Public transport policy implementation in South Africa: *Quo vadis*?

Author:
Jackie Walters[1]

Affiliation:
[1]Department of Transport and Supply Chain Management, University of Johannesburg, South Africa

Correspondence to:
Jackie Walters

Email:
jwalters@uj.ac.za

Postal address:
PO Box 524, Auckland Park 2006, South Africa

Dates:
Received: 11 Feb. 2014
Accepted: 08 June 2014
Published: 28 Aug. 2014

How to cite this article:
Walters, J., 2014, 'Public transport policy implementation in South Africa: *Quo vadis*?', *Journal of Transport and Supply Chain Management* 8(1), Art. #134, 10 pages. http://dx.doi.org/10.4102/jtscm.v8i1.134

For many years the South African government has put forward policies and strategies to improve and promote public transport. Despite this, very little has changed over the last 30 years, although projects such as the Gautrain high-speed rail service and a few bus rapid transit routes have been introduced recently. These projects, however, are not integrated in a logical manner into the broader public transport system and are often referred to as stand-alone interventions because of a lack of managing public transport in terms of integrated transport plans. The traditional commuter rail, bus and 16-seat taxi industries therefore operate in policy silos and, in the case of the bus and rail industries, are planned and funded independently of each other, leading to a further lack of integration. Policy interventions have been implemented partially or not at all, leaving the public transport sector in a state of flux. The methodology followed in researching this paper was to briefly trace the historical public transport policy developments, with a focus on the commuter bus industry, in order to identify possible impediments to policy implementation and to identify policy interventions for addressing the currently stalled policy implementation programme. The main finding of the paper is that it would be advisable to establish provincial transport authorities between local and provincial governments. That should speed up the development and implementation of integrated transport plans, which ought to lead to integrated public transport systems and a more optimal spend of the available governmental funds aimed at subsidising public transport.

Introduction

The public transport industry in South Africa consists of three main modes of transport: the traditional commuter rail system and the new Gautrain high-speed rail between Johannesburg, Tshwane (Pretoria) and the Oliver Tambo International Airport; the subsidised and unsubsidised commuter bus industry, including the two bus rapid transit (BRT) systems in Johannesburg and Cape Town and a burgeoning 16-seat minibus taxi industry. In the 2013 National Household Travel Survey, it was found that 68.8% of South African households use taxi services on a daily basis, followed by commuter bus (21.1%) and commuter rail operations (9.9%) (Statistics South Africa 2014:6).

Provincially managed and subsidised commuter bus services are mainly funded by the nine provincial governments by means of a public transport operations grant (PTOG) in accordance with Schedule 4 of the *Division of Revenue Act* (DORA). These funds are transferred via the Department of Transport (DoT) to the provinces for contracted commuter bus operations (DoT 2013a:153). This is a conditional grant that can only be used for provincially contracted bus commuter services. The commuter rail system is funded by the DoT by means of a transfer of funds from the DoT to the Passenger Rail Agency of South Africa (PRASA) (DoT 2013a:154, 163). The taxi industry is not directly subsidised by government but participates in a Taxi Recapitalisation Programme (TRP), in terms of which taxi operators receive a once-off capital grant, which aims to assist taxi operators in replacing their vehicles. This grant is budgeted every year by the DoT (DoT 2013b:91). The funding characteristics of public transport will be discussed further elsewhere in this article.

The focus of this article will be on the provincially managed commuter bus industry (hereafter referred to as the commuter bus industry) as some of the most far-reaching policy proposals to transform this industry have been made over the years; however, the least progress has also been achieved in this industry when compared to the commuter rail industry and to a more limited extent the taxi industry.

The article will review the major policy documents and statements related to bus commuter transport, followed by a literature review. A critical appraisal of the progress made with the

policy will precede a final section on proposals that could be followed to improve the overall management and implementation of public transport policy in the country. The article is not intended as an exhaustive discussion document – this will require much more in-depth analysis and an expanded scope – but could possibly give rise to a much more detailed study.

South African public transport policy developments (with a focus on commuter bus services) between 1986 and 1994

The commuter bus industry's roots can be traced back to the apartheid era in South Africa, during which successive pre-1994 governments used public transport, and more specifically commuter bus services, as a policy instrument to give effect to separate development. Communities were located some distance from places of employment, recreation and shopping facilities and cheap subsidised commuter bus services were introduced to ease the financial travel burden. The industry was therefore often targeted in civil uprisings as it was seen as intrinsically linked to the policy of separate development (Naude 1999:157, 188).

