



MANGAUNG METROPOLITAN MUNICIPALITY



Cooperative governance for accelerating spatial and economic development



OVERVIEW

Mangaung has always played an essential regional services function, from its early days as a trading post, serving surrounding agricultural areas and small towns, to more recently, as a home to education, sporting and healthcare facilities that attract people from beyond the municipality's borders. However, like many other South African metropolitan municipalities (metros), Mangaung suffers from inefficiencies and inequalities that are a result of segregated colonial and apartheid planning. This story highlights three projects aimed at addressing the City's socioeconomic inequalities: the airport node development, the Waaihoek precinct and the Naval Hill redevelopment. All projects have significant catalytic potential, but progress on implementation could be accelerated through more effective cooperative governance with various partners.

A city under pressure

In 2001, three urban areas (Bloemfontein, Botshabelo and Thaba Nchu) were merged to form Mangaung. After playing a prominent role in hosting the soccer World Cup in 2010, Mangaung was declared a metro in 2011. This gave the municipality more budgetary independence but also meant that it lost its regional connections, as it was no longer part of a district municipality. This link was somewhat re-established in 2016, when Naledi Municipality (including the small town of Soutpan) merged into Mangaung. However, the expansion of Mangaung meant that the municipality had to not only serve more people but also provide services over a larger geographical area. It was difficult for the metro to handle the resulting fiscal pressure, leading to it being placed under administration in 2019. Over the last five years, Mangaung has continued to struggle financially, making it more dependent on external grant funding for both land development and infrastructure investments. This has affected the municipality's ability to make decisions and steer development.



LOCATION OF SELECTED PROJECTS IN MANGAUNG



Addressing socioeconomic inequalities

Mangaung has a smaller economy than other metros and is not home to any large enterprises or headquarters of national or international corporations. Mangaung's dominant economic sectors are therefore government services and regional services. Like many other South African cities, Mangaung also suffers from inefficiencies and inequalities that are a result of segregated colonial and apartheid planning. Apartheid planning resulted in a fragmented spatial form and low densities. Suburbs developed according to race and were divided by buffer strips, railway lines and industries, resulting in three industrial development points, daily commuters and long-distance migrants. While the merger in 2001 created the potential for an integrated planning system, finding appropriate ways of integration and planning for higher densities remains difficult.

Three projects have been identified to address Mangaung's socioeconomic inequalities by revitalising the local economy; increase densities; improve transport; create an industrial base; and link economic development, residential development and heritage, with a focus on the eastern part of the city.

The airport node development

The airport node development represents the first significant development of the N8 Corridor project, which dates to the first Mangaung Integrated Development Plan (IDP) and Free State Provincial Development Plans. The N8 Corridor had to link several nodes: the central business district (CBD), the airport node, Mandela View, Botshabelo and Thaba Nchu. The airport node comprises two main components: industrial stands around the airport and residential stands at Estoire and Raceway Park (a private sector development). The aim of the development is to undo the legacy of apartheid, during which settlement planning mainly occurred to the south of the N8 and industrial planning in the Ooseinde industrial area, by creating new settlements to the north of the industrial area and economic (industrial) activity and human settlements in the eastern part of the city. The intention is to provide a high-density area to support opportunities for transit-oriented development, prevent urban sprawl and develop an industrial base for Mangaung, thereby repositioning the city both economically and financially. A conditional grant from National Treasury provided the original investment for the industrial stands' infrastructure, while the private sector is responsible for developing Raceway Park. Currently, the project is still in the process of township establishment, a task being undertaken and funded by the Housing Development Agency.

The Waaihoek precinct

The Waaihoek precinct has substantial heritage value, being the first black settlement in Bloemfontein and home to the Wesleyan Church, the birthplace of the ANC in 1912. The aim of the precinct development is to take advantage of heritage to revitalise the southern part of the central business district by improving linkages, providing incentives for private business, accommodating informal trading, building a range of subsidised and market-driven housing (to increase densities) and unlocking heritage potential. It is seen as a catalytic project to develop other heritage sites. In addition, the project's precinct and residential components align well with the Mangaung Spatial Development Framework (SDF), which envisages an increase in the residential component of the CBD to the north and south. The project is funded through the Neighbourhood Development Partnership Grant from National Treasury but requires land arrangements as well as a range of complicated arrangements with existing business interests. Progress with implementation has therefore been slow.



