and frustrated such attempts at relief within sanctioned channels; the state had not addressed the issues – it had simply pushed dissent outside official space. Citizen dissent was still there, it was just not visible.

The deliberate sluggishness when attending to citizen complaints or to restore services after penalties had been paid was in sharp contrast to the zealotry with which the municipal apparatus, through its outsourced disconnection and debt collection consortia, responded to non-payment. This point was not lost on households and it certainly did not encourage public trust. I include an example of such an experience below – it is useful to note that most households told similar stories.

The corporation came to cut our lights. I told the guy to go away. I went quickly to talk to them, there at the electricity department. I explained our situation ... when the insurance money and the disability grant comes in, we will settle our account. I even took all the documentations to prove to them that what I was telling them was true. I told them that when our monies come in, then we will settle the account. They said okay, they would not cut the lights. They said they understood. In the next day or two, they came back and cut our lights. They said they understood? (Shad Place, 12 December 2005).

A common theme throughout the lifestories was that of the "social-spatial unevenness" or "porous geographies" of "statization" (Painter, 2006: 764). That is, the state's gaze and force functioned through a matrix of variation and effects: disruption and failure, disinterest, compassion and leniency or threats and punishment (Painter, 2006). Msunduzi's state apparatus appeared to be dormant until disturbed; thereby unleashing its full force. Such a situation reinforced the suggestion that the state struggled to grasp its citizens; it was only when approached or when new citizen information was introduced that the bureaucratic machine became re-activated. This 'reawakening' was facilitated by the sign-on to the Indigent Policy and when households approached the municipality with complaints, innocuous attempts to negotiate the late payment of total bills or debt or to have electricity reconnected or restriction devices removed. In this regard the CSR's porthole was more akin to a "Judas hole"<sup>55</sup> whereby citizens rendered themselves open to municipal scrutiny. This might explain the common perception of households that a

---

<sup>55</sup> The peephole through which wardens could peer into a prison cell to keep watch over prisoners (see Applebaum's *Gulag: A History*, 2003: 152-158).

visit to the Customer Services department (or other municipal department) and attempts to explain their socio-economic situations, yielded greater distress and active pursuit; and indeed why some households appeared to escape the eye of the state and prosecution. It further illuminated the irony of a system which relied on public trust to be able to pursue and penalise those seeking assistance. Moreover, for poor citizens, after having approached the municipality, they tumbled deep into a rabbit-hole akin to that in *Alice's Adventures in Wonderland* (Carroll, 1984). It made no sense but there was no escape, they were caught in the trap of a bureaucratic nightmare. Indeed, it was here that the state became an ungraspable phantom, dissipating into fantasy and illusion (Abrams, 2006: 114).

#### **1.4 Fear and penalties**

... there is a fear, oh God, this fear, it is terrifying (Lifestory 11, 17 May 2006).

The intentional withholding of information and inability to secure closure to citizen anxieties resulted in a profound powerlessness that entrenched fear (Nietzsche, 1961). That the framework was already conducive to fear meant that any augmentation, real and symbolic, served to immediately reinforce the state legitimising apparatus (Abrams, 2006: 122) and disciplinary mechanism. Msunduzi utilised an array of strategies and tactics to force payment: restrictions, disconnections, removing water and electricity meters (and hence the service itself), interest and arrears, financial penalties for tampering, the handing over to municipal debt collectors, litigation, dispossession, eviction and potentially even criminal prosecution (as per credit control and debt management policies). Of the above-mentioned penalties, households indicated that the cruellest, and from the municipal side the most 'effective,' was the removal of meters. Electricity was the first point of disciplinary entry as it is easiest to disconnect and is less politically uncomfortable than water restriction/disconnection. Households found to be tampering with electricity and water meters had their meter boxes removed and faced a huge administrative and financial struggle if such infrastructure was to be returned. It is important to note that fear was particularly gendered.

[There seems to be a credible threat from the municipality that you must pay your bill, people are very scared of the municipality ... ]. Because you would have no services; you would have no electricity, you would have no water, they will come and repossess things in your home for the money that you owe them. And it is very scary if they come and want to take away your electricity box (Lifestory 12, 18 May 2006).

There are a lot of people here in Eastwood, through the municipality, they lost their houses. Because it's poor people like, me for instance, that have this problem and I have to sell my house, get rid of my house, sell my house, or the lawyers come and evict them, or they have to sell the house; there's a lot of people who shifted out here because of circumstances with the municipality. They come to you, they say they want their money; they cut the lights, put you under the lawyers, there the people sitting their worried now ... I know a lot of houses. There I saw, with my own eyes. Even my sister-in-law, she had a corporation house. She had to sell the house. There she is in the street now. Staying here and there, renting. Yet, she had a house before. And they are in the street! There's hundreds of them! (Lifestory 4, 15 February 2006).

My house is my only vulnerability; the municipality knows this and they know that I will do everything to pay my bill and the lawyers. This is how they've got me and I live and work to make sure that they don't take away my home. This is all I have; I cannot lose it (Tarentaal Road, 14 April 2006).

[Why don't you take out your water restrictor?] I feel it is wrong. I feel it is very wrong. Isn't it that you go to court and all of that? I'm scared. They will lock me away ... No, no, no, no too scared. Look at my heart. How will I go to court and pay all of that? Rather leave it like that. Rather suffer (Lifestory 6, 15 March 2006).

This response from an elderly woman struck me with foreboding; there is something particularly brutal when a 74-year-old woman fears that she may be 'locked away.'

It is clear that rumours and perception of credible action played a key role in ensuring compliance. Almost everyone had heard of someone who had had their meter box removed or had been evicted from their homes for defaulting on their service payments. That 'these people' were 'just down the street from us,' 'my neighbour,' 'my sister' etc. invoked a real fear and tangible threat akin to Foucault's (1991) use of punishment as a public spectacle. Such extreme actions struck fear into other households who were currently tampering or considering tampering in the future.

- Adult son: If we get caught they may take that whole thing away: the meter, take the pipes out. Like what they did to that one house, they took the pipes and everything out.
- Me: Where? Somebody here in Patrys?
- Adult son: Ja (pointing down the road). They were tampering. The people have left the house now. The new ones that come now, they have to get all the pipes back. That was about two years ago.
- Old woman: Ja. And bringing all those pipes back. We can't afford it.
- Adult son: And we don't know how they got caught. But they got caught. That's the thing (Lifestory: 6, 15 March 2006).

My son, he said, he would open the lights, but I said that I am frightened to open the lights because sometimes they (Msunduzi) take out the meter box. My aunt, down there in Adelaar, she opened the lights, they were closed and the corporation came and took out the meter box. For two years she didn't have the meter box. *Ja*, and then after that, they closed her water, same like me, the water is just coming out a little bit. They took her meter box and she didn't have lights. Now I am frightened that if I open the lights; they will do the same to me (Lifestory 16, 25 July 2006).

To reinforce active punitive measures, citizens were bombarded with anti-social messages that tampering is a criminal offence. The theft of water and electricity was framed in the same language as the theft of private goods for the purposes of greed and self-enrichment. This was an unfair association. Poor households did not tamper out of selfish avarice or materialism (see later). Yet, such dirty propaganda invoked the perception of criminality (Dean, 1991; Foucault, 1991). This was done at a national level via television, radio and the printed media as well as at the local level via municipal 'participatory processes.' Local politicians and bureaucrats were adept at spreading the mellifluous message of praising the 'valued ratepayer's' entitlement to municipal value, whilst spewing vitriol on the 'scroungers, freeloaders, rogues and burdens to society.'

[You said you were scared the time you were tampering; can you tell me more?] Because, I thought they were going to lock me up, if they had found me. [But why would they lock you up?] Because I am stealing government property! You are *izinyoka* [snakes]. The TV ads on Eskom. That *izinyoka* from Eskom (Lifestory 12, 18 May 2006).

Below is a conversation I had with a 35-year-old single woman, Queenie (name changed) where she

recounted her experience at the hands of electricity disconnectors and their security men. Queenie's story highlighted the resentment at the denial of her identity, the shock that 'the men' did not honour traditional places of safety, the excessive force and criminalisation, and lastly her powerlessness and vulnerability in the face of a masculine punitive system:

... on Friday around 8pm two electricity guys and five security people came knocking at my door. I was in the bath; my kids were at a youth group meeting. Well they didn't really knock; they kind of banged on the door. I thought to myself, you know this isn't a neighbour. I looked through the curtains, saw all these men and got really scared. I wrapped myself in a towel and opened the door a little and shouted that I was getting dressed. All the while thinking you know, what have I done? It gave me time to think ... I then opened the door and I was really terrified, all these big men so late at night. They asked me if 'Queenie' was home. I said 'no, Queenie is not here, I think she is in Church ... she let me bath at her place.' *I denied myself. I denied myself.* I was shaking and terrified. So I go outside and I see 'Oupa' and I say 'Oupa, you seen Queenie?' Oupa says, 'Ja, I think I saw her walking down the street about half an hour ago.' So, than I quickly ran to the neighbours but I heard one of the security guys saying 'let's go take her out of church.' *Jislaaik*, I was really scared hey. I got my kids from their group and we only went back much later. At home we saw that they had taken away my box (electricity) (Korhoender Road, 11 October 2005; her emphasis).

[Why did you stop tampering with your electricity?] I did used to tamper sometimes, when I was really desperate. But, I used to be very scared of the men who always came to check if the lights in the road had been tampered with. They used to come around even late at night. I got tired of ducking and diving (Shad Place, 22 December 2005).

I was frightened (of tampering), I was very frightened. They used to come here almost often, every time to see if we've got lights, every time (Lifestory 13, 22 May 2006).

To entrench fear and therefore compliance, the state had to be seen to be activating punitive measures regularly. Disconnections of electricity and restriction of water had increased substantially since 2001 (MCE, 2005: pc). Two factors have increased the frequency of penalties (both perceived and actual): electricity disconnection, a previous state-run activity, has been outsourced and; the advent of the Indigent Policy, with restriction conditions. As a subsequent effect, more stringent punitive measures such as meter box removal and evictions were perceived as a nearer threat.

#### **1.4.1 Monitoring compliance/non-compliance**

The telescreen received and transmitted simultaneously. Any sound that Winston made, above the level of a low whisper, would be picked up by it; moreover, so long as he remained within the field of vision which the metal plaque commanded, he could be seen as well as heard. There was of course no way of knowing whether you were being watched at any given moment. How often, or what system, the Thought Police plugged in on any individual wire was guesswork. It was even conceivable that they watched everybody all the time ... You had to live – did live, from habit that became instinct – in the assumption that every sound you made was overheard ... every movement scrutinised (Orwell, 2000: 4-5).

Orwell's narration of the intrusion of the Thought Police into the homes and lives of the outer party resounded with the Benthamian notion of disciplinary power "being visible yet unverifiable" (Foucault, 1991: 201). This showed in the monitoring personnel and tools employed by Msunduzi to peer into the lives of poor households and propel the move to 'self-regulation.' Let us first identify the staff. Municipal administrators monitor via ICT systems and CSRs, meter readers and private contractors and

security men. Secondary monitoring is performed by community whistle-blowers, ward councillors and their committees and the South African Police Service.

Monitoring tools include both physical and administrative checks. Physical checks include inspections of meter boxes and house visits at irregular times of the day and night. Administrative checks include ICT systems with programmes registering electricity irregularities. Ironically, meters were also supposed to be a tool to assist households in monitoring consumption. However, the study found that very few households (2% of 336) monitored their water consumption via meters. In effect, the meters served as a constant reminder that households were being monitored by the municipality.

I've stolen light, when my lights used to be cut and instantly, the doctor said I've got a problem with my heart. Instantly! My doctor says that my heart is not working right ... I never used to sleep, I used to watch those people coming with the mountain bikes, I had to borrow and steal, borrow that money to pay. Because I was so terrified. I don't want to be in trouble with anybody. But *ja*, you hear that they are coming tomorrow, you better get up, I was terrified, I was frightened because I know now they are going to put extra money [on the bill] and where am I going to get that money from? And people going around taking people's boxes and I'm thinking they will come and take mine and then you have to pay a lot of money to bring the box back. Ohhh God please! (Lifestory 11, 17 May 2006).

[Would you tamper?] I would leave it, I'm too scared, I'm very nervous, I'm very frightened. 'Cause you don't know who is watching you. Sometimes your own friends, your neighbours, you don't know what's in the persons heart (Lifestory 1, 24 January 2006).

[You said that the municipality seems to know when you have tampered with your water restrictor, can you elaborate] I worry about the water; the water is the main thing. The moment you open the thing, they know ... I don't think it is the neighbours. I think they see on the light account how come we are paying R100 and something for water. It can be that. A whole lot of neighbours around here are doing the very same thing. The same thing and yet they don't get caught. But it's funny only here, they come, the moment you open that thing (Lifestory 15, 31 May 2006).

This comment above pointed to a phobia which predominated in Eastwood, whereby struggling individual households felt that they were being personally hunted by the state. Such a perception revealed the heavy gaze of the state, but more particularly pointed to the closure of community voice. Residents through pride or shame did not typically disclose their problems to their traditional support circles. This meant that households experienced their problems alone, thus imagining that they were the sole targets of state subjugation.

Perhaps it is prudent to consider whether Msunduzi's monitoring systems are effective. As a system, there is little symmetry, but as a whole, all the personnel and tools serve to provide a large-scale gaze, which is clearly felt by tampering and non-tampering households alike. Indeed, all combine to feed a real and perceived notion of great risk or indeed, at the very least, uncertainty as to the technological reach and efficiency of municipal computing systems in monitoring consumption and tampering.

I was frequently approached by residents asking me if they should tamper or not. Unlike electricity tampering which is known to elicit a prompt visit from the authorities and re-disconnection or removal of the box, many households did not know how vigilant authorities were with regards to water tampering

and indeed if they could 'see' whether a household had tampered or not. The question was put to me therefore not as a moral one but a technical one. Residents wanted to know if I knew how water tampering was monitored and what the 'chances' were of being caught. Not knowing, I put this question to Municipal Consolidated Billing; to which they responded "... no, not yet but we are working on a system that will flash if there is a marked difference in individual household consumption" (MCB, 2006c: pc). In the Foucauldian sense of disciplinary power, households not knowing when the state was 'looking or not,' always presumed that they were (Foucault, 1991: 201). Certainly, as with all welfare measures; poor households must submit to the harsh glare of ongoing scrutiny.

## **2 BEATING THE SYSTEM OR BEING BEATEN: HOUSEHOLD RESPONSES AND STRATEGIES**

Why, despite the risks involved in tampering, so stark and so extreme, do households still tamper? For the reader that may not connect with the reality in which poor households exist, Di Giovanni's (2006) technique of framing an experience in a language and form which genuinely connects the reader to the written word thereby creating a joint consciousness is applied. The reader needs to imagine what it is like to wake at 5am, walk to work in the rain or take two kombis to a demeaning job; stand all day on a factory floor putting in electronics for an alarm, soles on shoes, meat in pies, shovel metal into burning aluminium smelters, make boxes, man a till, dig trenches, sweep dirt off the streets; all the while micro-managed by your foreman or madam; and then come home at 6pm in the cold and rain to a dark house with three hungry kids, when you have no way to provide warmth, light, a cooked meal, a hot bath, clean clothes and a warm bed. The voices of households could be heard – living without lights and either no water or a trickle is wretched.

### **2.1 Why households tamper**

There have been many theories put forward regarding the reasons for tampering (see Hobsbawm, 1969; Fjeldstad, 2004). Indeed, as explored previously, it was suggested that tampering was related most clearly to need and inability to pay. Another theory which resonated and indeed might explain the preponderance of tampering was linked to the impossibility or futility of households attempting to "confront the state directly" (Mbembe, 2006: 391). In the absence of space to negotiate in a logical and effective way, households were forced to employ a myriad of strategies to "bridle, trick and ... toy with power" (Mbembe, 2006: 391). Consistent with the theory of need above, it is suggested that such actions were not in themselves overtly political (but they were still political); the capacity to tamper was merely within their control (Scott, 1985) and importantly was the one way in which households could access immediate relief. Indeed, such a theory follows a more straightforward trajectory: *tampering is not a choice*; poor households tampered simply because they must. Theirs was not necessarily defiance, nor deviance, it was not part of a so-called 'culture of non-payment,' nor anti-ANC: in Eastwood, households tampered – '*nje*' [just because] – as a reaction to secure a human need, as a rational and distinctly contextual response. Tampering became an act that was done in the best interests of the household. Indeed one of the clearest endorsements of such a proposition above is that households, once having

improved their financial circumstances (via the securing of employment or social grant), typically opt to secure their electricity and water services legitimately. This is a natural phenomenon whereby households will settle arrears etc. so as to improve credit ratings or remove themselves from 'black lists' so that, in the future, loans or bonds or other credit products can be secured. That is, households stop tampering and start paying. Such a desire is what Desai (2006: 6) refers to as to "be placed within 'normal' relations of oppression and exploitation." In this regard, *there* is a strong argument that the adequate provision of free basic services would allow for the social upliftment that free basic services intended. Yet current state practice thwarts this – in a twist of irony, the traditional deviant had been displaced by the local state. It was the state that operated a cunning and jaundiced malice. The state, not citizens; was seen to be imbued in corruption and trickery.

The chief reason why Eastwood households tampered was because they became desperate and could not secure services at all or the quantity of services deemed necessary to meet their needs. This was directly related to insufficient money to pay for total bills, service penalties, lump sums on arrears or securing the return of water pipes or electricity meters. Their desperation aside, importantly, there was an element of justification for tampering in that the municipality was being unfair in overcharging, handing households over to municipal debt collectors, disconnecting, providing miserly volumes far below that which was required and renegeing on the promises of providing basic services. Inefficient or 'crooked' administration of bills and meter reading was also a prime mover with regards to legitimising tampering.

[Why did you tamper with your water?] 'Because how are we going to live with water like that? The toilet, we must flush it. The toilet we've got to flush. How are we going to live with no water? Just a drop, drop, drop of water, how are we going to live? *Ayii*, this *blerrie* corporation (Lifestory 15, 31 May 2006).

... not having lights is hell. (Lifestory 14, 30 May 2006).

Oooh, it was working on our nerves! It was. You see when the toilet was dirty, the whole house smells. The house stays unclean every time, because of the water. Unclean, *ayii!* (Lifestory 4, 15 February 2006).

Oh, it was a little bit ... you know like you wait for a bucket to fill and then you can do what ever you are doing. And I saw, no I can't live like this ... I was very sick [at that time]. And the water was very little, that is why he [my friend] had to come and open it because a lot of days I was nauseous, I used to vomit a lot, the blankets were needing to get washed. With that little bit of water, nothing can get done. And you know, I needed a lot of water because every day, where I am sleeping they would move the blankets, put new things. And nothing like that could get done. And the bathing water, because they used to bath me every time, to prevent like sores from coming out (Lifestory 14, 30 May 2006).

I first met Janine (name changed) in the municipal payment hall. She was desperately trying to negotiate her bill of approximately R390. She did not succeed. I left my place in the queue and followed her out the building. I figured her age to be about 22, yet her gait indicated a burden not meant to be shouldered by someone so young. She told me she lived in Eastwood and agreed that I could meet her later that afternoon. Janine and her sister have five little boys between them, ages six months to eight years. They take care of their mentally handicapped brother and their auntie's two children, ages six and thirteen. Together, they are ten in the house. They are on the Indigent Policy. Their lights and water account

comes to R389 per month and their rates (on a separate bill) comes to R117 per month. Their lights and water account is in arrears of R600 and their rates for R3 000. They have been handed over to VNH and pay R150 per month. They live in their late mother's council house and pay R75 per month, with R2 500 left to pay for full ownership. Both Janine and her sister are unemployed. Their brother cannot access a disability grant as the "papers always get lost at welfare." Their mother's pension used to help but she has passed away, and with it the pension. The family survives on five child-support grants and the sometime assistance from an auntie, who, when she does help, has to hide this from her husband.

Of all the stories I had and would hear, hers was the most profoundly distressing. It was a terribly difficult interview. The weather was miserable. The little boys were all inside and the house was bitterly cold. No shoes, no jerseys. Little ragged shorts and light T-shirts – worn and dirty. The concrete floors had no carpets. The doors and windows were wide open as an attempt for light and fresh air. While I was talking to Janine and her sister the little boys were shivering, sniffing, and coughing ...

... we were caught tampering, [Janine told me]. After they found we were tampering they took the box away and then we had to pay for it to come back ... what was it? R2 000, R1 000 to get the electricity box back. 'Cause at that time when our lights were off and we couldn't afford to pay ... There was actually a time where for five months, we did not have lights. So we had to go and get woods from the jungle, the bush, to cook outside. And then on rainy days we couldn't get the woods to cook ... and then because we had to buy this paraffin stove and we have asthmatic kids living in this house here and once you switch that thing on it fumes up the whole house and it smells and you have to leave the doors open because of these kids and the candles too. So, each time now it is very hard because as you can see every month we are getting disconnected, disconnected because of trying to keep up with this money that they want (Lifestory 8, 11 April 2006).

Janine's family started to tamper with their lights when their mom got sick. The municipality removed their electricity box. They could not immediately pay to get it re-installed. It took them eight months to get it back and this was largely due to their signing on as 'indigent.' In those eight months, five were tamper free. Only when the winter months rendered life intolerable did they again resort to tampering. When the weather was still warm, the family used to collect wood from the bush for cooking and heating water. This was in itself very difficult as there was a rush on collecting whatever twigs and branches were left in the suburbs. In the words of Barbara Kingsolver (1999: 92): "... 'Fire' meant gathering up a pile of sticks in a village that had already been gathering firewood for all the years since God was a child, picking its grounds clean of combustibles as efficiently as an animal combing itself for lice." It was also deeply embarrassing and humiliating, perceived as 'primitive' and 'uncivilised.' When winter came, the twigs were often damp and it was wretched to cook in the cold. The family decided they should buy a paraffin stove and use candles. This was expensive but more importantly it exacerbated the children's ill-health. The boys became sick and started coughing and wheezing. It was very cold in the house. Paraffin and candles were also dangerous. Janine and her sister had to be always vigilant with seven little boys running around inside the house. After five months, they couldn't afford the coughs and the asthma and the flu and the danger and the cold, and so they tampered again with their electricity. They tampered out of desperation. They tampered because they simply had no alternative.

Another disquieting story was recounted to me by a young matric scholar, Sibusiso (name changed). His mother, brother and he moved to Eastwood from the Transkei after his mother secured a nursing job at Greys' Hospital in 1996. In 2004 his mother got very ill and passed away. Sibusiso's brother went to live in Johannesburg. Alone, Sibusiso remained in the house to finish off his schooling. Sibusiso's story reflects that of Janine's (as well as the following excerpts below). It showed that tampering was done out of desperation, when no municipal humanity was forthcoming, an attempt to regain pride and not overburden his neighbours, and indeed for survival and attempts to gain an education and a way out:

When my mom got sick she went to the municipality and told them that she was sick and couldn't pay the bill. A few days later the corporation came and cut our lights. [Have you ever tampered with your electricity?] I'm not going to lie to you. I wrote my matric this year. It was very difficult to study late at night without any lights. I did used to tamper sometimes, when I was really desperate. [Why did you tamper with your water?] It is very difficult, I go to school, I have few clothes, they must be clean, I have to wash often, but the water just trickles. I live by myself; I must keep my home clean. I don't want people to feel sorry for me. I have my pride, my place must be clean. Also, 'cause I have no food, the neighbours sometimes give me some and I sometimes get some food from the church. I have to rely on water the most, you know, to fill my stomach. I had to study hard for school, you know, I need a full stomach. Even water, it was difficult to get, to full my stomach (Shad Place, 22 December 2005).