The commuter subsidy system was originally based on tickets sold over specific distances, with the approval of the DoT (Naude 1999:174, citing Walters 1995). Operators claimed their subsidies from the DoT based on the number of tickets sold over their network of services. The system was open to abuse (although audited by independent auditors from time to time) and lacked transparency – almost all operators had indefinite period permits which made it extremely difficult for potential new entrants to enter the industry (Naude 1999:167).

In 1986, a White Paper on National Transport Policy was accepted by the government which legalised the entry of the 16-seat minibus taxi industry (Naude 1999:169, citing Walters 1995). This led to a massive loss of business for the heavily protected bus industry as many operators lost a major share of their business through the intense competition of an unregulated minibus taxi industry. The growth in the taxi industry eventually resulted in a significant increase in the levels of subsidy on a per passenger basis as operators faced huge overhead costs (fleets, infrastructure etc.) that had to be covered by the revenue from a much reduced passenger base.

The 1986 White Paper also stipulated that bus services had to be put out to competitive tender (DoT 1986). In 1987, the first services were therefore put out to tender as demonstration projects to evaluate the effect of tendering on the public transport environment (Naude 1999, citing Maeder 1994). The first operators' services that were put out to tender were those that gave notice to the DoT that they could no longer maintain services mainly because of funding issues, and that they intended to suspend their services (Naude 1999, citing Maeder 1994). The first demonstration projects were concluded towards the end of the 1980s but soon resulted in business failure because many operators had tendered too low (E. Cornelius [Executive Manager: Southern African Bus Operators Association {SABOA}], pers. comm., 12 May 2014). Government intervened in a number of ways: in some instances by agreeing to put such services out to tender again and in other instances by assisting such operators financially. It was clear, however, that substantially more funding was needed to keep operations going – something that government was seemingly unwilling to do. The result was that government suspended the entire policy of competitive tendering because of the lack of funding (E. Cornelius [Executive Manager: SABOA], pers. comm., 12 May 2014).

The post-1994 policy initiatives to transform the commuter bus industry

One of the first tasks of the DoT post-1994 was to establish a new policy framework for transport in South Africa. The foundation of the new policy approach was embedded in the 1996 White Paper on National Transport Policy (DoT 1996). As far as commuter transport was concerned, the White Paper recommended that subsidised commuter bus services be put out to competitive tender. In 2000, the government adopted the *National Land Transport Transition Act* (NLTTA), which gave legal status to the contracting of commuter bus services as well as the acceptance of negotiated contracts under specific circumstances (DoT 2000).

As a transition measure to competitive tendering, the DoT concluded interim contracts (ICs) with all subsidised bus operators in 1997 with the aim of putting such services to competitive tender by July 2001 (Naude 1999:181). Between 1997 and 1999, a number of competitive tender contracts were already entered into with bus operators. Between 1999 and 2001, the process gained momentum but began stalling after a court case in the Western Cape where the local operator, Golden Arrow Bus Services, took the DoT to court for failing to meet the requirements of the NLTTA that stipulated that services had to be put out to tender, based on public transport plans.[1] An additional concern to government was the substantially higher costs of the competitive tenders when compared to the original subsidy system which it was replacing (see Walters & Cloete 2001) and the lack of sustainable funds to fund the contracting system. At this time organised labour also voiced its concern about the impact of the tendering system on job security and wage levels. This caused the DoT to put a moratorium on further competitive tenders in 2001 (DoT 2012:10).

A number of negotiated contracts were concluded between 2000 and 2003 as labour's concerns could be dealt with in the negotiation process and the cost of the services could be negotiated with the operator. Since 2003, however, no new negotiated contracts had been concluded. Contracts that reached their end-of-term since 2003 were automatically extended on the same conditions as originally agreed to but on a month-to-month basis (DoT 2012:7).

The current status of bus tendering and contracting in South Africa is set out in Table 1.

1.See definition of 'subsidised service contract' in Part 1, Section 1 of the NLTTA.

TABLE 1: Current status of tendering and contracting in South Africa.

Type of contract	Number of buses†	Number of contracts	Percentage of the subsidy budget (%)	Contract characteristics	Duration
Interim contracts	± 3849	39	68	Foreseen as a transition arrangement in 1997. ICs are now 16 years old.	3 years originally. In practice ICs are now 16 years old. Contract extensions are between 1 and 3 months. The last round of extensions was up to 6 months.
Tendered contracts	± 1834	66	28	Based on a standard contract document. Mostly stand-alone services in rural or urban areas.	5 years originally. Contract extensions are between 1 and 3 months. The last round of extensions was up to 6 months.
Negotiated contracts	± 1300	10	4	Mostly applicable to state-owned and operated bus companies.	5 years originally. Contract extensions are between 1 and 3 months. Last round of renewals was up to 6 months.