The Naval Hill redevelopment

The redevelopment of Naval Hill is aimed at creating a world-class tourism attraction using the Naval Hill Game Reserve's natural and cultural value. The project includes a range of initiatives, such as the establishment of a digital planetarium, the development of the Mandela Statue together with restaurants and walkways, and the upgrading of viewpoints on Naval Hill. Naval Hill attracts numerous visitors, with over 500 000 people visiting the site in 2019, and the game reserve is popular among joggers and walkers. The project is funded through a small portion of external grants. To date, the restaurant and kiosk have opened. The digital planetarium, the second one in Africa, has been developed under the auspices of the University of Free State's Department of Physics.



GOVERNANCE INSIGHTS

Need for good intergovernmental relations to translate into joint planning and implementation

Mangaung Metropolitan Municipality has cordial relationships with other spheres of government, which are involved in the planning of key development projects. For instance, the airport node is part of the N8 Corridor project and is included in both municipal and provincial development plans. However, although national and provincial stakeholders were involved during the initial phase, the project remains an internal municipal project, and there has been limited joint planning and implementation with other spheres of government. In the case of the Waaihoek precinct, provincial government was involved in the planning and financially supported the initial upgrading of the church, but implementation has been slow. It is important to build on existing good relationships to develop more effective mechanisms for joint planning and implementation across multiple levels of government, in order to contribute to accelerating progress on these projects.

Need to build on existing state capability to accelerate progress

Municipal capacity to plan, manage and finance urban growth are core to good urban governance, especially when it comes to complex spatial and economic development projects that are managed over multiple years. This assumes a capable state, which refers to both institutional capacity and staff competencies. The municipality employs many capable and competent individuals. Nevertheless, all three projects have experienced delays due to financial, as well as human capacity issues. To address these issues, there is a need to build on existing competencies, project implementers and champions and expand them across the municipality because complex projects require a broad institutional approach, as well as continuity in the thinking, planning and management of projects to ensure project and institutional memory is not lost. In addition, municipal procurement processes must function appropriately to ensure continuity in procuring services for the projects. Finally, the municipality's integration of (and financial contribution to) projects and effective collaboration among its departments are also central to ensuring that the necessary infrastructure-related investments are made timeously, so as not to hamper progress.

An effective political-administrative interface is crucial for project implementation

The projects in Mangaung show that, with appropriate plans based on a sound rationale and vision, it is possible to have continuity between different political-administrative regimes. Some of the projects date back to the early years of the city's establishment as a metro but continue to be supported

and maintained over time, pointing towards appropriate institutional capability for long-term planning. However, effective project implementation requires an appropriate political-administrative interface that provides political oversight, while leaving enough room and support for municipal officials to operate and focus on the overall direction of the projects on spatial restructuring and economic revitalisation.

LEARNINGS

Importance of evidence-based decision-making

The planning of complex spatial and economic development projects requires an appropriate knowledge base for making decisions. Technical exercises, such as a cost-benefit analysis and potential impact, have therefore become increasingly important in public decision-making and governance. Decision-makers need to have internal and external systems in place to review the risks and potential benefits of proposed large public investments, and to ask tough questions about these investments. The three projects in Mangaung are all designed based on sound rationale, i.e., the need for spatial integration and economic development in order to address the spatial legacy of apartheid planning. This has contributed to their continued support over time. However, a stronger evidence base could have accelerated progress on their implementation or their expected return on investment. Going forward, it is important to ensure that projects are evaluated in terms of urban efficiencies, through independent external reviews or by capitalising on the city's existing memorandums of understanding and regular contact with the city's two universities (University of the Free State and Central University of Technology) and their knowledge and research bases.

Importance of public-private partnerships

The private sector plays an important role in supporting local economic development. Hence, a closer relationship with the private sector can assist municipalities in understanding the market and local economy and in marketing projects such as industrial sites. Mangaung has agreements in place with the private sector for housing developments, as it recognises that working with the private sector provides more flexibility and sharing of risks, attracts more private sector development and speeds up development efforts. However, it has no examples of public-private partnerships in other areas where the private and public sectors share risks, costs and profits. The contribution of the private sector could be strengthened by making it a source of market information for decision-making on the municipality's economic development strategy and direction, rather than limiting it to the outsourcing of work in specific areas of development.

Importance of community participation

In most cities, community participation takes place through a formal, legislative process, as part of the Integrated Development Plan (IDP) process, providing a framework for the work of municipal officials. In Mangaung, community participation has been integral in all projects. In the airport node development, public participation took place through the involvement of ward councillors. In the Waaihoek precinct, public participation precinct was more extensive, with regular meetings with the minibus-taxi industry, informal traders and formal shop owners, in addition to engagements with the relevant ward councillor. While such substantial participation processes take time, they are crucial to unblocking potential project problems and guaranteeing effective progress.