[When you were stealing, why were you stealing?] I couldn't afford to pay and I couldn't afford to pay the actual amount that they had asked for (Lifestory 12, 18 May 2006).

The corporation makes us do these things; they make us plead and lie to try and survive (Lifestory 10, 2 May 2006).

I've got lights, but the municipality forced me to tamper. They forced me to steal (Patrys Road, 13 May 2006).

They are pushing us to do it [to tamper]. We do it because they make it so hard to pay. They are crooking us. We are just trying to survive. If they were fair; we wouldn't have to tamper. They make us do it (Duif Road, 15 February 2006).

We are learning from the government. They taught us how to crook. They steal from us; we steal from them. When the guy comes to disconnect my electricity, I wait with my cord. I tell him, "listen here, you can disconnect me but by the time you walk out of my gates my lights will be back on." No, I'm telling you, we are learning from the government. They are crooking and we have to live. We beat them at their own game. My lights, ahhh! My lights are never off. As soon as that man walks out the gates, they are already shining (Tarentaal Road, 15 February 2006).

[Angie King, mother of Marcel King murdered on 24 July 2004 by eThekweni security]. Nobody must be scared, nobody must stop and nobody must back off. What's going to happen with the next vote? Are you going to offer us another plate of breyani? Just to vote and get your high seat and buy your new car and buy your new house. While we are sitting here with ten people in our one bedroom-lounge-kitchen. With no income, no jobs. As long as you leave us like this, then yes as a mother I will steal your lights, I will steal your water and you will do me nothing. You will do me nothing! And people out there, whoever you are, if you are doing what I am doing, continue! Stand with me! I will do it and I am asking you to do it too. They can kill one but they cannot kill us all (From: *Marcel King is Dead*, see Bohmke, 2004).

Yet, and this is important, despite the pockets of resistance, tampering was neither paraded nor extolled. It was typically a silent and private action. With this position in mind, fault is perceived to lie with the tampering household; it is rendered as an individual problem. No one was proud of the circumstances which made them tamper. Indeed, if one visited a tampering household, they would rarely declare their

position. Yet, the signs were obvious: flattened cardboard boxes or blankets, curtains etc. pressed against windows and other fissures that might disclose the stolen light.

## **2.2 *Why households don't tamper***

This section will briefly consider the rationale for not tampering as many of the reasons have already been covered in section 1.4: fear and penalties, and section 2.1 above. Very few households had never tampered at all in response to inability to pay. The picture was one of households that did at one time tamper and now they did not. This was related to an improvement of financial conditions (typically either the securing of a state pension or disability grant, a retirement enabling the access to a provident fund, or getting a job), fear and penalties and social exclusion or pride (Lifestory interviews, 2006). All of these reasons were implicated on the duration of disconnection or restriction. Generally speaking, if a household faced temporary privation they might decide not to tamper yet, if privation persisted beyond the temporary, tampering was sought as relief.

Regarding electricity, both tampering households and non-tampering households generally fluctuated between tampering or not at different times of need or threat. Hence, a non-tampering household might distinguish itself from a household that did tamper merely by the terms of frequency. Water tampering did not permit such flexibility: either the restriction washer was illegally removed or it was not. The difference between the ability to remove and then reconnect within seconds or not at all distinguished the permanent tampering of water and provisional tampering of electricity.

The security and surveillance apparatus played a large part in the decision not to tamper. As already stated, the 'security' apparatus was activated with zeal culminating in the tampering household being found out. The question therefore was not *if* but for *how long* the household could fool the municipality. The extent therefore of the monitoring web and the penalties imposed played a large role in the reversion of tampering. The greatest penalty was the removal of the electricity box or water pipes. Both entailed a significant cost and administrative burden for reinstallation. In poor households the reward for compliance could still mean no lights and a trickle of water and still a monthly payment to the municipal debt collectors. Indeed, with such miserly rewards, the majority of Eastwood households took the rational risk and tampered even if they then faced removal of the electricity box.

Yet, electricity tampering would be the first to cease and initially only visibly – tampering might continue but more cautiously and under the cover of night. This was because it was more visible than a tampered water supply. Water tampering would only be abandoned if the municipality replaced the restriction washer and conveyed an unquestionable threat of imprisonment or pipe-system removal.

## **2.3 *Perceptions of households' tampering***

The prevailing community perception regarding tampering is unambiguous: households that could not afford to pay were justified in their tampering; households that could afford to pay – must pay. Here it was further evident that the view of tampering as theft was a contextual and not a moral one. Such a

perception was based on a simple premise: water and electricity were basic needs, services were too expensive and municipal restrictions and disconnections were unjust and harmful.

People who are really struggling, I have no problem with that but those that can afford to pay, please, they must pay. And you know that they can afford to, and they don't get into trouble! ... But there are those that take ... that steal lights, they are really battling, I have no problem with that (Lifestory 11, 17 May 2006).

Because of the same restrictions and things they have. I mean, I don't blame them (for stealing). What must they do? I mean it gets to us because we are saying but we are paying, we are trying to pay, why can't they? Some of them are worse off than us, they can't even try. Try where? (Lifestory 9, 21 April 2006).

People must pay for their lights and water, but right now I'm not in that position. When I am, I'll settle. I'll settle in full (Shad Place, 12 December 2005).

Even if they are taking those water restrictions out, they are doing it because they want to survive. They don't want to live like how they are living now ... The people are doing this because they are suffering! It is because of them [the Municipality] that the people are doing this. Because they [the Municipality] are coming to do their own things that they want to do. The restriction washer: the water is not supposed to come out so slow. That is just a little dot. Why didn't they make the restriction washers, the holes a little bit bigger, let people at least get a flow of water? Not that drop, drop, drop. At least a flow. A flow. Give the people a flow and then there will be no problem (Lifestory 3, 1 February 2006).

The skills needed to reconnect electricity and remove restriction washers were generally well known and passed on as a gesture of humanity between neighbours, friends and families. Yet it is clear that tampering was a closed affair, that is, there was no broad social campaign existing in Eastwood to advocate tampering.<sup>56</sup> Tampering is conducted not without irritation and anger for those who seem to cause it. If the 'system' was fair, and just and responsive; households would not tamper. It is not – they do. This is not to say that little thought goes into tampering. On the contrary households think very carefully prior to tampering. Initially household need and relative deprivation submits to the uncomfortableness, anxiety and shame of 'what people will think,' 'what tampering will say about us,' perceptions that tampering is equated with theft and criminality, 'what happens if we are found out?' Indeed, the first disconnection of lights or restriction of water usually implicated that households first try to make do. In the case of electricity, alternative energy sources would be sought. In the case of water, households would compromise their activities and try to function with the meagre flow. Some may even ask neighbours and friends to supplement their supply; this might mean plugging into a neighbouring electricity supply at certain times of the day or 'borrowing' buckets of water. Monies might even be offered to pay for the services shared. Ultimately however, such an option is short-lived. The act of sharing, be it electricity or water, severely strained inter- and intra-household relations. Moreover, the

---

<sup>56</sup> It is clear that fear has much to do with the apparent lack of a 'typical' community-wide social protest in response to tampering and affordability problems. This is primarily because of the individualisation of such problems – bills and summonses get sent to a particular household, water is restricted and electricity disconnected at a particular erf. Protest in this regard takes on a quieter more personal character. This is not to say that broader community protest does not occur. Protest does take place, probably more serendipitously than the 'typical' social protest, and in Eastwood as a response to housing dispossessions and evictions, lack of housing delivery (in neighbouring communities whereby Eastwood residents have supported such protests), kombi fare hikes, lack of speed humps etc. That is, where issues are unlikely to result in an individual attack, fear has a weaker foothold. I don't wish to explore the modalities of the protest as it exists in Eastwood further because although trust was given, divulging the intimate workings of the resistance apparatus is not mine to tell.

search for non-secure sources of energy and water was simply exhausting. All of the above meant that although initial behavioural modifications and alternative sources of the resource were sought; in the end, pure need transcended all else. The importance here is that the initial disconnection or restriction implicated great effort to make do. Tampering was the culmination of attempting to survive the retrogressiveness and lack of service alternatives that put families' health and welfare in danger, with infrastructure rendered unusable by the state and the burden transferred to other households; which ultimately led to a resigned acknowledgement that households simply could not comply with state containment. Because the first disconnection or restriction implicated such a thorough decision-making and experiential learning process; the second or third disconnection/restriction often resulted in immediate tampering.

### 3 *CHANGING CITIZEN-STATE RELATIONS*

It is odd how the character of a public space changes when it is empty; the abandoned amusement park, the shuttered opera house, the vacant hotel: in films these often feature as backdrops for events intended to frighten (Hamid, 2007: 155).

The governmental apparatus actively sowed alienation and broke up communities to reveal the vulnerable underbelly of individual households. Such a project was not uncommon in a state that was moving to commodify services and commercialise service delivery. Ultimately municipal service bills got sent to individual households. And if households could not afford to pay what the state demanded, water was restricted and electricity disconnected. In a fragmented community the neighbour disappeared and isolation emerged. Post-apartheid communities, traditionally united against the threat of the state, became increasingly tenuous, alienated and suspicious.

Yet the nucleus of the attack, the individual household, was also the source of hope. Small pockets of people, all around South Africa were refusing to be silenced, discriminated against and contained. They bore a considerable burden, even ordinarily, yet by way of small everyday actions and quiet (and not so quiet) resistance – were taking back their power. The stage-managed pseudo-participatory spaces offered up to communities for dialogue were rejected and greater contestation was being fought for real space, where ordinary people had power.

#### 3.1 *Assault on community: individualisation and isolation*

The term 'assault' is employed; as it appeared that the fragmentation of communities was intentional. Manipulating the access to and volume of services offered by segmenting traditionally equal communities and instituting new paradigms of payment, acted to dismember communities and ultimately changed their form and function. It was apparent that inter-household relations had changed since the early 1990s. This was due to two effects, both correlated: (1) the monetarisation of service access with implications for inter-household relations and; (2) the structural change within communities. Colin Ward, cited by Pilger (1999: 608), noted "... this is not a tragedy *sui generis* but the effect of a global logic from which no region of the world is immune. This is the logic of capitalism which breaks down all bonds between people" (Pilger, 1999: 608). Where households could not access or pay for services they typically sought

relief from relations, neighbours and friends. Where resources and/or finances were limited; any relief usually implicated a burden on behalf of the sharer or the giver. Ironically as the pressures to maintain a dignified life had intensified; the 'circle of relief' had constricted. In effect, both the scope of givers and capacity to give had been diminished.

I present an observation which, ostensibly of small import, is a profound and ubiquitous indication of the first effect. The move to cost recovery in water services led to the pervasiveness of topless, locked or secured outside taps. The implications of cost recovery were visible. Children no longer drank water at neighbouring household taps. Children (after playing soccer, 'catchers' or other games) no longer collected around a household tap, splashed their faces, quenched their thirst or god forbid splashed one another and squealed with delight. The tops of outside taps had been taken off or locked, or fences had been built around yards, preventing people from using another's water, preventing kids from serendipitously drinking water and desperate people from stealing water. In this regard, responses relating to why the tops of taps had been removed or locked, suggested that water was expensive and it must be secured and guarded. Such a phenomenon reflected the realisation, by households, of the changing nature of water from a public good to a private good, and with it the need to defend a commodity with a relative high economic cost. In this regard, the guardianship of water was individualised instead of communal; consequently decisions concerning the use of household water supply were located primarily as a benefit/disadvantage at individual household level. As this observation shows, the effects of cost recovery extended well beyond water services and gradually changed the way communities socialised and assisted one another.

We took the top off our tap. We took it off to stop other people from coming past and using our water. People come past and fill up their buckets and then I have to pay for that water (Lifestory 2, 26 January 2006).

We have an outside tap but we took the top off. Children where playing with it, you know. We took it off about three or four years ago, you know, the time the water and lights got cut (Lifestory 6, 15 March 2006).

We have an outside tap but we don't want to use it. We take the top off. You see because the children when they are playing here, they come and drink the water. So I say I take that thing off ... We just put the top on when we need it. Before we used to have to lock the taps, you know when people started stealing water. Aahh, from there I just said take that thing off. I just keep it here in the drawer. We had a garden too, but not any more (Lifestory 15, 31 May 2006).

We have an outside tap but we don't use it, we are trying to save water. *Ja*, like normally when people come, and walk past, they come and ask for water, but then people come often ... too often. You know what I mean so we don't give it. None of the kids use the outside tap, they don't play and go and drink at the tap. No more of that, kids can't do that anymore. We don't use it. *You know in those days when we were free*, in those days you know we could use it, even use a hosepipe and try and plant. You can't even plant (vegetables) now because you need to save (Lifestory 7, 11 April 2006, her emphasis).

Community, falling into Foucault's (1991: 203) trap of internalising the "constraints of power" effectively started to build their own walls, thereby further isolating themselves and excluding the other. "Can you see," says William Bothman, pointing to his house, "I put the fence around my house very far

because I don't want other people next to me. If my house burns, my place must burn alone, you see!" (Bothman cited by Nyandu, 2002: 129).

In relation to the second effect and (in some ways very closely) linked to the first, was that communities were increasingly transient. Kinship ties have been rapidly dismantled (pragmatically via the repeal of influx controls etc. [Robinson, 1996] and insidiously via the transition of public goods to private commodities). It was common that neighbours were not known; streets were inhabited by strangers:

There are a lot of changes, the people, like our neighbours, people that we know, are shifting out, other new people coming every month. Every month, people's houses are getting sold ... there's people shifting in, buy, sell, they coming every month ... these people are staying; others are shifting out (Lifestory 4, 15 February 2006).

As such, the solidarity (and active empathy) previously available to assist with individual cases of resource in-access or to jointly 'stand against perceived injustice' were lessened. Saliently, community trust was no longer guaranteed nor indeed a type of beneficent 'watching over one another'. Maybe the villain was not as palpable as in the past? Whatever the influence or form, the 'new' antagonist was clearly watching ... and her minions might be living next door. Hence, giving rise to a kind of perversion of the concept of 'neighbourhood watch,' employed in the anti-apartheid tradition to secure a neighbourhood against the state; now employed to secure the state against neighbours; hence giving rise to a 'public regulation.' The implication of the move to individualisation and erosion of community was that the cohesive glue, binding households together as a street or neighbourhood unit, had been removed and instead re-stuck at the intra-household level. Problems, now individualised, denoted that households took personal responsibility. Tampering entered the realm of the secret: in a context of suspicion – such closure provided some security – if a neighbour did not know; then the municipality might not know either. Households were very careful to whom they declared their status.

Indeed, an unfair and increasingly commodifying state had much to benefit from the individualised household. Primarily such a switch removed the culpability of the state by depoliticising service delivery (Ferguson, 1994; Rose, 2006). Local government was fragmented and aligned to respond to specific issues in isolation, not as a result of or within policy parameters; hence giving rise to an 'expert technocratic' intervention (Rose, 2006: 155) dealing with small, individual and isolated problems – or not at all. In such a way, government departments could purport to provide a 'better' service, in line with a neo-Taylorist approach, but within too narrow a framework to render real relief. In an 'ideal' service delivery paradigm such a move might be acceptable within the context of an equal citizenry with the capacity to pay for services and the state able to deliver quality, affordable and fair services. But this was not the case: South African society had the highest gini-coefficients in the world (Landman, Borhat, van der Berg & van Aardt, 2003; Gelb, 2003); apartheid backlogs and racially-based service discrimination remained a major constraint (Hunter, May & Padayachee, 2003; Hemson, 2004; Cottle, 2004); poverty was widespread and life, in general, was typically a struggle for many poor households (May, 1998; Hallows & Butler, 2004).

Importantly social cohesion gave way to a “social obligation and social responsibility,” which was all part of a move towards “social responsabilization and fate” (Rose, 2006: 152). It was simply the embedding of responsibility at the individual household level (Taylor-Gooby, 1998). Personal responsibility was now taken for being poor, and the resultant inadequate service access. If services were unaffordable, inaccessible or inadequate it was not because tariffs were poorly equilibrated or because quantities offered were miserly, or even that citizens were being ripped off; it was because the household could not secure a decent job, did not work hard enough, could not budget correctly, over-consumed etc. In short it was the individual household’s fault. The switch, which bore no relation to the capacity of households to absorb the burden of their new role, was nevertheless theirs to submit to (see Ford, 2000). Indeed, the system of blame and propaganda encumbered so heavily on the poor that they themselves started to believe that they were responsible for their misery (Alcock, 1987). In this regard the Indigent and Free Basic Water policies acted as a tool of neoliberalism, which by seeking to commercialise all aspects of life, rendered those who were excluded from the critical capacity to spend (Hutton, 1996) – at the mercy of their stations. In the context of post-apartheid, such a responsibility was ludicrous in its injustice.

[Do you blame anybody, when you struggle to pay your bill?] Not really, you just get frustrated with yourself, because you cannot meet [the payments] (Lifestory 2, 26 January 2006).

Foucault’s (1991: 200) description and analysis of Bentham’s panopticon, which seeks to eliminate all communication between inmates via a “lateral invisibility” resonates with the contemporary breakdown of community. In a Benthamian sense, the walls are real; in reality, systems are purposively assembled to break up citizen cohesion and, linked to algocracy, limit communication to that of guard-convict/convict-guard. Importantly, the concept of the panopticon removes the traditional support base and renders the citizen isolated and intensely vulnerable. Such a construction renders the convict at the mercy of the guard and, ironically within the milieu of welfare, makes the household even more dependent on the state (see Brown, 2006). This, together with the fragmented state, served a greater purpose as it further dispersed and diluted the greater threat, that of joint experience, consensus, plot or protest.

Yet the individualisation project cannot be sustained forever; it is always going to face resistance from the fact that humans are, after all, social beings; it is natural to share and discuss – attempts to block such ordinary acts, are simply contrary to life. So, although the dialectic of the human mind (linking the individual experience to those of the other) [Cole, 2005: pc] may be obstructed; it cannot be impeded forever.

### 3.2 *Space to protest*

Noting that households could not resolve concerns via bureaucratised channels, this section explores access to political space. The last several years had seen a flurry of municipal democratisation. For example: *izimbizo*, budgetary consultations, Municipal Systems Act (s78) processes, consultations on Integrated Development Plans, Water Services Development Plans – even public invitations to the turning on of the ubiquitous municipal Christmas lights. Ironically as spaces to engage in real, meaningful debate

and consensus had closed, pseudo-participatory spaces had abounded. In this regard 'citizen participation' was carefully crafted. Gatherings and agendas were dictated by the annual deadlines imposed by the developmental duties of municipalities; not by the demands of citizens. Such spaces were wholly inadequate in terms of addressing issues/needs, dialogue or real debate, time, language and prior perusal of relevant documentation (budgets etc. are typically thrust in one's hand on arriving at the meeting).

The general format of 'popular engagement' (that I attended) unfolded as follows: the meeting started at least half an hour to an hour late, luminaries were introduced (this can be extensive if a full council is attending), the mayor or similarly senior official gave a speech, this was followed by an 'overview' from a politico/bureaucrat (who typically read off a brief pamphlet, providing little substance), all the while the politicians were joking and laughing and moth-jostling for light, the microphone was finally handed to the floor and a citizen rose to talk, this was followed by a belittling explanation from a politico/bureaucrat – usually a clarification – circuitous and lengthy, stealing time for the top of the stairs; the next citizen rose up, spoke and a response was given. Typically, after the fifth citizen had finished her/his input the floor was told that time was running out and two or three more inputs would be taken, amid pleas for brevity. If any rowdiness was detected from the floor this last step might even be shut down altogether. Then the Mayor or most senior luminary in charge would thank the public profusely, saying something to the effect of "the views of our faithful ratepayers are critical to the success of our city." Lots of clapping (loudest on the stairs) and the curtain firmly closed.

In light of South Africa's rich history of popular dialogue in the anti-apartheid movement engaging in a process such as that indicated above is an exercise in futility. If anything, such spaces discourage further engagement with the local state. Importantly, in light of the nationwide community protests, the state will be disappointed if it continues to believe that it can pull real dissent off the street into stage-managed pseudo-participatory spaces.

Indeed there is very little space for communities to engage formally with the state. Yet, and this may not be entirely unsurprising – communities will still exhaust all formal channels (Lifestories, 2006). They will engage with a frustrating government. They will listen when officials respond to citizen criticism or questions with patronising explanations. They will hear officials implore that government policies are indeed correct, citizens merely do not understand them – clarity is what is needed. They will be drawn into wasteful meetings, they will respect their 'public representatives' and they will do all that good patient citizens are expected to do (Pithouse, 2005). It is the impoverishment of response, the delay tactics, the disregard of the seriousness of concerns and the inadequacy of dealing with demands that causes communities to go to the street: "... the only language they will understand is when we put thousands of people on the street" (Zikode, 2006: 2).

Yet sustaining an organised mass resistance 'on the street' is difficult. Indeed it is also dangerous. Government has sought to shut down dissent to threaten the citizen voice. Violence and intimidation and

all manner of insidious tactics are used to batter public revolt (Desai & Pithouse, 2003). In Eastwood, a prominent advocate leading an emerging grouping found a chicken's head wrapped and tied to his gate, this was followed by a pig's head and then a coffin. His wife received threatening phone calls. In Cape Town, members of the Anti-eviction Campaign became part of the 'Tafelsig Water War,' and held running battles on the street with metro police officers. Leaders were brutally assaulted. Ashraf Cassiem had his teeth kicked out. Rubber bullets and live ammunition were used to disperse protestors. In Durban, Marcel King was shot dead whilst trying to defend his mother from municipal security police who had come to threaten residents for 'stealing lights.' A 25-year-old Umlazi woman was killed when a policeman shot her in the back whilst she was walking past a small gathering of women sitting on the main road, a quiet protest against their councillor. Durban also saw the Abahlali BaseMjondolo being violently assaulted by the local police for demanding housing, electricity, water and toilets. Harrismith saw 17-year-old Teboho Mkonza murdered by police whilst taking part in a municipal services protest. In Johannesburg, members of the Soweto Electricity Crisis Committee marched to the Johannesburg Metropolitan Mayor Amos Masondo's home where they were promptly shot at by his security guard and arrested. They became known as the Kensington 87, with old women and young children held in police cells for days without bail. The notorious Red Ants, hired demolition men, pull down shacks and throw out their occupants, assaulting and beating as they go. In Cape Town, attack dogs and metro police similarly armed to the teeth evict illegal occupiers tired of waiting for the elusive roof over their heads. Freedom of speech, movement and association is, after 14 years, under attack. "Those who make peaceful change impossible make violent change inevitable" (cited by Soyinka, 1983: xxiii).