Source: Southern African Bus Operators Association (SABOA), 2009, 'Member survey', SABOA, Pretoria and Department of Transport (DoT), 2013b, 'National Road Based Public Transformation Plan: A negotiated approach', presentation to the Annual General Meeting of the Southern African Bus Operators Association, University of Johannesburg, 30 May
ICs, interim contracts.
†, The number of buses could vary compared to the 2009 figures as a number of bus operators have introduced additional buses to cater for increased demand. In such instances these bus services are not subsidised.

In a further development in 2009, the National Treasury and the DoT informed the bus industry that all ICs had to be converted to kilometre-based contracts in order to limit the subsidy claims of operators (DoT 2009). Prior to 2009, these contracts were all based on a passenger subsidy base – the more passengers that were carried, the higher the operator's claims. These operators experienced substantial passenger growth over a prolonged period because of a vibrant South African economy and inroads being made in the taxi industry market. This resulted in increased and unpredictable subsidy claim amounts, which complicated DoT budgeting. Following the conversion of these contracts to kilometre-based contracts, all contracts were 'frozen' at the agreed kilometres that operators produced under their respective contracts (E. Cornelius [Executive Manager: SABOA], pers. comm., 12 May 2014). No additional subsidised kilometres were allowed. Other forms of contracting, such as tendered and negotiated contracts, were already kilometre-based and limited to the originally agreed upon network kilometres in those contracts.

ICs are now 16 years old – although they were foreseen originally to be valid for a maximum of 3 years – and operators have been on short-term extensions of contracts for 12 years (from 2003, when the first originally tendered contracts expired). Since 2001, no expansion of the commuter bus system has been allowed despite significant in-migration into the urban areas and community needs for affordable, safe and regular transport services.[2]

It remains government policy to tender and negotiate subsidised commuter transport services, but there has been no movement since 2001, when the moratorium came into effect. A number of negotiated contracts were concluded up until 2003, but none since. This lack of progress, together with the fact that no integrated transport plans have been developed and implemented, will form the background against which policy proposals will be made in this article.

2.See the 2011 South African National Census Report (Statistics South Africa 2012) regarding the growth of urban areas. The Gauteng population, for example, increased from 7.7 million in 1994 to 12.3m in 2011, whilst in the Western Cape the population increased from 3.9m to 5.8m. The National Development Plan 2030 (National Planning Commission 2011) mentions the need for more reliable and affordable public transport and better coordination between modes of transport. The National Household Travel Survey (Statistics South Africa 2014) also frequently mentions the need for more affordable, safe and accessible public transport systems.

Research strategy

A limited literature overview of the current public transport policy in South Africa is followed by an analysis of criteria that can be used to judge whether the current public transport policy, as far as it pertains to commuter bus transport, has been a success or not. The literature overview will also review international practices regarding the management of public transport, with a focus on practices relevant to this article. Based on these international experiences as well as South African policy and strategy documents, proposals will be made to address the current lack of policy implementation.

Literature overview

The roles and responsibilities of South African authorities regarding policy making

The 1996 White Paper on National Transport Policy sets out the roles and responsibilities of the DoT regarding policy making. This role is further elaborated upon in various strategy documents as well as legislation pertaining to public transport policy.[3] According to the White Paper (DoT 1996), the role of the DoT is:

> to focus on policy and strategy formulation which are its prime role, and substantive regulation which is its responsibility, with a reduced direct involvement in operations and in the provision of infrastructure and services, to allow for a more competitive environment. (p. 7)

The policy principles, insofar as institutional responsibilities are concerned, also embraced policy making at different levels of government:

> Public policy making is carried out at various levels of government. The cascading nature of public policy leads to national government policy generally being broad in nature and providing the reference framework within which more detailed policy is made at provincial and local authority level. Because of this, transport institutional policy needs to address arrangements for the relationships between various levels of government. (DoT 1996:7)

3.See the DoT's *National Land Transport Transition Act* (2000); *Draft strategy to accelerate public transport implementation via a win-win-win partnership between government, existing operators and labour* (2007a); *Public Transport Action Plan (Phase 1: 2007–2010): Catalytic integrated rapid public transport network projects* (2007b); *National Land Transport Act* (2009); and *National Public Transport Transformation Plan* (2012).

Specific responsibilities related to the various levels of government that have a bearing on this paper are detailed in the *National Land Transport Act* (NLTA) (DoT 2009).