Despite the risk, citizens do still resist. Despite the state's individualisation project, the commodification project, the surveillance apparatus, the propaganda, the repression, the violent assault on humanity, the small gains levied as large ones, the fracture of community structures and the intense monetary pressures to secure housing, rent, food and transport, despite the AIDS pandemic, the job losses and the drugs and the crime. Despite all state and capital interests that shut down and obstruct dissent, resistance still finds a space. Indeed, I suppose it has to (see Fanon's *The Wretched of the Earth*, 1963).

Indeed, regardless of form, the importance is that the action happens. The form of such resistance is malleable. Its greatest trick is that it resides within poor people (Scott, 1985 & 1998), in the places where "power is also to be found" (Mckenzie & Cilliers, 2007: 18). It takes many forms: it can be overtly political such as Zikode's (2006) masses on the streets or silently personal such as an Eastwood mother reconnecting her family's lights. It is this very consciousness, rendered so dangerous, which provides the exit point to a system constructed without the consent of the citizens. Fear is still there, but every attempt to grasp at humanity renders fear weaker. An innocuous sharing of experience, across homes – across misery and injustice – cannot be locked in. It is this, the simple human act of speech, joint consciousness and reclaimed humanity, which threatens an apparatus intent on shutting down and building walls.

#### 4 CONCLUSION

This chapter framed the offering of municipal services in the form of welfare in the context of a state that is struggling to control its urban populace. The Msunduzi case showed how useful this new form of welfare was for state bureaucracies. The greater the burden, the more households approached the state for relief. In doing this, 'neediness' announced itself for segmentation and targeting; the disciplining apparatus no longer dormant. Yet, there was something perverse about this system which relied on public trust to penalise and chase. Households, it appeared, were shocked in this regard; the release of a punishing state when clemency was expected was difficult to decipher. It left households very confused. Indeed, I likened their experiences to the disorientation and bewilderment suffered by Alice in the fantasy of Lewis Carroll's (1984) *Alice's Adventures in Wonderland*. Notions of an "illusory state" (Abrams, 2006: 114) however served to actively mask state intentions. State mechanisms and how it 'sees' were hidden. Access to recourse, public information or even a bureaucrat who could explain the binary juxtaposition of a state that forced visibility and disclosure in the private realm of the home yet concealed the state in darkness was obscured. Households could no longer trust the local state. Relief had to be sought from within homes and community.

Yet the traditional safety nets to guard against the threat of the state had been unravelled. Fragmented by the state's commodification machine, requiring individual payment for household services, which, in the context of socio-economic difficulties, actively disintegrated community solidarity and replaced it with the individual, ensured that households were increasingly isolated. In the context of a penalising, deaf and unresponsive state, justice was more difficult to grasp and indeed more risky. Yet, with nowhere else to go, and despite the danger; attempts at relief and justice started in the home. In Eastwood women with families to raise put their labour and dignity and the needs of their families before the cost recovery, credit control requirements and profiteering of the state. Tired of waiting for water that was reluctant to flow, lights that tripped, unprepared to accept that the state had *stolen their chance at a better life* and refusing to put their families' lives in danger through the use of paraffin or unsafe water sources – households used the only mechanism that was within their control; they tampered. It was a strategy to gain immediate relief in the face of a state that offered mirage services and when found out refused negotiation. Tampering is but a manifestation of state failure. It says that the state has not delivered the quantum of services necessary for a productive and dignified life. It has failed to see poor people as citizens in their own right. It has denied the decades of oppression and violence. It has denied the poor their humanity. Quite simply, the state created the context for tampering and the emerging municipal services crisis. The project of shutting down citizen-state dialogue and limiting any meaningful participation in governance has resulted in a chasm between the state and its citizens. Yet this disconnect goes deeper than discourse; that the state offered services that were perceived by households as retrogressive and violent meant that there was also a breakdown in public trust. The myriad ways in which civil justice, or dissent or even revolt is enacted is indicative of a state that provided no space for citizen involvement in governance, no reasonable dialogue nor rational solutions. In a context where citizens had nowhere else to go, the first space to be reclaimed is the home – and thereafter the street.

## *Chapter 10*

### **CONCLUSIONS**

This dissertation was an in-depth case study of urban water services to poor households, particularly women in the community of Eastwood, Pietermaritzburg, in KwaZulu-Natal, South Africa for 2005-2007. It explored in great detail how urban water services are administered, priced, delivered and framed in the language of welfare, and how this afforded the state spaces and justification to intensify its apparatus to discipline, control and govern poor households. This thesis argued that pro-poor programmes often do not alleviate the poverty, daily grind and struggles of poor households, but instead intensify the domestic, social and economic burden of the poor, particularly women. Section one of this chapter revisits the study's objectives by summarising the core findings within the framework of the study. Section two considers the possible theoretical implications of the study.

#### **1 CORE CONTRIBUTIONS**

This section outlines the major contributions of the study within the broader research question. The study dealt with six objectives relating to: notions and conceptions of appropriate water needs of poor households; water tariffs, payment responses and affordability; the contribution of the social wage to the alleviation of household poverty; the micro-implications of restricted welfare for poor households; the broader rationalisations of the state in offering municipal services as welfare; and the household and community resistance and coping strategies to the strengthened governance and disciplinary apparatus of the local state.

##### **1.1 Water tariffs, bills, payment and affordability**

Weak national policy and regulation mechanisms culminated in poorly equilibrated and inequitable tariff structures, the municipal manipulation of social policy and service delivery, and the pursuit of ruthless cost recovery and service financialisation. Low-volume consumption above 6kl, was deliberately charged at punitive tariffs, pushing poor households into debt. Households received average bills of R564 monthly for all their municipal services, with water comprising ±R109 (19%). Tariffs and interest charges promoted default and prolonged indebtedness. The goal was part of a broader financialisation mechanism whereby Msunduzi, in the face of a limited base of billable consumers, extensive new and underfunded infrastructure burdens and high levels of unaccounted-for water passed the pressures of cost recovery onto billed domestic consumers. This was done by retaining high uniform water tariffs after 6kl, levying flat rates (for sanitation, electricity amperage, refuse and rates) and restructuring the payment and debt collection regime into a very effective debt-related financial services mechanism. The analysis of Eastwood household payment rates, notions of payment and affordability thresholds revealed a distinct 'culture of payment' and compliance. Households made real attempts to pay their bills and municipal-related debt was taken very seriously. Households able to, cut their consumption and, despite attempts to pay and oscillations between payment strategies, 44% of surveyed Eastwood households were

caught in a cycle of heavy arrears, and the resultant non-service items accounted for 30-40% of total bills. Poor households were targeted for debt collection.

Stressed households faced two scenarios: (1) to register as 'indigent' or (2) if excluded from indigency, to be labelled as 'bad' debtors and be ruthlessly pursued. The Indigent Policy however, aimed at assisting only very poor households, with the rest excluded due to higher than allowed income. Struggling working class households excluded from 'indigency' in time became 'bad' debtors. Ultimately 'indigent' households were not much better off. The Indigent Policy was carefully crafted within an uncompromising framework. Ninety-one per cent of Eastwood 'indigent' surveyed households still could not afford to pay total bills consistently and in full. This resulted in service subsidies being erased by the reintroduction of interest on historical debt. Msunduzi systematically recovered 66% of the potential social wage concessions granted. The Indigent Policy provided a nominal financial gain of R113.24, but once interest, service penalties and fixed charges were deducted, a net social wage gain of a mere R39.05 remained. 'Indigent' households indicated that concessions were not worth the effort to meet conditions of uptake.

This municipality tried to contain the problem of the poor by drastically curtailing consumption and loading households with major debt. Municipal debt collectors resumed their chase. The clearest sign of a failed Indigent Policy is that 'indigent' households wanted out: they preferred to take their chances with their 'bad' debtor sisters/brothers. The implications of a failed Indigent Policy, meant not only a major service affordability crisis in Eastwood and broader Pietermaritzburg low-income communities, but provided an acute warning of an emerging social crisis.

The outsourced debt collection and electricity disconnection mechanism was a political strategy to remove debt collection with its critical sensitivities from public administration, to the merciless realm of private propensity. It not only ensured that defaulting households were more ruthlessly chased, but also that private pockets were enriched to the detriment of the poor – with some of those pockets sewed to the trousers of ANC luminaries, adding an altogether more insidious element. Public 'representatives' are supposed to negotiate annual tariff increases, payment, credit control and debt collection regimes in favour of their constituencies, not their own financial interests. In this, the iniquitous tariff design which caused 35% of all billed domestic households in Msunduzi to be handed over to the debt collection consortia, may suggest a conflict of interests. In this regard, although I proposed a variant of 'corruption' in the fiscal system; I could not confirm its exact form. Yet, unlike Atkinson (2007), I do not posit corruption as the cause for municipal failure. Instead, I locate Msunduzi's failure to absorb the needs of the poor within its institutionalised commodification and commercialisation framework. Msunduzi's special brand of corruption may indeed be 'legal,' facilitated by a porous and weak regulation system and strongly linked to commodification, financialisation and inadequate political representation. It is within this category too that Umgeni Water's turnaround is placed: profits at the expense of the poor.

## 1.2 Free basic water and water use

Free basic water benefitted only 6% of Eastwood and 10% of Msunduzi's non-'indigent,' not restricted billed domestic households. Msunduzi's interpretation of free water, whereby a household could only access a guaranteed free basic water allocation if consumption was equal to or less than 6kl per 30-day period, or if a household qualified as 'indigent,' severely curtailed its scope. All households in the 'conventional' group, with the exception of 'restricted' households and a minority of small households exceeded the free 6kl water offering, implicating that all water used had to be paid for. The free basic volume of 6kl had no resonance with actual water volumes consumed (households within the 'conventional' service package consumed  $\pm 14.1$ kl per month – mean household size of 3.7 members) nor the value or fluidness of usage by the majority of Eastwood households. Moreover, tampering and non-payment were unrelated to consumption volumes. Consumption, across household size and service packages, was moderate. The study showed that assumptions of irresponsible and reckless usage were incorrect.

The access to free basic water for 'conventional' households was conditioned on small household size (1-4 members). However, a small household was not enough to secure access alone; households with 2-4 members further had to reduce consumption (41-70%), predicated on the modification of normal water activities and lifestyle. That is, single-member households appeared to be in the best position to benefit from free basic water, whereas all other households may access free basic water, but only at a disproportionate social cost. A starker example of this latter scenario was the case of 'restricted' households, which although accessing free basic water; did so via a technical limitation. Water delivered via a restriction washer provided only 4.1-4.3kl per month (a direct contravention of the Water Services Act) which was  $\pm 65\%$  less than what equivalent 'conventional' households were consuming. The negative implications of severe water reductions, coupled with the low flow rate meant that such households derived no benefit from free basic water but, more significantly – free basic water acted retrogressively not only on water supplies accessed but more broadly on quality of life. In this regard, I suggested that free basic water was in contravention with the negative rights afforded by South Africa's constitution and that Eastwood citizens have not been adequately protected against the state's "deliberate retrogressive measures" (De Waal, *et al.*, 2001: 434).

The Indigent Policy, as an instrument to augment the Free Basic Water Policy, widened the scope of free basic water access – not by offering higher volumes of free water but simply by not removing it if 6kl was exceeded – thereby accommodating not only more households but larger households as well. Nevertheless the capacity of the Indigent Policy to bring real relief was limited by uptake procedures which acted as a disincentive to application; conditional water services restriction as well as the uniform delivery mechanism which discriminated against larger households. 'Restricted' 'indigent' households felt that the financial saving ( $\pm R18$ ) entailed disproportionate social deprivation. Ironically, 'indigent' households which tampered salvaged the free basic water benefits. Such actions resulted in: (1) the delivery of an unrestricted flow; (2) the righting of the indigent contract breach of accessing 12kl instead of the 6kl; and (3) the enabling of the access to a maximum water subsidy in the first block and part or

full subsidy in the second block. That the locally-manipulated social policy necessitated 'criminality' to exact legitimate gains, served as a broader parody of the policy and delivery apparatus.

This study, via the optic of Eastwood households suggests that DWAF failed in facilitating sufficient funding for the roll-out of free basic water, ensuring tariff transformation to facilitate affordability after the first free 6kl and issuing more rigorous injunctions on Free Basic Water Policy interpretation. Moreover, it suggests that DWAF was far too short-sighted in contextualising free basic water, focusing disproportionately on volume roll-out instead of the tariff framework and implementation strategy so essential for the achievement of free basic water goals. DWAF's free basic water objective of making water more affordable for poor households was limited by constructing affordability only in relation to the 6kl free volume and not supply per se (DWAF, 2008a). There were no regulatory or institutional mechanisms to promote affordability beyond the 6kl offering. The irony of integrated block tariffs (IBT) is that they can actually be structured to make sound economic sense and accommodate the poor. But neoliberal and government technocrats failed to design tariff parameters and prices to accommodate the poor. By settling on such a narrow first block which had no relation to the appropriate water requirements of poor households and within a cold regime of harsh commodification; affordability measures beyond the 6kl were critical. Yet, DWAF obstinately ignored the impact of its 'basic' water offering and further refused to regulate municipalities that flouted its tariff principles. These messages together with regulatory inertia were ruthlessly capitalised on by street-level bureaucrats. A prime aim of the Free Basic Water Policy I argued was its role as a strategy to depress consumption and confine poor households to a 'sustainable' 6kl offering. Free basic water, as interpreted by Msunduzi, instead of making water more affordable and available for poor households, actually achieved the contrary – it eroded formerly unlimited water supplies via the imposition of restriction devices, or exclusion via high tariffs, and exacerbated and contributed to the emerging household affordability crisis. Msunduzi twisted and manipulated a potentially important social policy to meet its own financial and resource ends.

### *1.3 Access to relief and citizen perceptions of the state*

Space to negotiate with the local state was limited. Citizens used the correct channels to approach the state but it appeared that such channels were purposively structured to deny resolution. Policy parameters were narrow, they were not pliable and nor were they designed to provide substantial relief. Municipal staff had no power to deliver help. This led to frustration for citizens as they felt staff simply did not listen to or understand their socio-economic circumstances. Citizens felt that their grievances were justified – they did not want patronising explanations nor did they want to be chastised or belittled – they wanted to be acknowledged as human beings, to engage with dignity and receive a rational response.

Citizen blame for perceived injustice, their spiralling affordability crisis and misery was attributed to Msunduzi with municipal front-line staff bearing the brunt of dissatisfaction. Eastwood households appeared not alone in this regard, many other Pietermaritzburg communities localised discontent at the door of this sphere. In this, I suggest that national government, publically remonstrating local government, has been privy to this routing of popular anger against the local state. That is, local

government cannot solely be blamed; national government has directly facilitated such twists. National government and local government, at least in some respects, actually appear at war with each other. National government has displaced accountability and responsibility for its citizens onto the reluctant shoulders of the local sphere without first ensuring that the local state can actually deliver. Lack of funding and regulation allow the local state to manipulate policies and erode social gains to their citizens. Subsequently, whereas local citizens should actually be joining with local government in lobbying national government; citizens are fighting the local sphere and vice versa.

#### ***1.4 Strengthened governance apparatus, citizen responses and resistance***

This chronology from free basic services in general to its provision via the Indigent Policy implicated a swift turn in intent. It signalled a profound shift in the management of poor households. Free basic services were initially conceived as a universal entitlement. In Msunduzi, the first limitations centred on a volumetric cap. This limitation was useful but it was inadequate in addressing the need for Msunduzi to know its poor citizens. The introduction of the Indigent Policy satisfied this gap: the disclosure of citizen information was a condition of subsidy access. Msunduzi's cost recovery regime, undifferentiated and punitive, together with derogatory state discourse and ubiquitous surveillance and threats, and with enticing concessions, the return of the electricity meter box, and state messages of benevolence ensured that poor households 'voluntarily' approached the state and submitted to municipal 'help.'

There was no need for expensive and protracted means-testing and tracing: poor households not only announced that they were financially unreliable but proved it too. The dormant state was reawakened. Segmentation and targeting was then easy. The municipal apparatus simply channelled 'deserving' households into indigent service packages or pressed 'undeserving' households into 'bad' debtor categories which implicated service cut-offs or being passed on to debt collectors. Both of which were perceived with confusion by citizens as they implicated harsher regimes of control and constrained service access. There was always something perverse about this system which relied on public trust to penalise and chase. Relief was packaged like a Trojan horse and welcomed into the intimate spaces of home. When the real intent burst, households were shocked at the trickery – citizens had not anticipated such an outcome, they had expected real help. For households newly registered as 'indigent,' promises quickly dissipated: irregular payment meant that frozen debt thawed and historical debt with interest returned, lights dimmed and then were again disconnected and there never was any intention to provide the promised 12kl water. Subsidies were systematically eroded. 'Bad' debtors were ruthlessly chased; water restricted, lights cut and debt collectors had constructed debt-repayment terms which were difficult to avoid. There was no relief – the package was viewed not as augmenting services, providing subsidies and restraining debt collectors but simply a debt management package constraining services, maximising debt collection and disciplining households. Households felt betrayed, became profoundly bitter and questioned "Where is Msunduzi Municipality taking us?" The containment was rejected: pro-poor policies that actively caused poor households to regress resulted in the rejection of restrictions by the majority of households.

It is clear that Msunduzi made a number of substantial errors in its management of the poor. Msunduzi was far too coldly neoliberal in its approach. It failed to recognise that by crafting service packages that prohibited the access to appropriate needs of the poor; large numbers of poor households would certainly require more. Where no official space or relief mechanism was granted to augment this need; households would be forced outside of official structures and therefore beyond municipal control. Ultimately, households would resist regardless of the threat, simply because they had to (see Fanon, 1963). Citizen 'criminality' in the form of tampering, hiding from the state, falsifying documents, welfare fraud etc. would more likely be pursued as a desperate attempt to access some form of relief. In short, where a neoliberal agenda fails to account for the basic needs of poor households, the whole system will fragment. Msunduzi's second mistake was that it provided inadequate rewards for compliance. Rewards looked far too much like punishments. Thirdly, Msunduzi misjudged how crucial public trust – core to the welfare hook – is to governance. In this regard Msunduzi's bashing of public trust may have been withstood if it were not so unrelenting. The implications of such sustained smashing have, I suggest, yet to be felt. The fourth error made related to Msunduzi's underestimation of the conditions under which it had not only forced struggling households to live but the wider context of hurt and adversity upon which micro-municipal punishments were cascading. Lastly, Msunduzi failed to recognise that no matter how ingenious the municipal apparatus was, people, especially desperate people, will always beat the state. This is because the former is simply 'governing' – the second is fighting for her life. In this regard, it is far better to govern fairly and transparently, with humanity at the centre of social policies, then to engage in a cold war against one's own people. Communities in flux and fragmented by commodification turned inwards to seek relief. The fight was measured and quieter because potential backlash was more acute and neighbours and streets would not automatically shield. This invoked new kinds of resistances; personal and distinctly individualised guerrilla-type tactics, which were and will be much harder to suppress than open-street protest and certainly with a myriad in-home leaders, much more difficult to 'organise' and lure into and placate (and disempower) in a boardroom.

A theme throughout this thesis has been the systematic denial of the humanity of poor citizens, the denial of dignity, of equality, of citizenship; the denial of space to negotiate, to rational response; denial of the effects of apartheid – brutal, racist, oppressive; and the denial of substantive redress. Poor households have been treated with contempt: ridiculed, beaten and hurt. They have also been cheated. Msunduzi measured citizen worth in relation to contrived thresholds of payment. Mothers, grandfathers, sisters, uncles and widows were stripped of their humanity because Msunduzi administrators failed to apply their minds to the implications of not recognising the effects of poorly equilibrated tariff structures, not differentiating debt collection mechanisms, instituting ruthlessly inequitable cost recovery and financialisation mechanisms on citizens who did not 'fit' their narrow qualifications of people deserving poor relief. For this, Msunduzi was rewarded for its short-term financial eminence and sparkling credit ratings with the accolade of being South Africa's seventh Metropolitan City. That this came at the very expensive social cost of socio-economic equity, real people-centred development, public trust, stability and an inclusive, responsive and humane state; was not acknowledged. Such institutional 'success,' particularly in post-apartheid South Africa, is disappointingly narrow-minded and callous; poor citizens

deserve more, they deserve a different type of state and a different type of development. Short-term financial gains and vulgar financialisation in a context of acute deprivation, dispossession and desperation should not be rewarded; they should be condemned. There appears no space for the poor in the new municipal system. What might be forgotten is that if no space is provided, it will be taken.

## **2 THEORETICAL AND POLICY IMPLICATIONS OF STUDY**

I have limited the theoretical implications of the study to the major themes covered in this study: free basic water, the social wage and the relationship and position of the state and citizenry. Municipal bureaucrats (especially of a certain class and geographic residence) expected to juggle contested financial resources and 'meet' popular pressures are always going to manipulate the spaces created by welfare or other social mechanisms to further their own insular agendas.

### **2.1 Theory on free basic water**

The analysis of free basic water via the optic of the household, particularly women, provided substantial insight into the volumetric allocation and measurement of water services within an orthodox economic framework. The limitation of water services via the policy of free basic water amplified the ideological constructs of water volumes and measurements and the implications of such propensities. In this regard the interpretation of the retrogressive impacts experienced by the majority of Eastwood households was found in deconstructing the foundations of free basic water's conception framework. That is, local failure in the Free Basic Water Policy is not simply one of interpretation and implementation, but with the policy foundations itself. The prime point at which free water deviated from its core mandate is located within the myopic 'Durban research experiment,' which led up to its adoption. The research which informed the Free Basic Water Policy linked a linear ideology of economically constructed scarcity, technocratic and expert calculation, underlying racist and patronising 'help,' cost containment, bureaucratic administration, haste and arrogance. In this regard, Taylor-Gooby's (2000: 11) warning rang true: that where policies are formulated without the necessary contestation of professional expertise, the resulting policies may in fact be detrimental to society.

Importantly, this research informed a policy that impacted millions of households at the most infinitesimal level; perhaps it demanded more rigour and contestation before it was expanded to deliver limited volumes of water to households in entirely different contexts. This thesis has interpreted and contested the Free Basic Water Policy in a framework entirely removed from the framework of conception. Through the lens of Eastwood households, this thesis has shown how important this differentiation was to free basic water's impact. I have suggested that the Free Basic Water Policy should not have transcended beyond this scenario of incipience, addressing non-permanent, insecure access to established areas of historical, full-pressure and grid-access without significant adaptation.

Let us now move onto three major principles elucidated via the study. Firstly, the findings reinforce Harvey's (1977, 1996) assertion that water needs are not universal. However, the findings go beyond this and show that not only is the usage and quantity of water within a domestic context fluid, but also

distinctly personal. The implication of this first principle is that a quantitative physiological calculation alone is not a sufficient measurement mechanism, but requires a careful qualitative component. Measurement of water requirements has to be contextual. The notions and perceptions of the user regarding water's usage and value should be core to any investigation on water volumes required. Secondly, the thesis has illuminated the proximity of notions of humanity and dignity to water's access and delivery mode, particularly acute in the post-apartheid context. This implicates a greater emphasis on the value of water beyond mere biological need and, when restricted, may explain new forms of social conflict, resistance and a deterioration of public trust. Thirdly, water as a life-source, means that it demands a particular type of sensitivity if it is to be constructed as commodity. That is, water's commodification must either be accompanied by careful safeguards or rejected, because water services deliver a particular type of value to society.