A number of requirements are imposed on government to ensure the effective management and implementation of policy:

- The minister of transport must ensure that the money available for land transport is applied in an efficient, economic, equitable and transparent manner (also a requirement at the provincial level).
- An imperative is placed on provincial government to assist municipalities that lack the capacity to implement the policy.
- It is a national imperative (as far as institutional requirements are concerned) to capacitate and monitor provinces and municipalities that lack the capacity or resources to perform their land transport functions.
- It is a provincial imperative (as far as institutional requirements are concerned) to ensure planning, coordination and facilitation of land transport functions in the province.
- Municipalities are responsible for ensuring the coordination between departments and agencies in the municipal sphere.
- Municipalities are required to prepare transport plans for their area, ensuring their implementation and monitoring their performance in achieving their goals and objectives.
- Municipalities are responsible for the planning, implementation and management of modally integrated public transport networks and travel corridors for transport.

In addition, the NLTA (DoT 2009) stipulates that the assignment of functions to a municipality or province is subject to ministerial approval. The provincial minister responsible for transport, in turn, may also assign functions to municipalities where such a municipality has an acceptable integrated transport plan. At the time of writing this paper, no municipality has been assigned the transport function contemplated in the NLTA. In practice, therefore, public transport (bus and taxi services) is still managed at the provincial level of government.

In considering reasons for the lack of progress regarding integrated public transport service provision, with specific reference to the slow progress made with contracting commuter bus services, one has to take into account the intricate relationship between national, provincial and local governments, inclusive of public transport agencies, in the provinces.

The aim of the NLTA is to eventually devolve public transport system to the municipal level of government.[4] The larger metropolitan authorities – there are six of them in South Africa and another six 'aspirant' metropolitan areas that currently do not meet the criteria for fully fledged metros – will in all likelihood be able to handle the function with varied levels of success, but outside of these 12 areas it remains questionable whether it is possible to devolve the function in its entirety.

In summary, the commuter bus industry has seen little progress in terms of policy implementation. ICs are now 16 years old and no new tendered services have been allowed since 2001, with the exception of a few negotiated contracts up until 2003. All contracts that have expired are being renewed on a short-term basis (mostly monthly to six-monthly). Operators are also not allowed to increase their subsidised bus kilometres because of a lack of funds despite a major need for such services as a result of in-migration in urban areas. Many have resorted to introducing services on own account with no state assistance. These services have become a major financial burden and many operators are now contemplating withdrawing these services in order to improve their financial situation.

It is clear that the planned policy of implementing competitive tendering and negotiated contracts have stalled, and that real progress will in all likelihood only be achieved once integrated transport plans that can be used for service contracting are completed and the funds necessary for such services are made available. Tendering and negotiating subsidised public transport services, however, remain a policy objective. This is evidenced in the NLTA as well as recent work undertaken by the DoT to develop four model contracting documents in consultation with industry.[5]

Reasons for a lack of policy implementation

Cloete and Wissink (2005:249–250), quoting Morah (1996) and Thomas and Grindle (1990), cite 'bad implementation' as one of the major obstacles to effective progress in developing countries. According to them, a lack of sufficient financial and human resources often lead to failed implementation. Other factors include a lack of sufficient technological resources, defective management processes and organisational cultures that obstruct rather than promote successful implementation (Cloete and Wissink 2005:250).

A study conducted by Mitchell (2009) concluded that in the South African context the primary failure of the transport policy-making process was inadequate attention paid to policy implementation as a result of a lack of capacity and expertise in government and inadequate political leadership. In referring to the commuter bus sector, Mitchell (2009:336–337) cites the following:

- poor leadership at the provincial levels of government
- lack of capacity and expertise at all levels of government
- institutional jealousies between levels of government
- lack of an integrated approach to the provision of public transport within a complex environment
- lack of adequate monitoring to inform necessary adjustments to the policy

4.See Section 11 of the NLTA (DoT 2009) that deals with the responsibilities of the three spheres of government regarding public transport.

5.These contracts are available from the DoT's website at www.transport.gov.za.

- lack of a funded mandate for policy implementation
- lack of effective oversight by central government over the functioning of the relevant institutional structures managing public transport
- lack of continuity in respect of institutional memory
- embarking on policy objectives without a full quantification of and guarantee in meeting costs (subsidies).

Mitchell (2009) does not propose detailed solutions to the policy issues experienced in the implementation of commuter bus transport policy. The issues that he identifies, however, can be grouped into a number of themes: lack of capacity (including political leadership) to implement policy, lack of continuity of institutional memory, inadequate institutional structures, lack of funding and lack of policy monitoring. A number of these issues point to inadequate institutional structures, which supports the view of Sager (2007) that strong institutional structures are crucial to policy implementation. The establishment of proper institutional structures could address most of the issues mentioned above, except perhaps lack of funding.