Noting my initial critique of the methodological construction of free basic water, coupled with the above-mentioned principles, which I suggest were not satisfied; at the very least, the roll-out of free basic water should have included very careful monitoring procedures and very clear municipal oversight. This because any attempt to analyse what households with previous access were actually using; any real discussion with women regarding how water is valued, used, and what delivery mechanisms are preferred; and simple common sense would have shown that the policy, as interpreted by Msunduzi, would act retrogressively on previous secure access. That is, neoliberal-minded bureaucrats had to know that maintaining the offering at 6kl within a commodification framework would restrict and exclude poor households from accessing their appropriate water requirements. Because there was no caution, no regulation and no modification; space opened for free basic water's critique as a Machiavellian strategy. It moved it into Muller's (2001:1) "innovative strategy" to subjugate and manage poor citizens, to reduce water consumption by those who may struggle to pay for it and thereby to contain costs, to maintain the cost recovery project and to segment and separate citizens.

The literatures of international anti-development scholars: Harvey (1977, 1996), Illich (1993), Gronemeyer (1993) and Escobar (1993), in particular resonated with this theory. 'Need' was constructed and then 'remedied,' divorced from the problematisation or input from poor citizens themselves. Expert technocratic calculations determined final volumes offered (consistent with Rose, 2006), based on particular notions of physiology and costs, not the real-life values and experiences of water usage within homes; with mercurial international universal 'recommendations' posited to add credibility to local 'exploration.' Lastly, more time was spent on determining how the concessions could legitimise the pull-back of state control and augment the state disciplinary apparatus than actually improving the lives of recipients. Free basic water became a prototype of Ferguson's (2006: 271) thesis whereby poverty relief programmes "serve to govern" poor people; it exemplified how municipal services, in a context of acute inequality and urgent developmental needs, could be manipulated to control populations (consistent with Ruiters, 2005; Naidoo & Veriava, 2005; Naidoo, 2007) and ultimately reinforced Gronemeyer's (1993) assertion that development's value is not in what it brings to the 'receiver,' but what it provides for the 'giver.'

In short this thesis, via the case of Eastwood, has shown that the offering of free basic water is not about meeting water needs or making water more affordable or even improving the lives of poor households. It is simply about using a social policy legitimised under the guise of utilitarianism, environmental and economic ‘scarcity,’ ‘expert’ calculations, universal ‘recommendations’ and even the realisation of socio-economic rights to exclude certain people from accessing their required water volumes so as to lessen the economic burden on the local state. Contesting free basic water then, is not about finding better ways to calculate water need, different modes of delivery or different tariff structure designs – it is about contesting state control shrouded in the dominant ideology which puts narrow economic objectives before people.

## **2.2 Theory on the social wage (and offering municipal services as welfare)**

South Africa embarked on its “third way of a special type” (Marais, 2001: 271) at a time when it was grappling with a number of disparate pressures: municipalities were facing a financial crisis; pervasive economic orthodoxy demanded that municipal services be paid for in full in a context where poor citizens had little money, no jobs and were facing a vicious HIV/AIDS epidemic; rapid urbanisation concentrated an impatient and largely unknown populace in cities struggling to reform and deliver; citizens desperately needed major post-apartheid promises to be realised; income poverty statistics were splintered and bleak; and the ANC needed to re-legitimise itself as a party that would deliver on its social redistribution mandate. A key component of the third way was welfare reform, and in 2001 the South African government moved to refashion and augment social expenditure.

After ±7 years in power; the ANC *had to* deliver and indeed *be seen* to deliver certain concessions to its people without actually incurring the cost of paying for supplies that would not be paid for. The question then was how such concessions could best be structured to provide optimal utility for the state? National government could have increased the value of welfare services proper, but this may have been declined due to limited scope (widespread relief was required); could not be guaranteed to be used to pay for services (resounding with Malthusian spin, poor households instead of putting monies towards paying services might simply ‘smoke and drink away the monies’); would have entailed a jumble of ideological resistance – competing against minimum wages, demands of capital, disincentivising work and investment, locking the state into welfare and fostering dependency – internationally unpopular with countries that were promoting the third way; and certainly under the leadership of Mbeki-Manuel. National government could have channelled the additional funding into a direct subsidy on services. This however would have been very expensive, contrary to economic orthodoxy and not sufficiently visible. Municipalities would have had to overhaul their tariff systems to accommodate poor households and ultimately halt the municipal commercialisation project. National government would have encountered resistance from local bureaucrats distrusting of the national sphere, and would have necessitated a change to municipal legislation. Moreover, national government would have had to admit that its municipalities really were underfunded. Importantly, a direct subsidy may not have deterred civil dissent, poor citizens (as the ideology goes) may simply have been encouraged to over-consume, as the ‘true’ value of services would have been obscured, and all competing pressures would not have been sufficiently addressed.

National government had to intervene in the municipal service crisis – post-haste and smartly. Services would be subsidised but targeted to specific groups and conditional on certain consumption modifications, educational components and offered under the guise of ‘empowerment’ and renewed citizenship. Concessions had to therefore, take on the characteristics of welfare. Augmented social expenditure therefore was restructured to coincide with the introduction of free basic services in 2001 and the Indigent Policy in 2003. Monies would be channelled directly to municipalities, who would then decide who would receive subsidisation, what conditions would have to be met in its uptake, how and for what purposes it would be used. Why the state chose to use the social wage as an instrument to manage these competing pressures is found within the paradox of welfare itself. Granting service concessions via the social wage served many ends. In a nutshell: to manage and appease an unruly populace, avoid embarrassing poverty and access statistics, stabilise municipalities and retain the core principles of economic orthodoxy, and with it new regimes of insidious outsourced punitive entities (consistent with international welfare scholars: Gough, 1979; Alcock, 1987; Dean, 1991; Piven & Cloward, 1993; Walker, 1993; Painter, 1995). In this regard, the ‘shifts’ resounded with Painter (1995) and Rose (2006): social expenditure was simply restructured but the predominant neoliberal ideology remained firmly in place.

The social wage is still in its infancy implicating that all the effects for poor citizens and benefits for the state are yet to be played out. Nevertheless, it is possible to theorise on the usefulness of the social wage for the state. I will discuss these in terms of primary and secondary effects as evidenced in Msunduzi, although noting that such differentiation is simplistic. The primary effects of re-directing social expenditure to struggling households via municipal administration systems meant monies could be directed exclusively to the payment of municipal services: (1) municipal revenues normalised and augmented (municipal bail-out and help with new developmental role); (2) municipal revenue stabilised (consumer groups segmented: services either subsidised or targeted for debt collection); and (3) struggling households would acquire immediate financial relief and access to basic municipal services. The secondary effects included: all consumption metered and monitored; cost recovery continued unhindered as poor have allegedly been accommodated (if consumers need more (a) they are not poor (the poor only need the ‘basics’) and (b) only if consumer can pay can they have more); tariff designs were not amended; services can be legitimately restricted (through notions of ‘scarcity’ and guarding against ‘naughty’ people taking more than their due); knowledge on populace improved, state’s gaze reactivated and social control improved and ‘justified’; ‘disobedient’ citizens brought back into the municipal accounting system and a ‘culture of responsibility’ fostered; poverty statistics consolidated and more reflective of government commitment to poverty alleviation interventions; the emergence of a benign state re-legitimised through new promises seen to directly address municipal service needs and affordability constraints of poor households; unruly elements temporarily appeased and silenced as ANC promises realised, the electoral vote secured and municipalities wrestle back control of cities.

A conundrum that has refused to be silenced throughout this study is whether the primary aim of the state is social control or simply to govern cheaply. Evidently, citizens cannot be governed cheaply without

strict social control (consistent with Foucault, 1991: 281). In this regard it does not really matter where the primary aim of the state lies: cheap governance and social control are not mutually exclusive. For example: the Msunduzi administration may not have intentionally been attempting to control their populace, but the result of meeting orthodox financial imperatives meant that households which struggled to pay for services received had to be reined in. This by way of curtailing the volumes or quality of services received and a dual chasing/punishing when households defaulted on payments. Cheap governance leads to social control where the services offered are less than that required by poor households. For a monthly saving of R39.05, poor Eastwood households had to submit to containment and a myriad of disciplines. Governance was cheap. The imperatives of the third way mean that government must be leaner, more efficient; governance must be cheaper and citizens must take greater responsibility for their futures. Clearly, the South African government is following such a trajectory; whether such an approach is appropriate or indeed if its people are ready for this new type of governance or not, and their enforced new role is an entirely different matter. It is clear that my explorations into the implications of the state's adoption of the third way are tenuous. However, in Msunduzi's case, it appears that the third way's tokenistic welfarism, non-transformative and retrogressive, has allowed the local punitive state not only a cover for its vicious neoliberalism but also a springboard. In this regard, the study has provided plausible scope to imagine that offering municipal services as welfare concessions has amplified the space provided to neoliberally-minded state bureaucrats by the already porous national framework, devoid of political will and oversight, to subvert redistributive agendas, justify the non-provision of adequate services, regulate the poor cheaply, maintain municipal economic orthodoxy and grasp its poor populace.

*Men fight and lose the battle, and the thing that they fought for comes about in spite of their defeat, and when it comes turns out not to be what they meant, and other men have to fight for what they meant under another name (Morris, 1896: 31).*

## REFERENCES

### 1 PRIMARY DATA

- Account Enquiries (2005). **Telephonic Communication**. Msunduzi Account Enquiries. 3 October 2005.
- African National Congress [ANC] (1994). **Reconstruction and Development Programme White Paper**. African National Congress. Umanyano Publications. Johannesburg, South Africa. September 1994.
- African National Congress [ANC] (2000). ANC campaign promise, 2000 Municipal Elections. [WWW document] URL <http://www.anc.org.za/elections/local00/manifesto/manifesto.html> (accessed 2 February 2004).
- Application for Indigent Status (2005). **City Administrative Department, applied indigent application forms**. Pietermaritzburg, South Africa.
- Centre for Applied Legal Studies (2008). **Draft Report: An Analysis of Fifteen South African Municipalities and their Approaches to Water Services Provision**. A collaboration of Centre for Applied Legal Studies (CALS), Centre on Housing Rights and Evictions (COHRE) and Norwegian Centre for Human Rights (NCHR). 16 May 2008.
- Coetzee C (2006). **Quarterly Economic and Business Report – Pietermaritzburg and Umgungundlovu District**. Quarter 1 & 2, 2005. School of Economics and Finance. University of KwaZulu-Natal.
- Coetzee C (2007). **Telephonic communication with Clive Coetzee**. School of Economics & Finance. University of KwaZulu-Natal. 08 February 2007.
- Coetzee C (2008). **Quarterly Economic and Business Report – Pietermaritzburg and Umgungundlovu District**. Quarter 3 & 4, 2007. School of Economics and Finance. University of KwaZulu-Natal
- Cole K (2004). **Personal communication**. Development Studies, University of East Anglia. October-November 2004.
- Cole K (2005). **Personal communication**. Development Studies, University of East Anglia. January 2005.
- Decision analyst website (2005). [WWW document] URL <http://www.decisionanalyst.com> (accessed 4 August 2005).
- Demarcation Board website (2008): [WWW document] URL <http://www.demarcation.org.za> (accessed 1 October 2008).
- Democratic Alliance (2006). Local municipal election pamphlet: The DA delivers value to the people of Msunduzi. **Democratic Alliance**. March 2006. Issued and printed by the DA. Sourced via my postbox.
- Department of Minerals and Energy (2008). How much is 50kWh and what can be done with this amount of electricity? Department of Minerals and Energy website [WWW document] URL [http://www.dme.gov.za/energy/elect\\_fbe.stm](http://www.dme.gov.za/energy/elect_fbe.stm) (accessed 24 November 2008).
- Department of Provincial and Local Government [DPLG] (2005). **Study to determine progress with and challenges faced by municipalities in the provision of Free Basic Services and supporting those municipalities struggling with implementation** (abbr: Study into the Provision of Free Basic Services). Final Study Report. Produced by the Directorate Free Basic Services, DPLG, August 2005.
- Department of Water Affairs and Forestry [DWAF] (1997). **The White Paper on a National Water Policy for South Africa**. Department of Water Affairs and Forestry. Republic of South Africa. Government Printers. Pretoria, South Africa.

- Department of Water Affairs and Forestry DWAF (2001). Free Basic Water Provision: Key issues for local authorities. March, 2001. [WWW document]. URL <http://www.dwaf.gov.za/FreeBasicWater/> (accessed 15 September 2008).
- Department of Water Affairs and Forestry [DWAF] (2002a). **Free Basic Water Implementation Strategy (2002): Version 2**. Department of Water Affairs and Forestry. Guideline document. Pretoria, South Africa.
- Department of Water Affairs and Forestry [DWAF] (2002b). **Draft White Paper on Water Services: Water is Life, Sanitation is Dignity**. Draft for Public Comment. Department of Water Affairs and Forestry. Pretoria, South Africa.
- Department of Water Affairs and Forestry [DWAF] (2002c). 2002 Guidelines. **Guidelines for Compulsory National Standards and Norms and Standards for Water Services Tariffs**. Regulations under section 9 & 10 of the Water Services Act (108 of 1997). Directorate: Operations and Interventions support. Department of Water Affairs and Forestry. Pretoria, South Africa.
- Department of Water Affairs and Forestry [DWAF] (2003). **Strategic Framework for Water Services**. Department of Water Affairs and Forestry. Pretoria, South Africa.
- Department of Water Affairs and Forestry [DWAF] (2007a). Department of Water Affairs and Forestry. Free basic service monitor system. Implementation status [WWW document]. URL <http://www.dwaf.gov.za/FreeBasicWater/> (accessed 24 January 2007).
- Department of Water Affairs and Forestry [DWAF] (2007b). Fax to Mr Fred Wagner of the Eastwood Community Forum. **Department of Water Affairs and Forestry investigation into community water demands**. Ms Angela Masefield, Acting Regional Director, KwaZulu-Natal Department of Water Affairs and Forestry. 20 April 2007.
- Department of Water Affairs and Forestry [DWAF] (2008a). **National Water Services Regulation Strategy**. Penultimate Draft. Department of Water Affairs and Forestry March 2008.
- Department of Water Affairs and Forestry [DWAF] (2008b). **Free basic service monitor system**. Posted 30 April 2008. [WWW document] URL <http://www.dwaf.gov.za/FreeBasicWater/> (accessed 13 May 2008).
- Department of Water Affairs and Forestry [DWAF] (2008c). **Free basic service monitor system: data definitions**. [WWW document] URL [http://www.dwaf.gov.za/dir\\_ws/fbw/subscr/Datadef.asp](http://www.dwaf.gov.za/dir_ws/fbw/subscr/Datadef.asp) (accessed 16 September 2008).
- DWAF-LMTS (2006/7). **Department of Water Affairs and Forestry – Local Municipality Tariff Survey for 2006/7**. I accessed this database via Patrick Bond (Centre for Civil Society, University of KwaZulu-Natal) in early 2008. The exact origin of this database is elusive, that is it cannot be located on the DWAF website nor apparently from the department itself. This may be due to the implications of the data. The database is however freely available within scholarly and water activist circles.
- Draft Water Services Development Plan [WSDP] (2004). **Draft Water Services Development Plan for Msunduzi Municipality**. September 2004.
- Dugard J (2007). **Email communication** with Jackie Dugard. Centre for Applied Legal Studies (CALs). University of the Witwatersrand. 26 February 2007.
- Dugard J (2008). **Input from Jackie Dugard at workshop held at the Centre for Applied Legal Studies**. Discussion on 2007/2008 Matrix Report: An Analysis of Fifteen South African Municipalities and their Approaches to Water Services Provision. Study conducted by the Centre for Applied Legal Studies (CALs), Centre on Housing Rights and Evictions (COHRE) and Norwegian Centre for Human Rights (NCHR). 20 May 2008.

- Experian Bureau (2007). **Telephonic communication** with Experian Credit Bureau: Legal Department Consultant. On toll free number: 0861 105 665. 7 February 2007.
- Freedom of Expression Institute (2008). Freedom of Expression Institute, Access to information programme. [WWW document] URL <http://www.fxio.org.za/content/view/15/29/> (accessed 12 March 2008).
- Harvey E (2006). **Email communication** with Ebrahim Harvey. July 2006.
- Hlatshwayo Z (2006). Why we wrote off R192 million. Msunduzi Mayor Zanele Hlatshwayo. **The Witness**, 13 September 2006. Pietermaritzburg, South Africa.
- Inkatha Freedom Party [IFP] (2007). Privatisation of water. Inkatha Freedom Party official website. [WWW document]. URL <http://www.ifp.org.za/Policies/polwater.htm> (accessed 19 February 2007).
- Intergovernmental Fiscal Review (2003). Local Government Budgets and Expenditure Review. National Treasury. [WWW document] URL [http://www.treasury.gov.za/publications/igfr/2003/ann\\_c.pdf](http://www.treasury.gov.za/publications/igfr/2003/ann_c.pdf) [Table C11.1] (accessed 30 September 2008).
- Intergovernmental Fiscal Review (2008). Local Government Budgets and Expenditure Review. National Treasury. [WWW document] URL <http://www.treasury.gov.za/publications/igfr/2008/lg/default.aspx> (accessed 12 September 2008).
- Kasrils R (2000a). **Statement by Minister of Water Affairs and Forestry, Mr Ronnie Kasrils, MP**, Delivery of Free Water to the Poor. 13 October 2000.
- Kasrils R (2001a). Minister of Water Affairs and Forestry. **Debate on the President's State of the Nation Address**. Parliament, Cape Town. 14 February 2001.
- Kasrils R (2001b). **National Workshop Free Basic Water: Tabling Of Implementation Strategy**. Minister Ronnie Kasrils, Department of Water Affairs and Forestry. 27 March 2001.
- Kasrils R (2001c). **Ministry of Water Affairs and Forestry Letter to Chairman of Trans Caledon Tunnel Authority**. Regarding: Directive in terms of the National Water Act, 1998 (Act 36 of 1998). Republic of South Africa. 4 July 2001.
- Kasrils R (2004). Ministerial and Durban Metro Meeting with Members of the South African Water Caucus. **Durban Water Platform**. 8 April 2004. Durban, South Africa.
- Local Government Consultant (2005a). **Personal Communication**. Local Government Consultant working with Promis Income, Credit Control department. 1 June 2005.
- Local Government Consultant (2005b). **Personal Communication**. Local Government Consultant working with Promis Income, Credit Control department. 25 May 2005.
- Mbeki T (2001). **President's Speech in Tshwane**. Pretoria, South Africa. 10 February 2001.
- Mbeki T (2006). **State of the Nation Address of the President of South Africa, Thabo Mbeki: Joint Sitting of Parliament**. Cape Town, South Africa. 3 February 2006.
- Mbeki T (2007). **State of the Nation Address of the President of South Africa, Thabo Mbeki: Joint Sitting of Parliament**. Cape Town, South Africa. 9 February 2007.
- Minister of Safety and Security (2007). **Minister of Safety and Security in response to Mrs P De Lille**. Reply received in National Assembly, 22 November 2007. Question number 1834.
- Msunduzi (2001). **Free Basic Water: proposed interim policy implementation**. Report by the city engineer to the executive committee on 2 November 2001. Msunduzi City Engineers.

- Msunduzi (2005). **City's Draft Budget 2005/2006 for Public Participation**. Popular publication for input into Msunduzi budget. Msunduzi Municipality, Pietermaritzburg.
- Msunduzi (2006). **The Msunduzi Municipality Budget 2005/6**. Msunduzi Municipality. Pietermaritzburg, South Africa.
- Msunduzi (2007). **Msunduzi Municipality Operating Budget 2007/8**. Msunduzi Municipality Treasury. Pietermaritzburg.
- Msunduzi (2008). **Msunduzi Municipality Operating Budget 2008/9**. Msunduzi Municipality Treasury. Pietermaritzburg.
- Msunduzi City Engineers [MCE] (2005). **Personal Communication**. City Engineers Department. 26 July 2005. Pietermaritzburg, South Africa.
- Municipal Consolidated Billing [MCB] (2005a). **Personal Communication**. Consolidated Billing Department. 11 July 2005. Pietermaritzburg, South Africa.
- Msunduzi Consolidated Billing [MCB] (2005b). **Personal Communication**. Consolidated Billing Department. 3 October 2005. Pietermaritzburg, South Africa.
- Municipal Consolidated Billing [MCB] (2006a). **Personal Communication**. Consolidated Billing Department. 18 May 2006. Pietermaritzburg, South Africa.
- Municipal Consolidated Billing [MCB] (2006b). **Personal Communication**. Consolidated Billing Department. 14 January 2006. Pietermaritzburg, South Africa.
- Municipal Consolidated Billing [MCB] (2006c). **Personal Communication**. Consolidated Billing Department. 15 May 2006. Pietermaritzburg, South Africa.
- Msunduzi Customer Services department [CS] (2005). **Personal Communication**. Msunduzi Customer Services Employee. 29 December 2005. Pietermaritzburg, South Africa.
- Msunduzi Customer Services department [CS] (2006a). **Personal Communication**. Msunduzi Customer Services Employee. 15 April 2006. Pietermaritzburg, South Africa.
- Msunduzi Customer Services department [CS] (2006b). **Personal Communication**. Msunduzi Customer Services Employee. 30 August 2006. Pietermaritzburg, South Africa.
- Msunduzi Customer Services department [CS] (2006c). **Personal Communication**. Msunduzi Customer Services Employee. 9 August 2006. Pietermaritzburg, South Africa.
- Msunduzi Customer Services department [CS] (2006d). **Personal Communication**. Msunduzi Customer Services Employee. 16 March 2006. Pietermaritzburg, South Africa.
- Msunduzi Customer Services Department Manager (2006). **Personal Communication**. Msunduzi Customer Services Manager. 16 March 2006. Pietermaritzburg, South Africa.
- Msunduzi household correspondence (2004). Leaflet in individual household bills explaining implementation of new billing system and updating of account information. **The Msunduzi Municipality, notice to all consumers**. July 2004.
- Msunduzi Indigent Policy (2006). **Indigent Policy**. Accessed via Promis Income Department. Msunduzi Municipality, Pietermaritzburg.
- Msunduzi Indigent Policy Guidelines (2006). **Indigent Policy Guidelines**. Leaflet for public distribution. Msunduzi Municipality, Pietermaritzburg.

- Msunduzi IDP Review (2006). **Msunduzi Integrated Development Plan Review 2006-10**. Review 2006-2007. Pietermaritzburg, South Africa.
- Msunduzi IDP (2007). **Msunduzi Integrated Development Plan 2006-11**. Review 2007/8. Pietermaritzburg, South Africa.
- Msunduzi Municipality Credit Control & Debt Collection Policy [CC&DC] (2006). **Credit Control & Debt Collection Policy**. The Msunduzi Municipality. 31 March 2006. Pietermaritzburg, South Africa.
- Msunduzi Municipality Credit Control Policy (not dated). **Credit Control Policy**. The Msunduzi Municipality. handed to me by a Credit Control employee in February 2005. Pietermaritzburg, South Africa.
- Msunduzi Tariff Policy (2005/6). **Msunduzi Municipality Tariffs for 2005/6**. Accessed via Credit Control Department, Msunduzi Municipality.
- Msunduzi Water Department (2003). **Telephonic communication**. Msunduzi Water Department. Unknown date.
- Msunduzi website (2007). [WWW document] URL <http://www.msunduzi.gov.za> (accessed 15 September 2007).
- Msunduzi website (2008a). [WWW document] URL <http://www.msunduzi.gov.za/site/investwithus> (accessed 4 February 2008).
- Msunduzi website (2008b). [WWW document] URL <http://www.msunduzi.gov.za/site/municipalmanagerscolumn> (accessed 4 February 2008).
- Mufamadi FS (2002). **Opening remarks by Minister for Provincial and Local Government: Mr F.S. Mufamadi**. The Municipal Viability Indaba. Sandton Convention Centre, Johannesburg. 5 December, 2002.
- National Treasury (2004). **Budget review**. National Treasury of the Republic of South Africa. Pretoria.
- Piper L (2006). **Personal communication**. School of Politics. University of KwaZulu-Natal. 13 October, 2006.
- Private electricity contractor (2005). **Personal Communication**. Electricity disconnection/reconnection contractor (company unknown). 13 December 2005. Pietermaritzburg, South Africa.
- Promis Income Manager (2005). **Personal Communication**. Promis Income Manager. May 2005 (exact date unknown). Msunduzi Municipality Credit Control. Pietermaritzburg, South Africa.
- Promis Income Consultant (2005). **Personal Communication**. Promis Income Consultant. 23 December 2005. Msunduzi Municipality Credit Control. Pietermaritzburg, South Africa.
- Promotion of Access to Information Act [PAIA] (2007a). First instalment of information requested via **Promotion of Access to Information Act**. Sourced from Manager: Strategic Analysis and Research, Madeleine Jackson-Plaatjies. Emailed on 11 April 2007.
- Promotion of Access to Information Act [PAIA] (2007b). Second instalment of information outstanding on **Promotion of Access to Information Act**. Sourced from Manager: Strategic Analysis and Research, Madeleine Jackson-Plaatjies. Emailed on 14 April 2007.
- Radloff S (2007). **Personal Communication**. Department of Statistics. Rhodes University. Grahamstown, South Africa. March-September 2007.

- Ramroop S (2005). **Personal Communication**. School of Mathematics, Statistics and Information Technology. University of KwaZulu-Natal, South Africa. 4 August 2005.
- Ramroop S (2006). **Personal Communication**. School of Mathematics, Statistics and Information Technology. University of KwaZulu-Natal, South Africa. 8 August 2006.
- Random numbers website (2005). [WWW document] URL <http://www.random.org> (accessed 5 August 2005).
- Republic of South Africa [RSA] (1996a). **Growth, Employment and Redistribution : A macroeconomic strategy**. The Department of Finance. Republic of South Africa. Pretoria, South Africa.
- Republic of South Africa [RSA] (1996b). **The Constitution**. Government Printers. Pretoria, South Africa.
- Republic of South Africa [RSA] (1997). **Water Services Act (108 of 1997)**. Republic of South Africa. Government Gazette. Government Printers. Cape Town, South Africa. 19 December.
- Republic of South Africa [RSA] (1998). **National Water Act (36 of 1998)**. Republic of South Africa. Government Printers. Pretoria, South Africa.
- Republic of South Africa [RSA] (2000a). **Promotion of Access to Information Act (2 of 2000)**. Republic of South Africa. Government Printers. Pretoria, South Africa.
- Republic of South Africa [RSA] (2000b). **Local Government Municipal Systems Act (32 of 2000)**. Republic of South Africa. Government Printers. Pretoria, South Africa.
- Republic of South Africa [RSA] (2003). **Local Government Municipal Finance Management Act (56 of 2003)**. Republic of South Africa. Government Printers. Pretoria, South Africa.
- South African Municipal Workers Union [Samwu] (2007). **Amicus Curiae**. Basic Water Requirements. Input into Phiri prepaid water meter case. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865. South African Municipal Workers Union (Jeff Rudin).
- SA-Venues website (2008): [WWW document] URL <http://www.sa-venues.com> (accessed 1 October 2008).
- South African Cities Network [SACN] (2006). **State of the Cities Report 2006**. Published by South African Cities Network. Braamfontein, South Africa. [WWW document] URL [http://www.sacities.net/2006/state\\_of\\_cities\\_2006.stm](http://www.sacities.net/2006/state_of_cities_2006.stm) (accessed 10 September 2006).
- Statistics South Africa [Stats SA] (2000). **Measuring poverty in South Africa**. Statistics South Africa. Pretoria, South Africa.
- Statistics South Africa-Census (2001). **Digital Census Atlas, Census 2001**. Statistics South Africa. [WWW document]. URL <http://www.statssa.gov.za/census2001/digiAtlas/index.html> (accessed 25 January 2007).
- Statistics South Africa [Stats SA] (2002). **Earning and spending in South Africa: Selected findings and comparisons from the income and expenditure surveys of October 1995 and October 2000**. Statistics South Africa. Pretoria, South Africa.
- Umgeni Water [UW] (2006a). **Umgeni Water Annual Report 2005/2006**. Umgeni Water. Electronic version available from website: <http://www.umgeni.co.za>. (accessed July 2006).
- Umgeni Water [UW] (2006b). **History of Tariffs**. Umgeni Water Website. [WWW document] URL <http://www.umgeni.co.za/Bond%20and%20Treasury266.aspx> (accessed March 2006).

- Umgeni Water [UW] (2007a). Corporate Profile. [WWW document] **URL**  
<http://www.umgeni.co.za/Corporate%20Profile54.aspx> (accessed 25 January 2007).
- Umgeni Water [UW] (2007b). Operational Area [WWW document] **URL**  
<http://www.umgeni.co.za/Operational%20Area242.aspx> (accessed 25 January 2007).
- Umgeni Water [UW] (2007c). Current Customers. [WWW document] **URL**  
<http://www.umgeni.co.za/Current%20Customers171.aspx> (accessed 25 January 2007).
- Umgeni Water Debtors Supervisor (2006). Email Communication. Umgeni Water Debtors Supervisor. Pietermaritzburg, South Africa. 10 July 2006.
- Venn, Nemeth and Hart [VNH] Call Centre Manager (2006). **Telephonic Communication**. Venn, Nemeth & Hart Call Centre Manager. Pietermaritzburg, South Africa. 7 March 2006.
- Venn, Nemeth and Hart [VNH] Consultant (2005). **Telephonic Communication**. Venn, Nemeth & Hart Consultant based in the Msunduzi Municipal Offices. 13 October 2005.
- Wagner F (2006). **Personal Communication**. Chairman of the Eastwood Community Forum. 15 February 2006.

## 2 SECONDARY DATA

- Abrams P (2006). Notes on the Difficulty of Studying the State. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Alcock P (1987). **Poverty and state support**. Social Policy in Modern Britain. General Ed: Campling J. Longman Group UK Ltd. London & New York.
- Alderman H & del Ninno C (1999). Poverty Issues for Zero Rating Value-Added Tax (VAT) in South Africa. In: **South Africa: Poverty and inequality informal discussion paper series**. Discussion document as contribution to the Poverty and Inequality Report (PIR). Series editor: Barbara Koeppel, World Bank staff published, not official World Bank Document. Washington, United States of America. February 1999.
- Althusser L (2006). Ideology and Ideological State Apparatuses (Notes towards an Investigation). In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Aneesh A (2002). **Technological Modes of Governance: Beyond Private and Public Realms**. A paper presented at the International Summer Academy on Technology Studies. Deutschlandsberg (Austria), July 2002.
- Applebaum A (2003). **Gulag: A History**. Doubleday, a division of Random House Inc: New York, London, Toronto, Sydney, Auckland. Printed in the United States of America.
- Atkinson D (2002). Local Government, Local Governance and Sustainable Development: Getting the Parameters Right. **Integrated Rural and Regional Development Research Programme, Occasional Paper 4**. Published by the Human Sciences Research Council. Cape Town, South Africa.
- Atkinson D (2007). Taking to the streets: has developmental local government failed in South Africa? In: **State of the Nation 2007-2008**. Eds: Sakhela Buhlungu, John Daniel, Roger Southall and Jessica Lutchman. HSRC Press.
- Bailey R (2003). Designing a welfare maximizing water tariff for Durban with Ramsey Pricing Principles. **MBA in Water Management. School of Business, University of KwaZulu-Natal, Pietermaritzburg. Unpublished dissertation.**

- Bate R & Tren R (2002). **The Cost of Free Water: The Global Problem of Water Misallocation and the case of South Africa**. Published by the Free Market Foundation. Johannesburg, South Africa.
- Baumann DD & Boland JJ (1998). The Case For Managing Urban Water. In: **Urban Water Demand Management and Planning**. [Eds: Baumann DD, Boland JJ & Hanemann WM]. Published by McGraw-Hill Professional.
- Bellamy Foster J (2007). Monopoly-Finance Capital. In: **Monthly Review** (57): 7, December 2007.
- Bernstein A (2005). Let the market rule in welfare. From a Centre for Development and Enterprise report 'Rethinking the Welfare State'. In: **Business Day**. 4 May 2005.
- Bodner G, Klobuchar M & Geelan D (2001). The many forms of Constructivism. In: **Journal of Chemical Education** 78 (8): 1107.
- Bohmke H (2004). **Marcel King is Dead**. Community movie produced and directed by Heinrich Bohmke. Indymedia-Durban.
- Boland J & Whittington D (1998). The Political Economy of Increasing Block Tariffs in Developing Countries. **Paper presented: World Bank workshop on Political Economy of Water Pricing Implementation**. Washington, DC. 3-5 November.
- Bond P (2000). **Elite Transition: From Apartheid to Neoliberalism in South Africa**. Pluto Press. London, Sterling and Virginia. University of KwaZulu-Natal Press. Pietermaritzburg.
- Bond P (2001). The World Bank in the Time of Cholera. Published in Z-Mag, April 13. [WWW document] **URL** <http://www.ukzn.ac.za/ccs/default.asp?3,28,10,75> (accessed 28 July 2008).
- Bond P (2002a). **Unsustainable South Africa: Environment, Development and Social Protest**. Pietermaritzburg, University of KwaZulu-Natal Press and London, Merlin Press.
- Bond P (2002b). A Political Economy of Dam Building and Household Water Supply in Lesotho and South Africa. In: **Environmental Justice in South Africa**. [Ed: McDonald DA]. Ohio University Press, Athens. University of Cape Town Press, Cape Town.
- Bond P (2004a). From Racial to Class Apartheid: South Africa's Frustrating Decade of Freedom. In: **Monthly Review**: March 2004. pp45-59.
- Bond P (2004b). **Ten Years of Democracy: From Racial to Class Apartheid**. Harold Wolpe Lecture, University of KwaZulu-Natal, Durban. 22 April 2004.
- Bond P (2004c, first published 2000). **Elite Transition: From Apartheid to Neoliberalism in South Africa**. London: Pluto Press, London and University of KwaZulu-Natal Press, Pietermaritzburg.
- Bond P (2006). **Decommodification in theory and practice: Fighting human insecurity in post-apartheid South Africa's water wars**. Presentation to the International Sociological Association panel on Human Security and the Imperative of Peace. July 28.
- Bond P (2007). **Answering affidavit Phiri prepaid water meter case**. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Bond P, Dor G, Ruiters, G (2000). Transformation in Infrastructure Policy from Apartheid to Democracy. In: **Infrastructure Mandate For Change 1994-1999** [Ed: Khosa M]. Published by the Human Science Research Council. Pretoria, South Africa.
- Bond P & Dugard J (2008). Water, Human Rights and Social Conflict: South African Experiences. In: **Law, Social Justice and Global Development Journal**. Issue 1. Published 11 February 2008.

- Brown W (2006). Finding the Man in the State. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Calland R (2002). Minimum Right. In: **The Cape Times** (date unknown but plausible that written between Feb-July 2002). Institute for a Democratic and Alternative South Africa. Cape Town, South Africa.
- Calland R (2006). **Anatomy of South Africa. Who Holds the Power?** Zebra Press. Cape Town, South Africa.
- Camdessus M & Winpenny J (2003). Financing Water For All. **Report of the World Panel on Financing Water Infrastructure**. In collaboration with World Water Council, 3rd World Water Forum and Global Water Partnership.
- Camus A (1950 first published 1948). **The Plague**. Translated from the French by Stuart Gilbert. Readers Union, Hamish Hamilton. London, Britain.
- Carroll L (1984, first published in 1865). **Alice's Adventures in Wonderland**. Octopus Books Limited. London, Great Britain.
- Carter M & May J (2001). One kind of freedom: poverty dynamics in post-apartheid South Africa. In: **World Development**, 29: 1987-2006.
- Chase-Riboud B (2003). **Hottentot Venus: a novel**. Published by Doubleday, a division of Random House, Inc. Printed in the United States of America.
- Cock J (2008). **Maids and Madams in retrospect**. Proceedings of the Rosa Luxemburg Seminar. [Ed: Ruiters G]. Rhodes University, Grahamstown. March 2008.
- Cockburn C (1977). **The Local State**. Pluto Press. London, Great Britain.
- Congress of South African Trade Unions [Cosatu] (1999). COSATU submission on Draft Revenue Laws Amendment Bill. Presented to the Portfolio Committees on Finance, 17 September 1999.
- Congress of South African Trade Unions & South African Municipal Workers Union [Cosatu & Samwu] (2003). **Joint submission by COSATU and SAMWU on the Draft White Paper on Water Services (2002)**. Presented to the Department of Water Affairs and Forestry. 29 February 2003.
- Cottle E (2004). **The Class Nature of Free Water in South Africa: From Past to Present**. Personal copy. Paper can be downloaded off the Centre for Civil Society online library (<http://www.nu.ac.za/ccs>) University of KwaZulu-Natal. (accessed 10 August 2004).
- Cottle E & Deedat H (2002). **The Cholera Outbreak: A 2000-2002 case study of the source of the outbreak in the Madlebe Tribal Authority areas, uThungulu Region, KwaZulu-Natal**. Published by the Health Systems Trust. South Africa.
- Deacon A (2002). **Perspectives on welfare: Ideas, ideologies and policy debates**. Introducing Social Policy. Series Ed: Gladstone D. Open University Press. Buckingham & Philadelphia.
- Dean H (1991). **Social Security and Social Control**. Routledge. London & New York.
- Deedat H (2006). **Free basic water, case studies of the gendered impact of free basic water at the household level and its unintended consequences**. A project for the Water Research Commission. Water Research Commission. Pretoria, South Africa.
- Desai A (2001). **The Poores of Chatsworth: Race, Class and Social Movements in Post-Apartheid South Africa**. Institute for Black Research and Madiba Publishers. Durban, South Africa.

- Desai A (2002). **We are the Poors. Community Struggles in Post-Apartheid South Africa.** Monthly Review Press. New York.
- Desai A (2006). **Vans, Autos, Kombis and the Drivers of Social Movements.** Centre for Civil Society, University of KwaZulu-Natal. Paper presented at the Harold Wolpe Memorial lecture series. International Convention Centre, Durban. 28 July 2006.
- Desai A & Pithouse R (2003). But we were thousands: Dispossession, Resistance, Repossession and Repression in Mandela Park. **Centre for Civil Society Research Report 9: 1-30**
- De Waal J, Currie I & Erasmus G (2001, first published 1998). **The Bill of Rights Handbook: Fourth Edition.** In Association with Lawyers for Human Rights and Law Society of South Africa. Juta & Co Ltd. Lansdowne, South Africa.
- Di Giovanni J (2006). **The Place at the End of the World.** Bloomsbury Publishing. London, Britain.
- Douglas M (1966). **Purity and Danger: An analysis of concepts of pollution and taboo.** Routledge & Kegan Paul. London, Great Britain.
- Dugard J & McKinley D (2008). **Mazibuko vs. City of Johannesburg: A Landmark Water Case for All.** Harold Wolpe Lecture, 'Water for All!' University of KwaZulu-Natal, Durban. May 2008.
- Eales KA (2006). **Answering affidavit Phiri prepaid water meter case.** In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Environmental Monitoring Group (2005). **Water Handbook: for South African activists and decision-makers in urban areas.** Environmental Monitoring Group. Cape Town, South Africa.
- Erlanson DA, Harris EL, Skipper BL & Allen SD (1993). **Doing Naturalistic Inquiry: A Guide to Methods.** Sage Publications. London, United Kingdom.
- Escobar A (1993). Planning. In: **The Development Dictionary: A Guide to Knowledge as Power.** Edited by: Wolfgang Sachs. Witwatersrand University Press, Johannesburg.
- Esping-Andersen G (1990). **The Three Worlds of Welfare Capitalism.** Polity Press. Cambridge.
- Fanon F (1963, first published in 1961). **The Wretched of the Earth.** Translated by Constance Farrington. Grove Press, New York.
- Farelo M & Morris C (undated). **The Status of e-government in South Africa.** Department of Public Service & Administration. South Africa, Pretoria.
- Ferguson J (1994). **The Anti-Politics Machine: 'Development,' Depoliticization, and Bureaucratic Power in Lesotho.** University of Minnesota Press. Minneapolis.
- Ferguson J (2006). The Anti-Politics Machine. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Fiil-Flynn M (2001). The electricity crisis in Soweto: Soweto Electricity Crisis Committee. **Municipal Services Project.** Occasional Papers Series: 4. Soweto, South Africa.
- Fjeldstad O (2004). What's trust got to do with it? Non-payment of service charges in local authorities in South Africa. In: **Journal of Modern African Studies:** (42) 4, 539-562. Cambridge University Press. Printed in the United Kingdom.

- Flynn S & Chirwa DM (2005). The Constitutional Implications of Commercializing Water in South Africa. In: **The Age of Commodity: Water Privatization in Southern Africa**. [Eds: McDonald D & Ruiters G]. Earthscan, in the United Kingdom (London) and United States of America (Sterling).
- Fokus (2008). Comment by unnamed Khutsong resident. **Fokus**. Aired on SABC 2 on 15 June 2008.
- Ford J (2000). Housing and the Flexible Labour Market: Responding to Risk. In: **Risk, Trust and Welfare**. [Ed: Taylor-Gooby P]. Macmillan Press Ltd, London and St. Martin's Press Llc, New York.
- Foucault M (1991, this translation first published 1977). **Discipline and Punish: the birth of the prison**. Translated from the French by Alan Sheridan in 1977. Penguin, London.
- Gelb S (2005). An overview of the South African Economy. In: **State of the Nation, South Africa 2004-2005**. Eds: John Daniel, Roger Southall & Jessica Lutchman.
- Giddens A (2004a, first published 2000). **The Third Way and its Critics**. Polity Press. Cambridge, United Kingdom.
- Giddens A (2004b, first published 1998). **The Third Way: The Renewal of Social Democracy**. Polity Press. Cambridge, United Kingdom.
- Gilbert N (1983). **Capitalism and the Welfare State: Dilemmas of Social Benevolence**. Yale University Press, New Haven and London.
- Ginzburg E S (1975 first published 1965). **Journey into the Whirlwind**. Translated by Paul Stevenson and Max Hayward. A Harvest Book. A Helen and Kurt Wolff Book. Harcourt, Inc. San Diego, New York and London.
- Gleick PH (1996). Basic Water Requirements for Human Activities: Meeting Basic Needs. In: **Water International**, 21: 83-92.
- Gleick PH (1998). The human right to water. In: **Water Policy**, 1: 487-503.
- Goodin RE (1988). **Reasons for Welfare: The Political Theory of the Welfare State**. Studies in Moral, Political and Legal Philosophy. General Ed: Cohen M. Princeton University Press. Princeton, New Jersey.
- Gough I (1979). **The Political Economy of the Welfare State**. Critical Texts in Social Work and the Welfare State. General Ed: Peter Leonard. The Macmillan Press Ltd. London and Basingstoke.
- Greeff L (2003). **South African Water Caucus/Environmental Monitoring Group presentation to World Trade Organisation Ministerial Meeting** in Cancun, Mexico.
- Greenberg S (2005). The Rise and Fall of Water Privatization in Rural South Africa: A Critical Evaluation of the ANC's First Term of Office, 1994-1999. In: **The Age of Commodity: Water Privatization in Southern Africa**. [Eds: D.A. McDonald and G Ruiters]. Earthscan, in the United Kingdom (London) and United States of America (Sterling).
- Gronemeyer M (1993). Helping. In: **The Development Dictionary: A Guide to Knowledge as Power**. Edited by: Wolfgang Sachs. Witwatersrand University Press. Johannesburg.
- Gumede WM (2005). **Thabo Mbeki and the Battle for the Soul of the ANC**. Zebra Press. Cape Town, South Africa.
- Gupta A (2006). Blurred Boundaries: The Discourse of Corruption, the Culture of Politics, and the Imagined State. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.

- Habermas J (1973). **Theory and Practice**. Translated by John Viertel. Published by Beacon Press. Boston, United States of America.
- Habib A (2004). **The Politics of Economic Policy-Making: Substantive Uncertainty, Political Leverage, and Human Development**. Delivered to the Africa Institute on 24-26 March 2004.
- Hallowes D & Butler M (2004). The Balance of Rights: Constitutional promises and struggles for environmental justice. **GroundWork Report 2004**. Published by GroundWork. Pietermaritzburg, South Africa.
- Hamid M (2007). **The Reluctant Fundamentalist**. Hamish Hamilton, an imprint of Penguin Books. London, England.
- Harrison P (2006). Integrated development plans and Third Way politics. In: **Democracy and Delivery: Urban Policy in South Africa**. [Eds: Pillay U, Tomlinson R and du Toit J]. HSRC Press.
- Harvey D (1977). Population, Resources and the Ideology of Science. In: **Radical Geography. Alternative viewpoints on contemporary social issues**. [Ed: Peet R]. Maaroufa Press, Inc. Chicago, United States of America.
- Harvey D (1989). **The Urban Experience**. John Hopkins Press. Baltimore, United States of America.
- Harvey D (1996). **Justice, Nature & the Geography of Difference**. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Harvey E (2003). **A Critical Analysis of the Decision to Corporatise the Water and Wastewater Services in the City of Johannesburg**. Master's of Management in Public and Development Management. University of Witswatersrand, Johannesburg. Unpublished dissertation.
- Hašek J (2000 first published 1973). **The Good Soldier Švejk and His Fortunes in the World War**. Translated from the Czech by Cecil Parrott. Penguin Classics. London, England.
- Hellman JA (1999, first published 1994). **Mexican Lives**. The New Press, New York.
- Hemson D (2000). Policy and Practice in Water and Sanitation. In: **Indicator SA**. 17(4): 38-43.
- Hemson D (2004). South Africa's poverty by numbers. Based on paper: Beating the Backlog: Meeting Targets and Providing Free Basic Services. Human Sciences Research Council. In: **Mail and Guardian**. June 25-July 1 Edition, 2004: 10-11.
- Hirsch A (2005). **Season of hope: Economic Reform under Mandela and Mbeki**. Co-published by: University of KwaZulu-Natal Press, Scottsville and International Development Research Centre, Ottawa.
- Hobsbawm EJ (1969). **Bandits**. London: Weidenfeld & Nicolson.
- Hochschild A (1994). **The Unquiet Ghost: Russians remember Stalin**. First Mariner Book Edition 2003. Houghton Mifflin Company. Boston and New York, United States of America.
- Hochschild A (2006). **King Leopold's Ghost. A Story of Greed, Terror and Heroism in Colonial Africa**. Pan Macmillan. Updated Edition. London, Great Britain.
- Howard G & Bartram J (2003). Domestic Water Quantity, Service Level and Health. World Health Organization. [WWW document]. URL [http://www.who.int/water\\_sanitation\\_health/diseases/wsh0302/en/](http://www.who.int/water_sanitation_health/diseases/wsh0302/en/) (Accessed 12 April 2003).
- Human Sciences Research Council [HSRC] (2004). **The Social Wage in South Africa: Phase 2 Report**. Human Sciences Research Council. 5 November 2004.