Support for the views of Cloete and Wissink (2005) as well as Mitchell (2009) are to be found in a recent study to formulate a 25-year master plan for integrated transport in the Gauteng Province (Department of Roads and Transport [DRT] Gauteng 2012). In this study, the management of public transport across the Gauteng City Region is referred to as 'often inefficient and incoherent' (DRT Gauteng 2012:158) mainly for the following reasons:

- loss of institutional memory
- uncoordinated institutional structures
- uncoordinated and separate modal focus
- uncoordinated and 'inward-looking' municipal focus
- lack of seamless institutional and organisational arrangements.

The loss of institutional memory is a matter that should not be glanced over. At present many of the institutions responsible for transport planning at a national, provincial and local level are subject to major changes every time political elections are held, and it is not uncommon to find that entire administrations at the strategic and tactical level of management change after elections. This is especially prevalent at a provincial level where many of the transport planning and funding activities currently take place (see Figures 1 and 2). This is hugely disruptive as in most instances new role players become responsible for the public transport function and they have to 'find their feet' and familiarise themselves with the intricacies of the industry and its governing policy before they are in a position to make critical decisions.

It is also a South African Constitutional requirement that public transport is a concurrent function between national and provincial government and that municipal public transport is a local authority function (South Africa 1996, Schedule 4). However, the Constitution also states that national and provincial government 'have the legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5' (South Africa 1996, s. 155, ss. 7). Provincial governments are also obliged to 'provide for the monitoring and support of local government in the province' (South Africa 1996, s. 155, ss. 6a). These requirements further complicate public transport arrangements and could lead to 'turf wars' regarding oversight, jurisdiction and management between the respective spheres of government and, in particular, between provincial and local government.

A World Bank publication related to service delivery at the local level in South Africa notes that the country's excellent policies have collided with multiple unintended failures in participation (The World Bank 2010). It notes weak institutions for the implementation of services in all spheres of government (national, provincial and local). Inadequate technical and managerial capacities are also cited as reasons for policy breakdown. It also mentions that services are organised as silos that are very difficult to coordinate on the ground.

Sager (2007:285), in reviewing 62 transport policy measures in Switzerland, concludes that 'a strong administration has proven to be a constant success factor for the implementation of transport policies' and that such an administration should be highly professionalised, should act as independently as possible in operative terms, should be organised in a centralised manner and should be active at a supra-local level.

What successful policies should look like

To judge whether the public transport policy (with specific reference to commuter bus transport policy) has been successful or not, a limited literature analysis of what constitutes policy success was undertaken.

According to McConnell (2010), policy success:

> resides in good policy design, evaluating the *ex-ante* likely impact of proposed policies, rather than relying simply on *ex-post* evaluation to produce a stamp of success or failure, or something in-between that is followed by policy refinement, change or even termination. (p. 347)

It is also important to consider the concept of public value. According to McConnell (2010:347, citing Moore 1995), public value rests on three conditions being achieved, '[*1*] production of things of value to clients and stakeholders, [*2*] legitimacy in being able to attract resources and authority from the political authorising environment, and [*3*] being operationally and administratively feasible'. McConnell claims that judging a policy's success or failure 'does not rest on value being completely achieved' and that what is needed is a framework 'which helps deal systematically with degrees of success and failure' (McConnell 2010:348).

It is evident that in judging a policy's success there would be many opinions, 'depending on factors such as a protagonist's values, beliefs and extent to which they are affected by the policy' (McConnell 2010:351). This view is supported by Birkland (2001:188), who states that 'one person may argue that a policy has failed, [*whilst*] another person might look at it as a tentative first step towards a larger goal' and concludes that 'failure is perhaps in the eye of the beholder'.

According to McConnell (2010:351), policy success can be defined as 'successful if it achieves the goals proponents set out to achieve and attracts no criticism of any significance and/or support is virtually universal'. This definition takes into account a more simplistic view of goal achievement in that only the proponents of the policy goals would view the achievement of the goals as successful whilst those that did not support the goals (even though they may have been achieved) would not judge a policy by its success in achieving its goals.

McConnell (2010:352) regards success as a spectrum ranging from success to failure and lists five typologies of success:

- *Success* – Government does what it sets out to do and opposition is virtually non-existent and support near universal. (*Failure* is the mirror image of success. A policy fails if it does not achieve the goals that proponents set out to achieve and opposition is great and/or support is virtually non-existent.)
- *Political success* – The policy provides significant political benefits as no significant problems are experienced in its implementation.
- *Resilient success* – This is a 'second best' outcome as policy opposition and shortcomings are more than government bargained for but levels of support outweigh these negatives.
- *Conflicted success* is problematic for government as it has to backtrack or make significant modifications along the way, but achieves some of its goals. Time delays, meaningful target shortfalls, resource shortfalls and communication failures are characteristics of conflicted success.
- *Precarious success* – In this case the policy operates on the edge of failure. Some progress is made but departures from goals and levels of opposition outweigh small levels of support. In this case even supporters question the future of the policy.

McConnell (2010, citing Wildavsky 1987) concludes that by locating policies in particular categories involves judgement rather than scientific precision. This is unavoidable, however, as policy outcomes 'do not always have tidy results' (McConnell 2010:357). A policy may be more successful in one area than in another.

Is the implementation of public transport policy in South Africa a failure?

To answer this question it is important to consider criteria for the successful implementation of policies as well as evaluate the progress made with policy implementation discussed earlier against a framework such as defined by McConnell (2010).

Criteria for the successful implementation of policies

According to The Public Policy Web (2001), the following conditions are necessary for effective policy implementation:

- The policy must be conceptually clear and simple and theoretically sound.
- The policy should clearly specify who does what and how.
- Effective, skilled, experienced and recognised leadership should be committed to the policy.
- Active constituency groups and policy champions within government should support the policy throughout the implementation stage. Advisory groups and legislative insight are helpful.
- The executive priority given to the policy and its goals must not fade, nor can conflicting public policies or changing conditions weaken the implementation of the policy.
- The operational goals must be clear and feasible and easily understood by all concerned.
- The technical and budgetary means should be provided for the period of time needed to carry out the mission and achieve the goals. In particular, the financing of the policy must be secured for an adequate planning time-horizon.
- The impacts of the policy should be evaluated at specified intervals. In particular, funds should be set aside for process evaluation.

Some of these conditions will be discussed in the ensuing sections of the article.

In judging the implementation programme thus far, taking into account Table 1 and the changes that have occurred from the initial policy intention (competitive tendering), the commuter bus transport policy cannot be judged as an outright failure as some progress has been made. In terms of McConnell's framework (2010:352) discussed above, the public transport policy (insofar as commuter bus services are concerned) can probably be classified as a 'precarious success'. In terms of this classification, it is operating at the edge of failure and the direction that it is taking is increasingly being questioned – especially in terms of its affordability and complexity in integrating all modes of transport, of which the most difficult will no doubt be the envisaged integration of the taxi industry into the formal subsidised industry. As mentioned earlier, organised labour has voiced its strongest opposition to the competitive tender system. Labour issues regarding the public transport policy direction, however, will need to be solved at the political level as government sets the main policy direction in consultation with stakeholders. Other issues are also hindering the policy's implementation, such as the lack of adequate funds to implement the policy, as well as serious institutional issues regarding coordination,

capacity and a regular breakdown of institutional memory as a result of major changes in role players every time there is a national, provincial or local election. It is against the backdrop of this evaluation that proposals need to be made to move public transport policy implementation forward.

The following two sections will review the fragmented structures related to the coordination of public transport in terms of planning requirements at a provincial level (Gauteng taken as an example), and the fragmented public transport funding streams available in South Africa. Following these discussions, proposals are made based on the literature review and international best practise to unlock the current policy implementation impasse.