- Hunter N, May J & Padayachee V (2003). **Lessons for PRSP from Poverty Reduction Strategies in South Africa**. Third Meeting of the African Learning Group on the Poverty Reduction Strategy Papers. Addis Ababa, Ethiopia. 3-5 December 2003. Economic Commission for Africa.
- Hutton W (1996). **The State We Are In**. Vintage Press, Revised Edition. London, United Kingdom.
- Illich I (1993). Needs. In: **The Development Dictionary: A Guide to Knowledge as Power**. Edited by: Wolfgang Sachs. Witwatersrand University Press, Johannesburg.
- International Water Association (2000). Losses from Water Supply Systems: Standard Terminology and Recommended Performance Measures. **The IWA standard water balance model**. International Water Association. October 2000.
- Jessop B (1990). The State as Political Strategy. In: **State Theory: Putting Capitalist States in Their Place**. Polity Press. Cambridge, United Kingdom.
- Kasrils R (2000b). Access to water meanders away. In: **The Cape Times**. 19 July 2000.
- Kasrils R (2003). Free water not a ploy. In: **The Witness**. 20 November 2003.
- Khosa M (2000). Re-thinking Infrastructure Policies in the 21st Century. In: **Infrastructure Mandate For Change 1994-1999** [Ed: Khosa M]. Published by the Human Science Research Council, South Africa.
- Kingsolver B (1999). **The Poisonwood Bible**. Faber and Faber. London, United Kingdom.
- Kok P & Collinson M (2006). **Migration and urbanization in South Africa**. Report 3 April 2002. Statistics South Africa. Pretoria, South Africa.
- Landman JP, Bhorat H, van der Berg S & van Aardt C (2003). **Breaking the grip: Poverty and Inequality in South Africa 2004-2014**. Current trends, issues and future policy options. Executive summary. Published by the Ecumenical Institute of South Africa. Stellenbosch, South Africa.
- Levitt SD & Dubner SJ (2005). **Freakonomics. A Rogue Economist Explores the Hidden Side of Everything**. Penguin Books. New York, United States of America.
- Lipsky M (1993). Street-level bureaucracy: dilemmas of the individual in public services. In: **The policy process: a reader**. [Ed: M Hill]. London: Prentice Hall/Harvester Wheatsheaf.
- Loftus AJ (2005). **A Political Ecology of Water Struggles in Durban, South Africa**. School of Geography and the Environment, University of Oxford. Unpublished DPhil thesis.
- Lund F (2001). South Africa: Transition under Pressure. In: **International Social Policy: Welfare Regimes in the Developed World**. [Eds: Alcock P & Craig G]. Palgrave. Hampshire & New York.
- Machiavelli N (1967, this version first published 1961). **The Prince**. Translated with an introduction by George Bull. Penguin Classics. Middlesex, England.
- Macleod NA (2007). **Answering affidavit Phiri prepaid water meter case**. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Magasela W (2006). Towards a Constitutional-based definition of poverty in post-apartheid South Africa. In: **State of the Nation, South Africa 2005-2006** (Eds: Buhlungu S, Daniel J, Southall R & Lutchman J). Human Sciences Research Council. Human Sciences Research Council Press. Cape Town, South Africa.
- Makino K (2004). Social Security Policy Reform in Post-Apartheid South Africa: A Focus on the Basic Income Grant. **Centre for Civil Society Research Report No. 11**. Paper first presented at 19th IPSA World Congress in Durban in July 2003.

- Malthus T (1970). **An essay on the principle of population and a summary view of the principle of population**. Penguin Books. Harmondsworth, Middlesex.
- Marais H (2001, first published 1998). **South Africa: Limits to Change: The Political Economy of Transition**. Published by University of Cape Town Press. Cape Town, South Africa.
- Marcel V (2001). **The Constructivist Debate; Bringing Hermeneutics (Properly)**. In: Institut d'études politiques de Paris. Paper presented at the 2001 ISA conference, 21 February 2001.
- Mathewson J EDW (1957). **The Establishment of an Urban Bantu Township**. Director of Non-European Affairs, Benoni and past President of the Institute of Administrators of Non-European Affairs, Southern Africa. Dissertation to the faculty of arts of the Potchefstroom University for C.H.E. for the degree of Master of Arts. Published by J.L. Van Schaik, Limited. Pretoria.
- May J (1998). **Poverty and Inequality in South Africa**. Report prepared for the Office of the Executive Deputy President and the Inter-Ministerial Committee for Poverty and Inequality. 13 May 1998. Funded by the Government of South Africa, United Kingdom Department for International Development (DFID), United Nations Development Programme (UNDP), World Bank and the Dutch Government.
- May J (2004). **Poverty, Social Policy and the Social Wage**. Paper presented at a Conference on "The Politics of Socio-Economic Rights in South Africa: 10 Years after Apartheid", 8 to 9 June 2004, Oslo, Norway 30 May 2004. School of Development Studies, University of KwaZulu-Natal, South Africa.
- Mbembe A (2006). The Banality of Power and the Aesthetics of Vulgarly in the Postcolony. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- McDonald D (2002a). The Theory and Practice of Cost Recovery in South Africa. In: **Cost Recovery and the Crisis of Service Delivery in South Africa**. [Eds: McDonald D and Pape J]. Published by the Human Sciences Research Council. Cape Town, South Africa.
- McDonald D (2002b). The Bell Tolls For Thee: Cost Recovery, Cutoffs and the Affordability of Municipal Services in South Africa. In: **Cost Recovery and the Crisis of Service Delivery in South Africa**. [Eds: McDonald D and Pape J]. Published by the Human Sciences Research Council. Cape Town, South Africa..
- McDonald D (2002c). No Money, No Service: South Africa's poorest citizens lose out under attempts to recover service costs for water and power. In **Alternatives Journal**: 28(2): 16-20. Spring 2002.
- McDonald DA (2002d). Up Against the (Crumbling) Wall. In: **Environmental Justice in South Africa**. [Ed: David McDonald]. Athens: Ohio University Press, Cape Town: University of Cape Town.
- McDonald D & Pape J (2002). Introduction. In: **Cost Recovery and the Crisis of Service Delivery in South Africa**. [Ed: McDonald D and Pape J]. Published by the Human Sciences Research Council. Cape Town, South Africa.
- McDonald D & Ruiters G (2005). Theorizing Water Privatization in Southern Africa. In: **The Age of Commodity: Water Privatization in Southern Africa**. [Eds: McDonald D & Ruiters G]. Earthscan, in the United Kingdom (London) and United States of America (Sterling).
- Mckenzie G & Cilliers C (2007). **The Choice**. The Gayton Mckenzie story. As told to Charles Cilliers. X-Concepts. Cape Town, South Africa.
- Meth C & Dias R (2004). Increases in poverty in South Africa, 1999-2002. In: **Development Southern Africa**: 21 (1): 59-85.
- Morris W (1896). **A Dream of John Ball**. Longmans, Green. London.

- Mosdell T (2006). Free basic services: The evolution and impact of free basic water policy in South Africa. In: **Democracy and Delivery: Urban Policy in South Africa**. [Eds: Udesb Pillay, Richard Tomlinson and Jacques du Toit]. HSRC Press.
- Motala S & Tilley S (2000). **Meeting the basic water and sanitation needs of rural communities**. Paper presented at RDSN 'Water for All' conference. East London, Regent Hotel. 23-25 May 2000.
- Mottiar S (2006). KwaZulu-Natal Election Results 2006. **Election Update 2006**. [Eds: Kalley J, Matlosa K, Kadima D]. Published by EISA and Open Society Foundation South Africa. Number 2, 30 March 2006.
- Muller M (2001). Challenge: sustaining free basic water. In: **Water Sewage and Effluent: Afriwater** article on Free Basic Water. August-September 2001.
- Muller M (2004). Keeping the taps open. Director General of Department of Water Affairs and Forestry. In: **Mail and Guardian: Comment**. June 25-July 1 Edition, 2004: 32-33.
- Muller M (2006). **Answering affidavit Phiri prepaid water meter case**. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Muller M (2008). Free basic water: a sustainable instrument for a sustainable future in South Africa. In: **Environment and Urbanization** (20) 67-87. [WWW document] [URL http://eau.sagepub.com/cgi/content/abstract/20/1/67](http://eau.sagepub.com/cgi/content/abstract/20/1/67) (accessed 24 April, 2008).
- Naidoo P (2007). Struggles Around the Commodification of Daily Life in South Africa. In: **Review of African Political Economy**. No.111:57-66.
- Naidoo P & Veriava A (2005). 'Re-membering Movements: Trade Unions and New Social Movements in Neoliberal South Africa', In: From Local Processes to Global Forces, **Centre for Civil Society Research Reports**, Vol.1, Durban, South Africa.
- Netshitenzhe J (2003). Joel Netshitenzhe (Chief Executive Officer, Government Communication and Information Systems) cited by Linda Ensor. In: **Business Day: State 'has to correct views about poverty.'** 26 March 2003.
- Nietzsche FW (1961). **Thus spoke Zarathustra: a book for everyone and no one**. Translated with an introduction by RJ Hollingdale. Penguin Books. London.
- Nyandu M (2002). Where Basic Services Are Only a Pipe Dream. In: **Environmental Justice in South Africa**. [Ed: McDonald DA]. Ohio University Press, Athens. University of Cape Town Press. Cape Town.
- Offe L (1984). **Contradictions of the Welfare State**. Contemporary Politics. [Ed: Keane J]. Hutchinson. London, Melbourne, Sydney, Auckland & Johannesburg.
- Orwell G (2000, first published 1949). **Nineteen Eighty-Four**. Published by Penguin Classics in 2000. London, England.
- Padayachee V & Valodia I (2001). Changing GEAR? The 2001 Budget and Economic Policy in South Africa. In: **Transformation**: 46: 71-83.
- Painter J (1995). **Politics, Geography and 'Political Geography.'** A Critical Perspective. Arnold, a member of the Hodder Headline Group. London, New York, Sydney & Auckland.
- Painter J (2006). Prosaic geographies of stateness. In: **Political Geography** (25): 752-774. Elsevier Ltd.
- Palmer I (2004). Local government powers and functions. **Idasa Occasional Papers**. Idasa, Cape Town.

- Palmer I (2007). **Answering affidavit Phiri prepaid water meter case**. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Pape J (2000). Brother can you spare a glass of water. In: **Business Day**. 2 November 2000.
- Pape J (2002). Looking for Alternatives to Cost Recovery. In: **Cost Recovery and the Crisis of Service Delivery in South Africa**. [Ed: McDonald D and Pape J]. Published by the Human Sciences Research Council. Cape Town, South Africa.
- Parnell S (2004). **Constructing a developmental nation – the challenge of including the poor in the post-apartheid city**. Overcoming Underdevelopment in South Africa's Second Economy, Jointly hosted by UNDP, HSRC and DBSA. 28-29 October 2004. Development Bank of Southern Africa. Midrand, South Africa.
- Pauw J (2003). Metered to Death: How a Water Experiment Caused Riots and a Cholera Epidemic. **Published by the International Consortium for Investigative Journalism Centre for Public Integrity**. 5 February 2003. Washington, United States of America.
- Pilger J (1999). **Hidden Agendas**. Published by Vintage. London, Great Britain.
- Pithouse R (2005). **The Left in the Slum: the rise of a shack dwellers' movement in Durban, South Africa**. History & African Studies Seminar. University of KwaZulu-Natal, Durban. 23 November 2005.
- Piven FF & Cloward RA (1993, first published 1971). **Regulating the Poor: The Functions of Public Welfare**. Vintage Books. New York.
- Pollock N (2002). Hermeneutics in Library and Information Science. Information Science (not institution listed). New South Wales, Australia. [WWW document] [URL http://users.bigpond.net.au/neilpollock/info\\_science/hermeneutics.html](http://users.bigpond.net.au/neilpollock/info_science/hermeneutics.html) (accessed 25 November, 2004).
- Procacci G (1991). Social economy and the government of poverty. In: **The Foucault Effect. Studies in Governmentality**. With two lectures and an interview with Michel Foucault. [Eds: Burchell G, Gordon C & Miller P]. Published by Harvester Wheatsheaf. Chapter 7.
- Ramphela M (1999, first published in 1995). **Across Boundaries: A Memoir by Mamphela Ramphela**. The Women Writing Africa Series. The Feminist Press at the City University of New York. New York, United States of America.
- Raskin J D (2002). Constructivism in psychology: Personal construct psychology, radical constructivism, and social constructionism. In: **Studies in meaning: Exploring constructivist psychology** [Eds: Raskin J and Bridges S]. New York: Pace University Press.
- Roberts B (2005). Empty stomachs, empty pockets: poverty and inequality in post-apartheid South Africa. In: **State of the Nation, South Africa 2004-2005** [Eds: Daniel J, Southall R & Lutchman J]. Human Sciences Research Council. Human Sciences Research Council Press. Cape Town, South Africa.
- Robinson J (1996). **The Power of Apartheid: State, power and space in South African cities**. Policy, Planning and Critical Theory. Series Editor: Peter Cloke. University of Bristol, United Kingdom. Butterworth, Heinemann Ltd. Oxford.
- Roderick R (1986). **Habermas and the Foundations of Critical Theory**. Theoretical Traditions in the Social Sciences. Published by Higher and Further Education Division, Macmillan Publishers Ltd. London, United Kingdom.
- Rogers P, de Silva R & Bhatia R (2002). Water is an economic good: How to use prices to promote equity, efficiency, and sustainability. In: **Water Policy**. Volume 4: 1-17.

- Rose ME (1971). **The English Poor Law 1780-1930**. David & Charles: Newton Abbot, Great Britain.
- Rose ME (1972). **The Relief of Poverty 1834-1914**. The Economic History Society. The Macmillan Press Ltd. London and Basingstoke. Great Britain.
- Rose N (2006). Governing 'Advanced' Liberal Democracies. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- Ross K (1996). **Fast Cars, Clean Bodies. Decolonizing and the Reordering of French Culture**. Published by MIT Press.
- Rudin J (2008). Water – the next crisis. In: **Amandla!** Issue 2 for June/July 2008. pp18-19.
- Ruiters G (2005). **Knowing your place: Urban services and new modes of governability in South African cities**. Paper for Center for Civil Society Seminar, University of KwaZulu-Natal. 6 October 2005.
- Ruiters G & Stein R (2002). Droughts and floods: Water prices and values in the time of cholera. In: **Unsustainable South Africa: Environment, Development and Social Protest**.
- Rural Development Services Network [RDSN] (2000). **RDSN 'Water for All' draft resolutions**. Regent Hotel, East London. 23-25 May 2000.
- Samson M (2007). Theorizing the Production of Privatization as a Social Process – Towards a Feminist Historical Materialist Methodology. Paper presented at the **Municipal Services Project Conference "Services for All: Theory, Practice, Struggle"**(March 28-29). Cape Town, South Africa.
- Savage M & Warde A (1993). **Urban Sociology, Capitalism and Modernity**. Sociology for a changing world. [Series Eds: Finch J & Allan G]. The Macmillan Press Ltd. Hampshire & London.
- Savenije H & van der Zaag P (2002). Water as an Economic Good and Demand Management: Paradigms with Pitfalls. In: **International Water Resources Association**. Volume 27 (1): 98-104.
- Schreiner B (2007). **Answering affidavit Phiri prepaid water meter case**. In the High Court of South Africa. Witwatersrand Local Division. Case No 06/13865.
- Schwartz RM (1988). **Policing the Poor in Eighteenth-Century France**. The University of North Carolina Press. Chapel Hill and London.
- Scott JC (1985). **Weapons of the Weak: Everyday Forms of Peasant Resistance**. Yale University Press. New Haven and London.
- Scott JC (1998). **Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed**. Yale University Press. New Haven and London.
- Smith J (2003). **Are South Africa's Water Service Delivery Policies and Strategies Equitable, Accessible, Affordable, Efficient, Effective and Sustainable for Msunduzi Low-income Households?** Msocsci in Community Resources. School of Agricultural Sciences and Agriculture, University of KwaZulu-Natal, Pietermaritzburg. Unpublished dissertation.
- Smith J & Green JM (2005). Free Basic Water in Msunduzi, KwaZulu-Natal: is it making a difference to the lives of low-income households? In: **Water Policy**: 7 (2005) 443-467.
- Soyinka W (1983). **The Man Died. Prison notes of Wole Soyinka**. Published by Vintage in 1994. London.

- Sparks A (2003). **Beyond the Miracle: Inside the New South Africa**. Jonathan Ball Publishers. Johannesburg and Cape Town, South Africa.
- Spicer A & Fleming P (2001). Making Constructivism Critical: structure, text and contestation. Paper presented to **Alternative modes of Investigation in Organization Studies: opportunities for critical research stream. Critical Management Studies Conference, UMIST**. 11-13 July, 2001. Manchester, United Kingdom.
- Still D (2001). Free basic water in rural areas: Is it feasible? **Presented at the WISA, CWSS seminar**. 8 March. Assagay, Durban, South Africa.
- Sussens H, Vermeulen A (2001). **Providing free basic water in South Africa**. People and Systems for Water, Sanitation and Health. 27<sup>th</sup> WEDC Conference. Lusaka, Zambia 2001.
- Taylor-Gooby P (1998). **Choice and Public Policy**. Macmillan Press Ltd. London.
- Taylor-Gooby P (2000). **Risk, Trust and Welfare**. [Ed: Taylor-Gooby P]. Macmillan Press Ltd, London and St. Martin's Press Llc. New York.
- The Coalition Against Water Privatisation, the Anti-Privatisation Forum and Public Citizen (2004) 'Nothing for Mahala.' The forced installation of prepaid water meters in Stretford, Extension 4, Orange Farm, Johannesburg, South Africa. **Centre for Civil Society Research Report No. 16**. April 2004, Centre for Civil Society, Durban, South Africa.
- The SA Local Government Briefing (2008). **The SA Local Government Briefing**. July 2008. Published by SA Local Government Research Centre.
- The Witness (2006). Council agrees to outsource. Nalini Naidoo. In: **The Witness**. 28 February 2006.
- The Witness (2006). Proud PMB. Editorial. In: **The Witness**. 29 May 2006.
- The Witness (2006). Msunduzi cash down the drain. Bheki Mbanjwa. In: **The Witness**. 30 May 2006.
- The Witness (2006). Cashing in on council debt: ANC luminaries linked to debt collection. Nalini Naidoo. In: **The Witness**. 13 September 2006.
- The Witness (2007). Senior manager exodus continues at City Hall. Duma Pewa. In: **The Witness**. 31 January, 2007.
- The Witness (2007). Umgeni under fire. Nalini Naidoo. In: **The Witness**. 20 July 2007.
- The Witness (2008). Umgeni to keep hikes down. Shirley Jones. In: **The Witness**. 22 October 2008.
- Turton AR (1998). **The Monopolization of Access to a Critical Natural Resource: The Case of Water in South Africa**. Paper presented at the 14th International Congress of Anthropological and Ethnological Sciences Symposium on Resource Management through Indigenous Socio-Cultural Practices. 26 July-1 August 1998. Williamsburg, Virginia and MEWREW Occasional Paper.
- United Nations Development Programme [UNDP: Human Development Report] (2006). **Human Development Report 2006: Beyond scarcity: Power, poverty and the global water crisis**. Published for the United Nations Development Programme (UNDP). New York, United States of America.
- Van Donk M & Pieterse E (2006). Reflections on the design of a post-apartheid system of (urban) local government. In: **Democracy and Delivery: Urban Policy in South Africa**. [Eds: Udesch Pillay, Richard Tomlinson and Jacques du Toit]. HSRC Press.

- Van Ryneveld P, Muller D & Parnell S (2003). **Indigent Policy: Including the Poor in the City of Cape Town's Income Strategy**. Executive Summary. Commissioned by the City of Cape Town. May 2003.
- Veotte L (2001). Restructuring, Human Rights and Water Access to Vulnerable Groups. **South African Municipal Workers Union presentation to the International Conference on Fresh Water**. Bonn, Germany. 3-7 December 2001.
- Verdery K (1996). **What Was Socialism and What Comes Next**. Princeton University Press. Princeton.
- Waddan A (1997). **The Politics of Social Welfare: The Collapse of the Centre and the Rise of the Right**. Edward Elgar Publishing Limited. Cheltenham, United Kingdom.
- Walker C (1993). **Managing Poverty: The Limits of Social Assistance**. The State of Welfare series. Series Ed: Langan M. Routledge. London & New York.
- Weber M (2006). Bureaucracy. In: **The Anthropology of the State: a reader** [Eds: Sharma A and Gupta A]. Published by Blackwell Publishing Ltd. Malden, Oxford and Victoria.
- When F (2004). **Idiot Proof: Deluded Celebrities, Irrational Power Brokers, Media Morons, and the Erosion of Common Sense**. Public Affairs. New York, United States of America.
- Whittington D (2003). Municipal water pricing and tariff design: a reform agenda for South Asia. In: **Water Policy**. Volume 5: 61-76.
- Wikan A (1980, first published in 1976). **Life among the poor in Cairo**. Translated by Ann Henning. Tavistock Publications Ltd. London, Britain.
- WHO and UNICEF (2000). **Global Water Supply and Sanitation Assessment 2000 Report**. WHO/UNICEF, Geneva/New York.
- Zikode S (2006). **The Third Force**. Centre for Civil Society Research Report, 2006, Volume 1: 1-4.