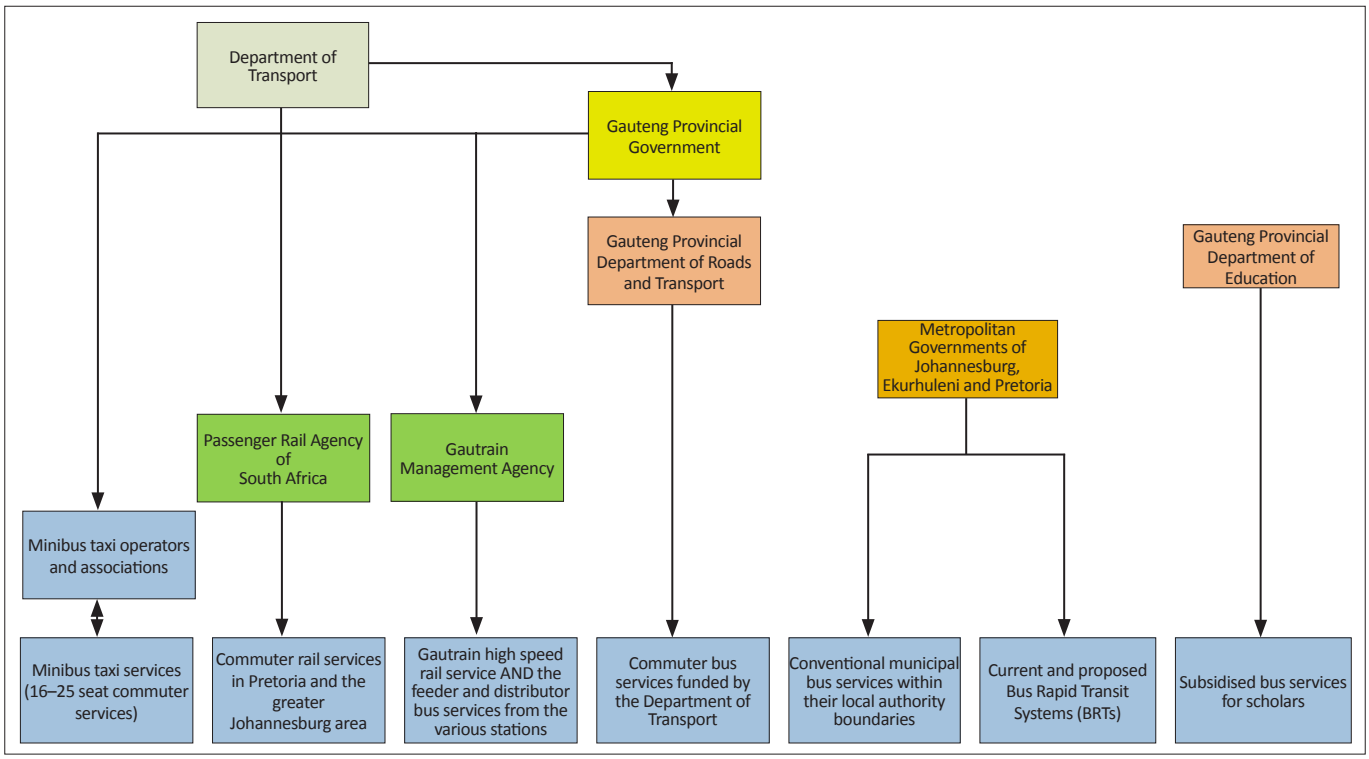
Fragmented planning and management of public transport services in Gauteng

With regard to the public transport planning and management framework in Gauteng (Figure 1), there are at least five institutions undertaking one form of planning or management or another, whilst the taxi industry does its own planning through route associations and operators. There is no clearly coordinated leadership or a structure to coordinate the various activities into a cohesive integrated transport plan. Each authority plans for its own services: PRASA for commuter rail; the Gautrain Management Agency for the Gautrain and its own bus feeder system; the Gauteng DRT for nationally funded but provincially managed commuter bus services; the Gauteng Department of Education for subsidised scholar services; and the metropolitan governments (municipalities) for BRT systems and municipal bus services. This is an impossible situation which complicates integrated public transport planning, implementation and monitoring. Additionally, the existing capacity to plan and manage services is spread so widely that these institutions experience various levels of incapacity and an inability to really coordinate their efforts as required by the NLTA.

The NLTA (DoT 2009) requires that every municipality develop an integrated network of public transport services. In areas where commuter rail is present, it is a requirement to establish intermodal planning committees with the purpose of coordinating public transport between modes. These committees have no real power to actively influence planning decisions and processes and act mostly as a forum sharing planning information (DRT 2012). The real problem facing the industry is the current fragmented planning, management and funding framework. This will not be overcome by intermodal planning committees that merely attempt to 'patch' complicated relational and funding issues. A more formal and structured approach is required that can deal with the two largest impediments to policy implementation and coordination – that of a fragmented planning and a fragmented funding system.