## Appendix A: Lifestory interviews

Lifestory 1: 24 January 2006, Salm Place  
Lifestory 2: 26 January 2006, Patrys Road  
Lifestory 3: 1 February 2006, Shad Place  
Lifestory 4: 15 February 2006, Weaver Road  
Lifestory 5: 24 February 2006, Patrys Road  
Lifestory 6: 15 March 2006, Patrys Road  
Lifestory 7: 11 April 2006, Rockcod Road  
Lifestory 8: 11 April 2006, Rockcod Road  
Lifestory 9: 21 April 2006, Tamarisk Place  
Lifestory 10: 2 May 2006, Korhoender Road  
Lifestory 11: 17 May 2006, Duif Road  
Lifestory 12: 18 May 2006, Korhoender Road  
Lifestory 13: 22 May 2006, Snoek Place  
Lifestory 14: 30 May 2006, Duif Road  
Lifestory 15: 31 May 2006, Kingklip Place  
Lifestory 16: 25 July 2006, Banksia Place  
Lifestory 17: 21 December 2005, Shad Place

Additional major interviews to complement lifestories:

1. Tarentaal Road: 27 August 2005 and 15 February 2006
2. Duif Road: 7 December 2005 and 15 February 2006
3. Shad Place: 12 December 2005
4. Shad Place: 12 December 2005 and 22 December
5. Adelaar Road: 16 December 2005
6. Tamarisk Place: 15 March 2006
7. Tarentaal Road: 14 April 2006
8. Korhoender Road: 21 April 2006

Appendix B: Example of withdrawal of free water if 6kl exceeded, and disconnection warning



The Msunduzi Municipality

TAX INVOICE

VAT REGISTRATION NO. 4600107835

A.S. Chetty Centre, 333 Church Street, Pietermaritzburg, 3201

261, Pietermaritzburg, 3200

(033) - 395 1111 Fax: (033) - 395 1517

<b>ACCOUNT NO.</b> [REDACTED]	<b>ACCOUNT DATE</b> 29/12/2005	<b>ELECTRICITY/WATER ENQUIRIES</b> ☎ 033 395 1225/722/746	<b>RATES ENQUIRIES</b> ☎ 033 395 1229/391
<b>STREET ADDRESS / STAND</b> PMB - PIETERMARITZBURG [REDACTED]		<b>VAT REGISTRATION NUMBER</b>	<b>TAX INVOICE NUMBER</b> [REDACTED]
<b>LOCATION</b> PMB - PIETERMARITZBURG [REDACTED]		<b>DEPOSIT</b>	
<b>PROPERTY DESCRIPTION</b>		<b>CASH</b> 0.00	<b>GUARANTEE</b> 0.00
		<b>VALUATION</b>	
		<b>LAND</b> 9900	<b>IMPROVEMENTS</b> 44000
		<b>TOTAL VALUE</b> 53900	
		<b>AREA<sub>m</sub><sup>2</sup></b> 275m <sup>2</sup>	<b>ASSESSMENT RATES</b> 873.15

DATE	DETAILS	TARIFF	CHARGE	VAT	AMOUNT
29/11	BALANCE BROUGHT FORWARD				664.55
	<b>GENERAL DEBIT/CREDIT:</b>				
05/12	PAYMENT THANK YOU				366.90-
	<b>ASSESSMENT RATES:</b>				
02/12	INTEREST ON ARREARS	0.180000	1.09	0.00	1.09
29/12	RATES RESIDENTIAL - IMP	0.015280	56.02	0.00	56.02
29/12	RATES REB1 RESIDENTIAL - IMP	0.003507-	12.86-	0.00	12.86-
29/12	RATES RESIDENTIAL - LAND	0.077604	64.02	0.00	64.02
29/12	RATES REB1 RESIDENTIAL - LAND	0.032764-	27.03-	0.00	27.03-
29/12	RATES REB2 RESIDENTIAL - LAND	0.008968-	7.40-	0.00	7.40-
	<b>ELECTRICITY - FIXED CHARGES:</b>				
02/12	VISITATION/DISCONNECTION FEE	0.000000	206.10	28.85	234.95
	Reversed by DISO130527				
06/12	VISITATION/DISCONNECTION FEE	0.000000	206.10-	28.85-	234.95-
	Reversal of item 1/37				
	<b>ELECTRICITY BASIC:</b>				
02/12	INTEREST ON ARREARS	0.180000	1.17	0.00	1.17
29/12	DOMESTIC SINGLE PHASE AMPS- A1	2.590000	77.70	10.88	88.58
	30.00AMP				
	<b>ELECTRICITY CONSUMPTION:</b>				
02/12	INTEREST ON ARREARS	0.180000	1.00	0.00	1.00
29/12	DOMESTIC SINGLE PHASE - KWH-A1			7.37	60.02
	ReadDt=29/11/2005				
	Curr=21671 Prev=21411				
	Constant 1.0 Cons=260.00				
	260.00kWh	0.202500	52.65		
	<b>REFUSE:</b>				
02/12	INTEREST ON ARREARS	0.180000	0.65	0.00	0.65
29/12	REFUSE DOMESTIC	43.150000	43.15	6.04	49.19
	<b>SEWERAGE:</b>				
02/12	INTEREST ON ARREARS	0.180000	0.14	0.00	0.14
29/12	SEWERAGE DOMESTIC	66.700000	66.70	9.34	76.04
	<b>WATER CONSUMPTION:</b>				
29/12	W/CONSUMP DOMESTIC - 2			3.22	26.25
	ReadDt=29/11/2005-Days=29 *				
	Curr=3785 Prev=3779				
	Cons=6.00 *				
	5.80k1	3.716666	21.56		
	0.20k1	7.340000	1.47		

90 DAYS +	60 DAYS	30 DAYS	CURRENT	VAT TOTAL	TOTAL DUE
0.00	0.00	297.65	376.88	36.85	674.53

1. PAY BY DUE DATE TO AVOID DISCONNECTION/RESTRICTION.  
 2. FINAL DATE FOR PAYMENT REFERS TO CURRENT AMOUNT ONLY. BALANCE BROUGHT FORWARD NOW OVERDUE AND SUBJECT TO DISCONNECTION. 6. NB: INTEREST WILL BE CHARGED AT 18% PER ANNUM ON ALL ARREAR BALANCES.  
 4. WHEN PAYING BY EFT, ACCOUNT NUMBER MUST BE GIVEN AS THE REFERENCE NUMBER, NOT THE COMPANY NAME.  
 5. ALL ESKOM CUSTOMERS, PLEASE COLLECT APPLICATION FORM FOR FREE BASIC ELECTRICITY FROM A.S. CHETTY CENTRE.  
 6. CALL TO CELL ACCOUNT ENQUIRIES - ELECTRICITY 0822350841; METER READERS 0822350847; SWITCHBOARD 0822350840.  
 7. STATEMENT INCLUDES RECEIPTS UP TO 29 DECEMBER 2005 (INCLUSIVE).

**FINAL DATE FOR PAYMENT**  
31/01/2006

Appendix C: Example of fixed sanitation and refuse charges

AS Utility Centre, 333 Church Street, Pietermaritzburg, 3201

TAX INVOICE

261, Pietermaritzburg, 3200

VAT REGISTRATION NO. 4600107835

(033) - 395 1111 Fax: (033) - 395 1517

ACCOUNT NO.	ACCOUNT DATE	ELECTRICITY/WATER ENQUIRIES	RATES ENQUIRES
	29/09/2005	033 395 1225/722/746	033 395 1229/391
STREET ADDRESS / STAND		VAT REGISTRATION NUMBER	
PMB - PIETERMARITZBURG			
		DEPOSIT	
CASH	0.00	GUARANTEE	0.00
		VALUATION	
LOCATION	PMB - PIETERMARITZBURG	LAND	IMPROVEMENTS
		9400	39000
PROPERTY DESCRIPTION		AREA m <sup>2</sup>	TOTAL VALUE
		250m <sup>2</sup>	48400
			ASSESSMENT RATES
			796.35

DATE	DETAILS	TARIFF	CHARGE	VAT	AMOUNT
30/08	BALANCE BROUGHT FORWARD				1292.83
26/09	GENERAL DEBIT/CREDIT: PAYMENT THANK YOU				1535.00-
	<b>ASSESSMENT RATES:</b>				
06/09	INTEREST ON ARREARS	0.180000	1.01	0.00	1.01
29/09	RATES RESIDENTIAL - IMP	0.015280	49.66	0.00	49.66
29/09	RATES REB1 RESIDENTIAL - IMP	0.009507	11.40-	0.00	11.40-
29/09	RATES RESIDENTIAL - LAND	0.077604	60.79	0.00	60.79
29/09	RATES REB1 RESIDENTIAL - LAND	0.032764	25.67-	0.00	25.67-
29/09	RATES REB2 RESIDENTIAL - LAND	0.008968	7.03-	0.00	7.03-
09/09	<b>ELECTRICITY - FIXED CHARGES:</b> VISITATION/DISCONNECTION FEE	0.000000	206.10	28.85	234.95
06/09	<b>ELECTRICITY BASIC:</b> INTEREST ON ARREARS	0.180000	1.17	0.00	1.17
29/09	DOMESTIC SINGLE PHASE AMPS- A1 30.00AMP	2.590000	77.70	10.88	88.58
06/09	<b>ELECTRICITY CONSUMPTION:</b> INTEREST ON ARREARS	0.180000	2.12	0.00	2.12
29/09	DOMESTIC SINGLE PHASE - KWH-A1 ReadDt=29/08/2005 Curr=25103 Prev=24397 Constant 1.0 Cons=706.00 706.00kWh	0.202500	142.97	20.02	162.99
06/09	<b>REFUSE:</b> INTEREST ON ARREARS	0.180000	0.65	0.00	0.65
29/09	REFUSE DOMESTIC	43.150000	43.15	6.04	49.19
06/09	<b>SEWERAGE:</b> INTEREST ON ARREARS	0.180000	1.00	0.00	1.00
29/09	SEWERAGE DOMESTIC	66.700000	66.70	9.34	76.04
29/09	<b>WATER CONSUMPTION:</b> W/CONSUMP DOMESTIC - 2 ReadDt=24/08/2005 Days=30 Curr=0 Prev=0 Est=14.00 6.00k1 8.00k1	3.716666 7.340000	22.30 58.73	11.34	92.37
06/09	INTEREST ON ARREARS	0.180000	1.13	0.00	1.13

90 DAYS +	60 DAYS	30 DAYS	CURRENT	TOTAL DUE
0.00	0.00	0.00	535.38	535.38

PAY BY DUE DATE TO AVOID DISCONNECTION/RESTRICTION.  
**FINAL DATE FOR PAYMENT REFERS TO CURRENT AMOUNT ONLY. BALANCE BROUGHT FORWARD NOW OVERDUE AND SUBJECT TO DISCONNECTION. PLEASE NOTE THAT WEF 1/7/2005 NEW TARIFFS APPLY.**  
 WHEN PAYING BY EFT, ACCOUNT NUMBER MUST BE GIVEN AS THE REFERENCE NUMBER, NOT THE COMPANY NAME.  
 NB: INTEREST WILL BE CHARGED AT 18% PER ANNUM ON ALL ARREAR BALANCES.  
 CALL TO CELL ACCOUNT ENQUIRIES - ELECTRICITY 0822350841; METER READERS 0822350847; SWITCHBOARD 0822350840.  
 STATEMENT INCLUDES RECEIPTS UP TO 29 SEPTEMBER 2005 (INCLUSIVE).

FINAL DATE FOR PAYMENT  
 31/10/2005



- Debtors Management
- Debt Collection
- Consulting

# Natal Debt Corporation

P.O. Box 202  
Pietermaritzburg, 3200  
Email: pmb@ndcorp.co.za

2<sup>nd</sup> Floor, LMD House  
16 Buchanan Street  
**PIETERMARITZBURG**  
Tel: 033 342 2621  
Fax: 033 345 0386

[REDACTED]  
Pietermaritzburg  
3201

Account ref : [REDACTED]

Dear Sir / Madam,

Date : 13 September 2006

## LETTER OF DEMAND

Our client : The Msunduzi Municipality

We are advised by our client that you are indebted to them in respect of arrear municipal services, and we have accordingly been instructed to demand from you, as we hereby do, for payment of our client's claim, interest and costs to be paid to our offices within seven (7) days from date hereof.

**The present settlement balance on your arrears account, inclusive of our costs is R25574.40.** This amount excludes any charges for current municipal services, which may still be billed against your account in subsequent months and excludes any further collection costs and/or interest should this settlement amount not be paid within seven days. Failure to pay or failure to enter into a suitable written arrangement to repay in instalments will result in **SUMMONS** being issued against you, the costs of which you will be liable for.

We confirm that NDC has been mandated by the Municipality to recover all arrear amounts from you on a "pre-legal basis"; failing which the matter will be referred to our joint venture partners, Messrs Cajee, Setsubi, Chetty Inc (attorneys) for immediate legal action without further reference to you.

Yours faithfully

  
\_\_\_\_\_

**NATAL DEBT CORPORATION  
PRE-LEGAL COLLECTIONS**

DIRECT BANK DEPOSITS MAY BE PAID INTO OUR  
FNB ACCOUNT. PLEASE FAX YOUR DEPOSIT SLIP.

Acc Name :NDC MSUNDUZI MUNICIPALITY TRUST  
ACCOUNT

Bank : First National Bank  
Branch : Pmb East - Branch Code : 220925

**ACCOUNT NUMBER : 62068207838**



# Natal Debt Corporation

- Debtors Management
- Debt Collection
- Consulting

P.O. Box 202  
Pietermaritzburg, 3200  
Email: pmb@ndcorp.co.za

2nd Floor, LMD House  
16 Buchanan Street  
**PIETERMARITZBURG**  
Tel: 033 342 2621  
Fax: 033 345 0386

[REDACTED]  
Eastwood  
Pietermaritzburg  
3201

Date : 07 August 2006  
Our ref: [REDACTED]

Dear Sir / Madam ,

## RE : FINAL LETTER OF DEMAND

We refer to our previous correspondence and note **WITH REGRET** that you have **FAILED** to respond thereto.

You are now requested to report to our offices by no later than **15 August 2006** to make arrangements regarding your outstanding account.

**TAKE NOTICE THAT** if arrangements for payment of this outstanding account is not made ,we will proceed through our attorneys to issue

## **SUMMONS**

against you through the **MAGISTRATES COURT** .

**TAKE NOTICE THAT** failing response to the **SUMMONS** , further **LEGAL ACTION** may be instituted against you which may result in your appearance before the **MAGISTRATES COURT**. You will be liable for the costs of the **LEGAL ACTION** .

**FAILURE** to adhere to the terms of the **ORDER** which may be made by the **MAGISTRATES COURT** may give the court authority to issue a

## **WARRANT OF EXECUTION**

against your property .

You are therefore required to report to our offices **IMMEDIATELY** to avoid the possible **LEGAL ACTION** and **SUBSEQUENT COSTS** .

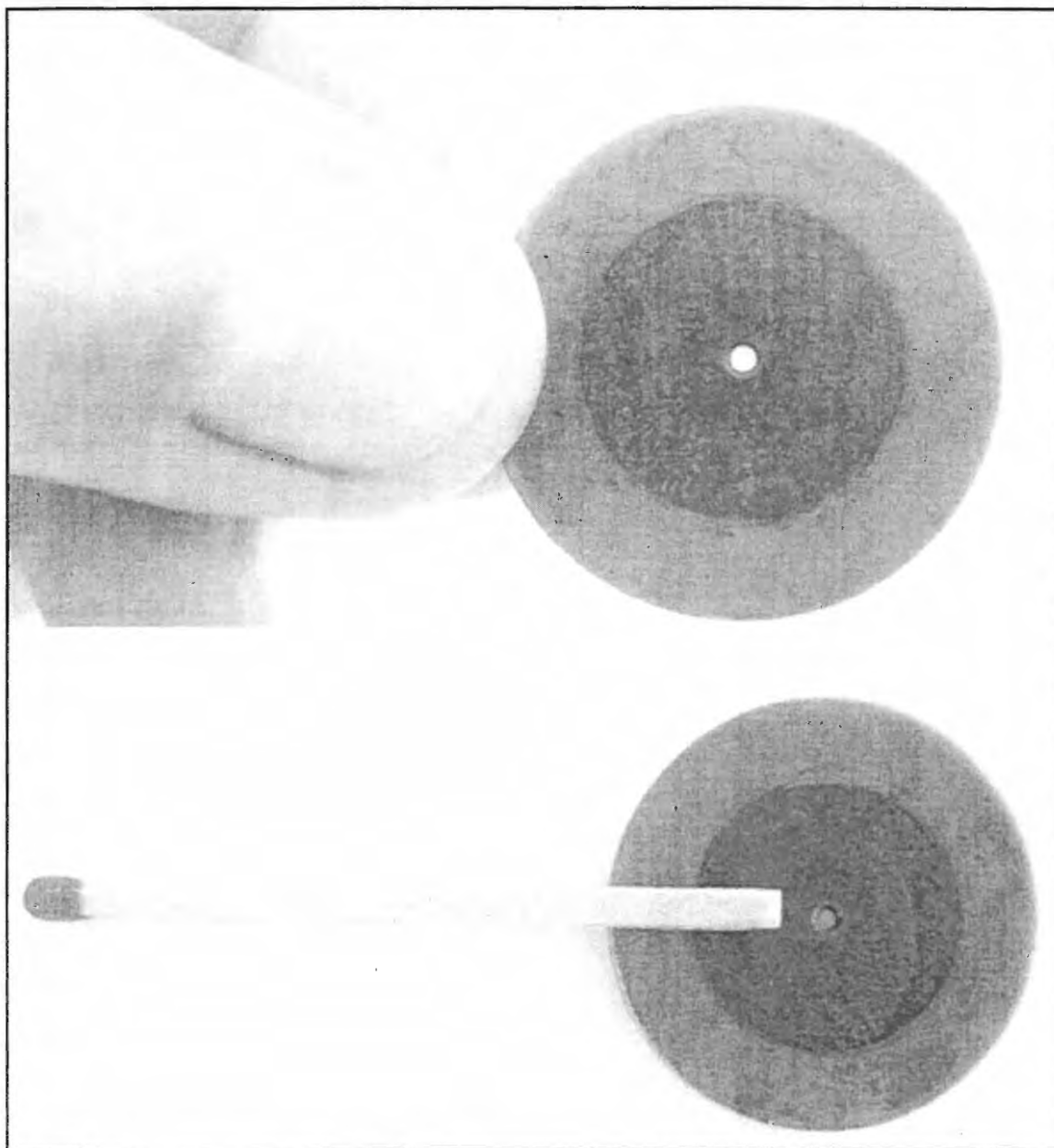
Yours faithfully

**COLLECTIONS DEPARTMENT  
NATAL DEBT CORPORATION**

**OPEN SATURDAYS TILL 12:30**

- All costs incurred are in accordance with The Debt Collectors Act, Act 114 of 1998
- Debt Collectors Council Registration Number : 000 4320/03
- Association of Debt Recovery Agents Registration Number : 1199
- Vat registration number : 4500150851

Appendix E: Restriction washers



Appendix F: Example of disconnection and rates penalty, and historical debt

The Msunduzi Municipality

COPY TAX INVOICE

VAT REGISTRATION NO. 4600107835

AS Chetty Centre, 333 Church Street, Pietermaritzburg, 3201

261, Pietermaritzburg, 3200

(033) 395 1111 Fax: (033) 395 1517



ACCOUNT NO	ACCOUNT DATE	ELECTRICITY/WATER ENQUIRIES	RATES ENQUIRIES
	30/10/2005	033 3951225/722/746	033 3951229/391
STREET ADDRESS/STAND		VAT REGISTRATION NUMBER	
PMB - PIETERMARITZBURG			
		CASH 168.00	DEPOSIT GUARANTEE 0.00
		VALUATION	
LOCATION	PMB - PIETERMARITZBURG	LAND 6800	IMPROVEMENTS 54000
			TOTAL VALUE 60800
PROPERTY DESCRIPTION		AREA m2	ASSESSMENT RATES
		170m2	879.68

DATE	DETAILS	TARIFF	CHARGE	VAT	AMOUNT
29/09	BALANCE BROUGHT FORWARD				28043.56
	<b>ASSESSMENT RATES:</b>				
04/10	INTEREST ON ARREARS	0.180000	37.90	0.00	37.90
28/10	COLLECTION CHARGES	0.100000	81.55	0.00	81.55
30/10	RATES RESIDENTIAL - IMP	0.015280	68.76	0.00	68.76
30/10	RATES REB1 RESIDENTIAL - IMP	0.003507-	15.78-	0.00	15.78-
30/10	RATES RESIDENTIAL - LAND	0.077604	43.97	0.00	43.97
30/10	RATES REB1 RESIDENTIAL - LAND	0.032764-	18.56-	0.00	18.56-
30/10	RATES REB2 RESIDENTIAL - LAND	0.008968-	5.08-	0.00	5.08-
	<b>RATES HANDED OVER:</b>				
04/10	INTEREST ON ARREARS	0.180000	71.02	0.00	71.02
	<b>ELECTRICITY - FIXED CHARGES:</b>				
04/10	INTEREST ON ARREARS	0.180000	6.53	0.00	6.53
07/10	VISITATION/DISCONNECTION FEE	0.000000	206.10	28.85	234.95
	<b>ELECTRICITY BASIC:</b>				
04/10	INTEREST ON ARREARS	0.180000	1.47	0.00	1.47
30/10	DOMESTIC SINGLE PHASE AMPS- A1 10.00AMP	0.780000	7.80	1.09	8.89
	<b>REFUSE:</b>				
04/10	INTEREST ON ARREARS	0.180000	4.26	0.00	4.26
30/10	REFUSE DOMESTIC	43.150000	43.15	6.04	49.19
30/10	DOMESTIC REBATE - INDIGENT	1.000000-	17.97-	2.52-	20.49-
	<b>SEWERAGE:</b>				
04/10	INTEREST ON ARREARS	0.180000	4.57	0.00	4.57
30/10	SEWERAGE DOMESTIC	66.700000	66.70	9.34	76.04
30/10	DOMESTIC REBATE - INDIGENT	1.000000-	38.59-	5.40-	43.99-
	<b>SERVICES - BALANCE B/FWD:</b>				
04/10	INTEREST ON ARREARS	0.180000	134.23	0.00	134.23
	<b>WATER CONSUMPTION:</b>				
04/10	INTEREST ON ARREARS	0.180000	4.55	0.00	4.55
30/10	WATER CONSUMPTION - INDIGENT ReadDt=27/09/2005 Days=32 Curr=3823 Prev=3811 Cons=12.00			5.67	46.20
	6.40kl	3.716666	23.79		
	5.60kl	2.990000	16.74		
30/10	W/CONSUMP. REBATE 6KL	3.716666-	23.79-	3.33-	27.12-
	6.40kl	0.000000	0.00		
	5.60kl				

90 DAYS	60 DAYS	30 DAYS	CURRENT	TOTAL DUE
26751.12	642.78	649.66	743.06	28786.62
				FINAL DATE FOR PAYMENT
				30/11/2005



# The Msunduzi Municipality

## COPY TAX INVOICE

VAT REGISTRATION NO. 4600107835

AS Chetty Centre, 333 Church Street, Pietermaritzburg, 3201

☒ 261, Pietermaritzburg, 3200

☎ (033) 395 1111 Fax: (033) 395 1517

ACCOUNT NO:	ACCOUNT DATE	ELECTRICITY/WATER ENQUIRIES	RATES ENQUIRIES
	29/11/2005	☎ 033 3951225/722/746	☎ 033 3951229/391
STREET ADDRESS/STAND	VAT REGISTRATION NUMBER		TAX INVOICE NUMBER
PMB - PIETERMARITZBURG			
	CASH: 168.00	DEPOSIT	GUARANTEE 0.00
	LAND	IMPROVEMENTS	TOTAL VALUE
LOCATION	6800	54000	60800
PMB - PIETERMARITZBURG	AREA m <sup>2</sup>	ASSESSMENT RATES	
	170m <sup>2</sup>	879.68	

DATE	DETAILS	TARIFF	CHARGE	VAT	AMOUNT
30/10	BALANCE BROUGHT FORWARD				28786.62
	<b>ASSESSMENT RATES:</b>				
03/11	INTEREST ON ARREARS	0.180000	39.54	0.00	39.54
29/11	RATES RESIDENTIAL - IMP	0.015280	68.76	0.00	68.76
29/11	RATES REB1 RESIDENTIAL - IMP	0.003507-	15.78-	0.00	15.78-
29/11	RATES RESIDENTIAL - LAND	0.077604	43.98	0.00	43.98
29/11	RATES REB1 RESIDENTIAL - LAND	0.032764-	18.57-	0.00	18.57-
29/11	RATES REB2 RESIDENTIAL - LAND	0.008968-	5.08-	0.00	5.08-
	<b>RATES HANDED OVER:</b>				
03/11	INTEREST ON ARREARS	0.180000	71.02	0.00	71.02
	<b>ELECTRICITY - FIXED CHARGES:</b>				
03/11	INTEREST ON ARREARS	0.180000	9.62	0.00	9.62
09/11	VISITATION/DISCONNECTION FEE	0.000000	206.10	28.85	234.95
	Reversed by DIS0123339				
09/11	VISITATION/DISCONNECTION FEE	0.000000	206.10-	28.85-	234.95-
	Reversal of item 9/36				
17/11	VISITATION/DISCONNECTION FEE	0.000000	206.10	28.85	234.95
	15/11/05--SPECIAL DISC				
	<b>ELECTRICITY BASIC:</b>				
03/11	INTEREST ON ARREARS	0.180000	1.58	0.00	1.58
29/11	DOMESTIC SINGLE PHASE AMPS- A1			1.09	8.89
	10.00AMP	0.780000	7.80		
	<b>REFUSE:</b>				
03/11	INTEREST ON ARREARS	0.180000	4.69	0.00	4.69
29/11	REFUSE DOMESTIC	43.150000	43.15	6.04	49.19
29/11	DOMESTIC REBATE - INDIGENT	1.000000-	17.97-	2.52-	20.49-
	<b>SEWERAGE:</b>				
03/11	INTEREST ON ARREARS	0.180000	5.05	0.00	5.05
29/11	SEWERAGE DOMESTIC	66.700000	66.70	9.34	76.04
29/11	DOMESTIC REBATE - INDIGENT	1.000000-	38.59-	5.40-	43.99-
	<b>SERVICES - BALANCE B/FWD:</b>				
03/11	INTEREST ON ARREARS	0.180000	134.23	0.00	<u>134.23</u>
	<b>WATER CONSUMPTION:</b>				
03/11	INTEREST ON ARREARS	0.180000	4.55	0.00	4.55
29/11	WATER CONSUMPTION - INDIGENT			6.57	53.52
	ReadDt=01/11/2005 Days=35				
	Curr=3837 Prev=3823				
	Cons=14.00				
	7.00kl	3.716666	26.02		
	CONTINUED - BALANCE C/FWD:				29488.32
	7.00kl	2.990000	20.93		
29/11	W/CONSUMP. REBATE 6KL			3.64-	29.66-
	7.00kl	3.716666-	26.02-		
	7.00kl	0.000000	0.00		

90 DAYS +	60 DAYS	30 DAYS	CURRENT	VAT TOTAL	TOTAL DUE
27393.90	649.66	743.06	672.04	40.33	29488.32
					FINAL DATE FOR PAYMENT
					3-/12-/2005

Appendix G: Example of household receiving free water but charged standard sanitation tariff



The Msunduzi Municipality

TAX INVOICE

VAT REGISTRATION NO. 4600107835

A.S. Chetty Centre, 333 Church Street, Pietermaritzburg, 3201

261, Pietermaritzburg, 3200

(033) - 395 1111 Fax: (033) - 395 1517

<b>ACCOUNT NO.</b> [REDACTED]	<b>ACCOUNT DATE</b> 28/04/2006	<b>ELECTRICITY/WATER ENQUIRIES</b> 033 3923222	<b>RATES ENQUIRIES</b> 033 3922229/391
<b>STREET ADDRESS / STAND</b> PMB - PIETERMARITZBURG [REDACTED]	<b>VAT REGISTRATION NUMBER</b> [REDACTED]		<b>TAX INVOICE NUMBER</b> [REDACTED]
<b>LOCATION</b> PMB - PIETERMARITZBURG PROPERTY DESCRIPTION [REDACTED]	<b>CASH</b> 0.00	<b>DEPOSIT</b> 0.00	<b>GUARANTEE</b> 0.00
	<b>LAND</b> 8000	<b>IMPROVEMENTS</b> 47000	<b>TOTAL VALUE</b> 55000
	<b>AREA m<sup>2</sup></b> 200m <sup>2</sup>	<b>ASSESSMENT RATES</b> 840.31	

DATE	DETAILS	TARIFF	CHARGE	VAT	AMOUNT
30/03	BALANCE BROUGHT FORWARD				16070.23
	<b>ASSESSMENT RATES:</b>				
04/04	INTEREST ON ARREARS	0.180000	41.15	0.00	41.15
28/04	RATES RESIDENTIAL - IMP	0.015280	59.84	0.00	59.84
28/04	RATES REB1 RESIDENTIAL - IMP	0.003507-	13.73-	0.00	13.73-
28/04	RATES RESIDENTIAL - LAND	0.077604	51.73	0.00	51.73
28/04	RATES REB1 RESIDENTIAL - LAND	0.032764-	21.84-	0.00	21.84-
28/04	RATES REB2 RESIDENTIAL - LAND	0.008968-	5.97-	0.00	5.97-
	<b>RATES HANDED OVER:</b>				
04/04	INTEREST ON ARREARS	0.180000	41.01	0.00	41.01
	<b>ELECTRICITY - FIXED CHARGES:</b>				
04/04	INTEREST ON ARREARS	0.180000	12.65	0.00	12.65
	<b>ELECTRICITY BASIC:</b>				
04/04	INTEREST ON ARREARS	0.180000	6.46	0.00	6.46
28/04	DOMESTIC SINGLE PHASE AMPS- A1 15.00AMP	1.550000	23.25	3.26	26.51
	<b>ELECTRICITY CONSUMPTION:</b>				
04/04	INTEREST ON ARREARS	0.180000	5.80	0.00	5.80
28/04	DOMESTIC SINGLE PHASE - KWH-A1 ReadDt=30/03/2006 Curr=4406 Prev=4225 Constant 1.0 Cons=181.00 181.00kWh	0.202500	36.65	5.13	41.78
	<b>REFUSE:</b>				
04/04	INTEREST ON ARREARS	0.180000	6.27	0.00	6.27
28/04	REFUSE DOMESTIC	43.150000	43.15	6.04	49.19
	<b>SEWERAGE:</b>				
04/04	INTEREST ON ARREARS	0.180000	8.06	0.00	8.06
28/04	SEWERAGE DOMESTIC	66.700000	66.70	9.34	76.04 ←
	<b>SERVICES - BALANCE B/FWD:</b>				
04/04	INTEREST ON ARREARS	0.180000	9.57	0.00	9.57
	<b>WATER CONSUMPTION:</b>				
28/04	W/CONSUMP DOMESTIC - 2 ReadDt=29/03/2006 Days=30 Curr=0 Prev=0 Est=5.00 5.00k1	3.716666	18.59	2.60	21.19 *
04/04	INTEREST ON ARREARS	0.180000	7.14	0.00	7.14
	<b>CONTINUED - BALANCE C/FWD:</b>				16493.08
28/04	W/CONSUMP REBATE 6K1 5.00K1	3.716666-	18.59-	2.60-	21.19-

<b>90 DAYS +</b> 15311.07	<b>60 DAYS</b> 381.77	<b>30 DAYS</b> 377.39	<b>CURRENT</b> 401.66	<b>VAT TOTAL</b> 23.77	<b>TOTAL DUE</b> 16493.08
------------------------------	--------------------------	--------------------------	--------------------------	---------------------------	------------------------------

1. PAY BY DUE DATE TO AVOID DISCONNECTION RESTRICTION.  
 2. FINAL DATE FOR PAYMENT REFERS TO CURRENT AMOUNT ONLY. BALANCE BROUGHT FORWARD NOW OVERDUE AND SUBJECT TO DISCONNECTION. NO INTEREST WILL BE CHARGED AT 1% PER ANNUM ON ALL APPEAR BALANCE.  
 3. WHEN PAYING BY EFT, ACCOUNT NUMBER MUST BE GIVEN AS THE REFERENCE NUMBER NOT THE COMPANY NAME.  
 4. THE NEW SWITCHBOARD NUMBER IS 033-3923000 AND FAX: 033-3922517.  
 5. METER READINGS 033-3923222.  
 6. STATEMENT INCLUDES RECEIPTS UP TO 28 APRIL 2006 (INCLUDING).

**FINAL DATE FOR PAYMENT**  
31/05/2006

Appendix H: Applied indigent applications forms and concessions

CITY ADMINISTRATION DEPARTMENT

The Msunduzi Municipality

City Hall Commercial Road  
Pietermaritzburg 3201

Private Bag 321  
Pietermaritzburg 3200

Tel. 033-3951111  
Fax. 033-3951501



ENQ: \_\_\_\_\_ OUR REF: \_\_\_\_\_ YOUR REF: \_\_\_\_\_

4<sup>th</sup> / July / 2005

City Treasurer  
Credit Arrangements

**Application for Indigent Status**

Please assist Mr/Mrs/Miss [redacted]  
ID No. [redacted] residing at [redacted]  
to attain Indigent Status.  
Lights Account No. [redacted] Rates Account No. \_\_\_\_\_

- STATE PENSIONER                       GRANTEE
  - Unemployed-must produce job seekers card or affidavit
  - House value between R30 000 and R40 000
  - RESTRICTION WASHER to be inserted to reduce water consumption to 12kl/month. ←
  - 20 AMP MCB
  - Make payment on any current amount owing by due date.
  - INCOME BELOW R1 718.00
  - Consideration should be given to withdrawing Applicant/s file from the Attorneys for outstanding rates.
  - Reconnection of electricity R200.00 to pay.
- Thank you in community service/delivery  
Yours sincerely

CLLR [redacted]  
WARD [redacted]  
If any problems please contact me at [redacted]

**AFFIDAVIT BY DEBTOR RE FINANCIAL ASSESSMENT TO DETERMINE  
MONTHLY PAYMENT TOWARDS REDUCTION OF  
ARREAR RATES AND SERVICE CHARGES**

<p>1. <b>NAME:</b> _____</p> <p><b>ADD:</b> _____</p> <p>_____</p> <p>_____</p> <p>TEL: (H) _____</p> <p>(W) _____</p>		<p align="center"><b>For Internal Use</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"><u>Account Ref.</u></td> <td style="width: 40%; text-align: right;"><u>Arrear Debt.</u></td> </tr> <tr> <td>Rates _____</td> <td style="text-align: right;">R _____</td> </tr> <tr> <td>Cons. Bill _____</td> <td style="text-align: right;">R _____</td> </tr> <tr> <td>Sun. Dbtrs _____</td> <td style="text-align: right;">R _____</td> </tr> <tr> <td>Other _____</td> <td style="text-align: right;">R _____</td> </tr> <tr> <td align="right" colspan="2">Total arrears R _____</td> </tr> <tr> <td align="right" colspan="2">as at _____</td> </tr> </table>	<u>Account Ref.</u>	<u>Arrear Debt.</u>	Rates _____	R _____	Cons. Bill _____	R _____	Sun. Dbtrs _____	R _____	Other _____	R _____	Total arrears R _____		as at _____	
<u>Account Ref.</u>	<u>Arrear Debt.</u>															
Rates _____	R _____															
Cons. Bill _____	R _____															
Sun. Dbtrs _____	R _____															
Other _____	R _____															
Total arrears R _____																
as at _____																

2. **CAPACITY:** PROPERTY OWNER/TENANT (Delete where not applicable)

3(a) **ARE YOU THE HEAD OF THE HOUSEHOLD?** YES/NO (Delete where not applicable)

(b) If not, give details of person who is: NAME: \_\_\_\_\_

RELATIONSHIP: \_\_\_\_\_

AGE: \_\_\_\_\_

DETAILS OF CURRENT EMPLOYMENT: \_\_\_\_\_

4. **NUMBER OF OCCUPANTS IN RESIDENCE AT GIVEN ADDRESS:**

<u>Name</u>	<u>Age</u>	<u>Relationship to Consumer/Debtor</u>
4.1 _____		
4.2 _____		
4.3 _____		
4.4 _____		
4.5 _____		
4.6 _____		
4.7 _____		
4.8 _____		

5. **APPLICANT'S GROSS INCOME** R \_\_\_\_\_

(Proof to be supplied)

6. DISPOSABLE INCOME OF HOUSEHOLD MEMBERS

<u>Name</u>	<u>Employer</u>	<u>Other Income</u> eg grants, pension, alimony, investments, rentals, etc.	<u>Net Pay as per pay slip (week/month)</u>  * R
6.1	_____	_____	_____
6.2	_____	_____	_____
6.3	_____	_____	_____
6.4	_____	_____	_____
6.5	_____	_____	_____
6.6	_____	_____	_____
6.7	_____	_____	_____
6.8	_____	_____	_____

\*Please produce documentary proof of earnings.

7. HOUSEHOLD EXPENDITURE: FACTORS IN RANDS FOR EXPENSES LISTED BELOW.

<u>ITEM</u>	<u>FACTORS IN RANDS</u>	<u>MULTIPLY BY</u> <u>NO. OF PERSONS</u>	<u>TOTAL (R)</u>
7.1 Food	R75 per adult R50 per child		
7.2 Clothing	R100 per family		
7.3 Water/Elect.	R150 per household		
7.4 Medical Expenses	R50 per family		
7.5 Rates	R50		

<u>ITEM</u>	<u>FACTORS IN RANDS</u>	<u>MULTIPLY BY</u> <u>NO. OF PERSONS</u>	<u>TOTAL (R)</u>
7.6 Insurance	R100 per family		
7.7 Maintenance (ex family)	R50 per person		
7.8 Transport	R50 per person actually using transport		
7.9 School - Pre-primary High Tertiary	R60 per child		
7.10 Other - (details to be provided)			

8. **TOTAL NET DISPOSABLE INCOME** [as per (6)] TOTAL: R \_\_\_\_\_  
= R \_\_\_\_\_

**DEDUCT TOTAL EXPENSES** [As per 7] = R \_\_\_\_\_

Balance of income available towards arrear debt reduction R \_\_\_\_\_

**9. SUMMARY OF DEBTORS FINANCIAL POSITION**

- 9.1 Debtor is unemployed, and has no means of support other than income from grants, alimony, rental etc. of R \_\_\_\_\_ per month.
- 9.2 Debtor is unemployed, but is assisted financially by other occupants in residence, and gross income is R \_\_\_\_\_ per month.
- 9.3 Debtor is employed and gross income from employment is R \_\_\_\_\_ per month.  
Debtor is also in receipt of sundry income of R \_\_\_\_\_ per month  
Proof of earnings to be submitted.
- 9.4 Debtor agrees to pay the sum of R \_\_\_\_\_ monthly in settlement of arrears.

10. REMARKS:

\_\_\_\_\_  
DEBTOR

I hereby certify that the deponent has acknowledged to me that he knows and understands the contents of this affidavit which was sworn to and signed before me at Pietermaritzburg on this day of \_\_\_\_\_ 19 \_\_\_\_\_, the regulations contained in Government Notice No. R3619 of 21st July 1972 and R1648 of 19th August 1977 having been complied with.

ASSESSED BY: \_\_\_\_\_  
NAME SIGNATURE

DATE ASSESSED: \_\_\_\_\_

ACKNOWLEDGMENT OF DEBT COMPLETED YES/NO.

PIETERMARITZBURG-MSUNDUZI TRANSITIONAL LOCAL COUNCIL

Ref NO. : \_\_\_\_\_

I, the undersigned Owner/Consumer/Tenant hereby confirm that details as indicated hereon of the agreement between myself and the Transitional Local Council, have been explained to me and I fully understand the terms thereof that I agreed to.

**Consolidated Bill**

Current + Arrangement	<input type="text"/>
Frozen Account	<input type="text"/>
Electricity Consumption	<input type="text"/>
Water Consumption	<input type="text"/>
MCB	<input type="text"/>
Restriction Washer	<input type="text"/>
AIS	<input type="text"/>

**Rates**

Current + Arrangement	<input type="text"/>
Interest	<input type="text"/>
Collection Charges	<input type="text"/>

**Sundry Debtors**

Amount	<input type="text"/>
Legal Charges	<input type="text"/>

**Housing**

Rent	<input type="text"/>
Instalment	<input type="text"/>

**Payment of Accounts**

Payment includes any or all the above current accounts PLUS the amount agreed upon toward my arrears.

DATE: \_\_\_\_\_

SIGNED: \_\_\_\_\_

- ( i )    Cons Billing \_\_\_\_\_
- ( ii )    A I S                    \_\_\_\_\_
- ( iii )    Rates                        \_\_\_\_\_
- ( iv )    Hse Instal                \_\_\_\_\_
- ( v )    Hse Rent                    \_\_\_\_\_
- ( vi )    Collections                \_\_\_\_\_

**ACKNOWLEDGEMENT OF DEBT**

I, the undersigned consumer, ( first names and surname ) \_\_\_\_\_

Date of Birth: \_\_\_\_\_ I.D. No. : \_\_\_\_\_

Residential Address : \_\_\_\_\_

Business Address : \_\_\_\_\_

Pay or Work No. : \_\_\_\_\_

1.

Acknowledge that I am lawfully indebted to the Pietermaritzburg-Msunduzi Transitional Local Council (the Council) in the sum of R \_\_\_\_\_ ("the Capital sum") being in respect of :

- 1            \_\_\_\_\_
- 2            \_\_\_\_\_
- 3            \_\_\_\_\_
- 4            \_\_\_\_\_

2

Undertake to repay the debt at the offices of the City Treasurer, at 333 Church Street, Pietermaritzburg, in the following manner :

- (a)    An initial repayment in the sum of R \_\_\_\_\_
- and
- (b)    The outstanding balance of the debt,  
by way of monthly / weekly instalments of R \_\_\_\_\_

the first instalment of which shall be paid before the last working day of \_\_\_\_\_ and thereafter on or before the last working day of each succeeding month until the capital sum thereof has been paid. All payments shall be made free of exchange or deductions.

MUN. PMB. K4.

If this acknowledgement relates to rates I accept that, in accordance with the Local Authorities Ordinance 25 of 1974, penalties calculated at 1,5 % per month and collection charges calculated at 10 % per annum shall accrue to the capital sum and shall form part of this acknowledgement.

## 4

In addition to the instalment referred to in paragraph 2 I undertake to pay -

- 4.1 all current amounts owing in respect of electricity and water consumed and refuse removal and sewerage charges, and assisted installation scheme (AIS) instalments, and
- 4.2 an amount of R \_\_\_\_\_ per month being a contribution towards current rates including penalties and collection charges (if any).
- 4.3 all current amounts owing in respect of housing instalments / rental (if any).

and accept that, at the discretion of the City Treasurer, any amount lawfully owed by me to the council may be consolidated on my consolidated billing account.

## 5(a)

Hereby agree that should the electricity MCB (Mini Circuit Breaker) on my property be altered to a 15 AMP capacity, I hereby indemnify the Council and its servants or agents against any damages, direct or indirect, I may suffer as a result thereof.

## 5(b)

Understand that if the electricity supply to my premises is currently discontinued, the Council will reconnect the supply of electricity to my residence after the alteration of the MCB to 15 AMP has been completed and I have signed this acknowledgement.

## 5(c)

Understand and agree that the electricity supply to my residence will not be reconnected unless and until the initial payment has been duly made;

## 6

Should I fail to make any of the payments referred to in paragraphs 2 and 4 on the due date or if the Mini Circuit Breaker or electricity meter is bypassed or tampered with all amounts owing in terms of this acknowledgement shall immediately become due and payable without further notice or demand and the Council may then take whatever action it deems appropriate.

## 7

hereby renounce all benefits from the legal exceptions, non numeratae pecuniae, non causa debite, errore calculi, evision of accounts (and de duobus vel opluribus reis debendi) and all other exceptions which might or could be leaded by me in Bar to the validity of any claim which the Council may have under this acknowledgement and I hereby acknowledge myself to be fully acquainted with the full meaning and effect of the aforementioned xceptions.

In terms of section 45 of the Magistrate's Courts Act, I consent to the Council instituting any legal proceedings against me to enforce any of its rights under this Admission if it so elects, in the Magistrate's Court in any District having jurisdiction in respect of any person. In the event of it being necessary for the Council to institute legal proceedings against me, I undertake to pay all legal costs, including tracing fees and collection commission, on an attorney and client scale.

Any notice to be given to me under this Acknowledgement or any summons or other Court process in respect of any claim arising therefrom shall be considered to have been validly served on me if delivered to or sent by prepaid registered post addressed to

\_\_\_\_\_

at which address I hereby accept domicilium citande et executandi for the purpose of any legal proceedings which may be taken under this Acknowledgement. Any notice given by post in terms of this Clause shall be deemed to have been received by me on the day following the date of posting thereof.

Understand that any indulgence granted to me by the Council in respect of the debt in no way restricts its rights to enforce its bylaws, and I fully understand that the terms of this acknowledgement do not constitute a waiver of the Council's rights in respect of the debt or any other amount whatsoever, lawfully owed by me to the Council.

This acknowledgement of liability and undertaking replaces the admission of liability and undertaking signed on \_\_\_\_\_ provided that this acknowledgement shall not constitute a novation of the claims referred to in paragraph 1.

SIGNED AT PIETERMARITZBURG THIS \_\_\_\_\_ DAY OF \_\_\_\_\_

AS WITNESSES:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

\_\_\_\_\_  
THE CONSUMER

SIGNED AT PIETERMARITZBURG THIS \_\_\_\_\_ DAY OF \_\_\_\_\_

AS WITNESSES:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

Pietermaritzburg-Msunduzi  
Transitional Local Council (admiss1)

NON NUMERATAE PECUNIAE : Amount due was not known at the time of signature and may have been omitted, e.g. signed in blank.

NON CAUSA DEBITI : No cause for the debit ( I don't owe the money )

ERROR CALCULI : Error in calculating the amount ( a form of estoppel ) does not invalidate Acknowledgement of Debt.

REVISION OF ACCOUNTS : The amount initially incorrect and on rechecking the books one arrives at a different amount will not invalidate Acknowledgement of debt.

DE DUOBUS VEL PLURIBUS REIS DEBENDI : If I owe money for another debt this can be recorded separately, i.e. this Acknowledgement of Debt does not wipe out any other obligations towards creditor I may have. It does not supersede any other cause of action.