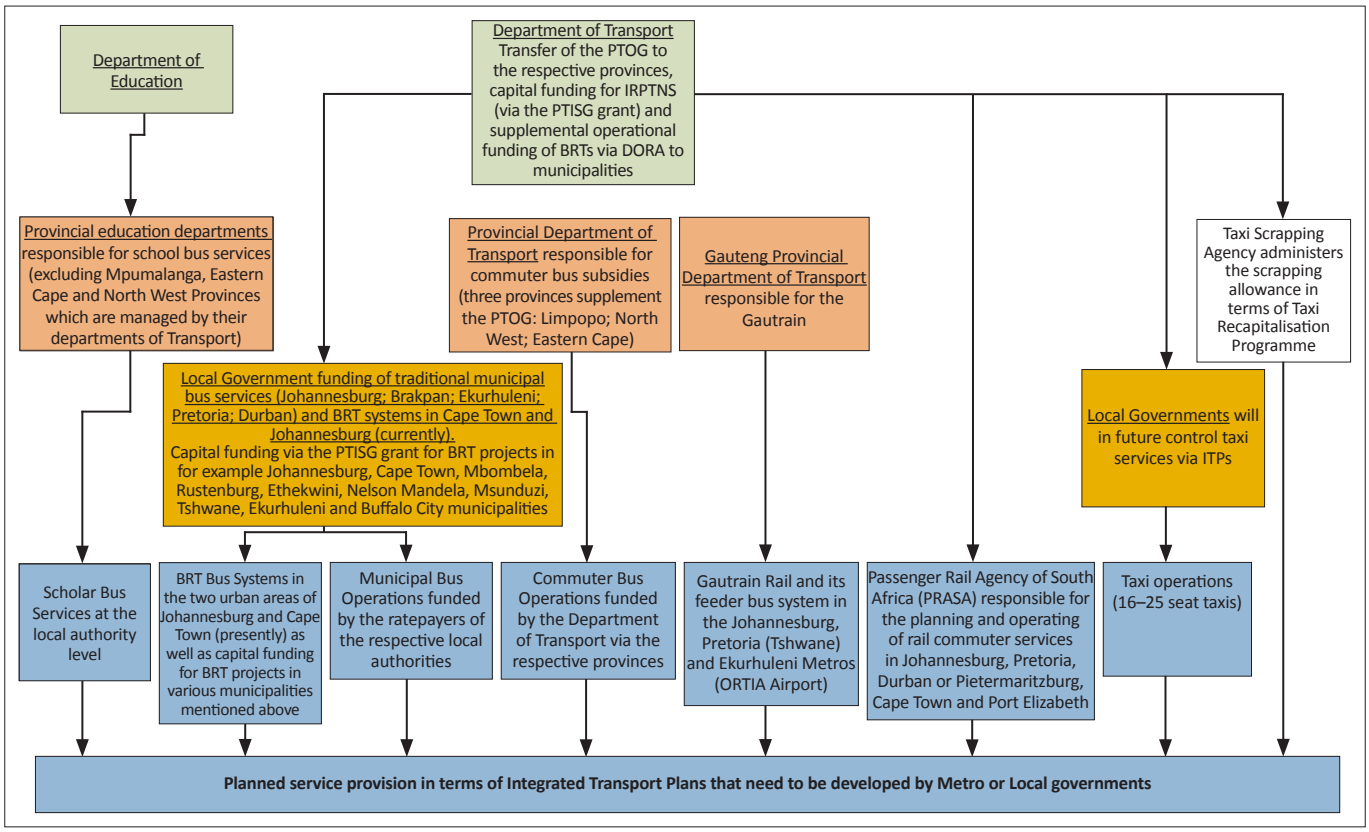
Fragmented funding for public transport in South Africa

The funding framework for public transport in South Africa is highly fragmented (Figure 2). This fragmentation complicates integrated transport planning as each funding stream has its own set of funding requirements and criteria. For instance, the Department of Education makes funds available to its provincial departments to fund scholar bus services at the local level; local government currently funds municipal bus services in at least three major metropolitan areas; the provincial



Source: Author's own creation

FIGURE 1: An example of fragmented public transport planning in Gauteng.



Sources: Author's own creation with sources consulted – Department of Transport (DoT), 2013a, Annual Report 2012/2013, Pretoria and Department of Transport (DoT), 2013b, 'National Road Based Public Transformation Plan: A negotiated approach', presentation to the Annual General Meeting of the Southern African Bus Operators Association, University of Johannesburg, 30 May

FIGURE 2: Illustration of the numerous funding streams that are currently used to fund public transport in South Africa.

departments of Transport fund commuter bus services through funds received from the national DoT in terms of a PTOG; the Gauteng DRT funds the Gautrain services and the bus feeder system developed to feed and distribute passengers from the respective stations; the DoT funds PRASA to enable it to operate commuter rail services in five metropolitan areas; and the DoT manages, via the Taxi Scrapping Agency, a capital subsidy system for the taxi industry which is founded on a scrapping allowance for qualifying taxi operators to enable them to replace their vehicles. In addition to these, there is also the Public Transport Infrastructure and Systems Grant (PTISG), managed by the DoT, to assist local authorities in improving their public transport infrastructure, focusing on BRT developments. These types of funding arrangements lead to an uncoordinated modal focus. In addition, municipal funding relates to a particular municipality and its services only, with hardly any consideration of a neighbouring municipality's transport needs or that of its users who wish to travel seamlessly across municipal borders.

Unless these funding streams are amalgamated into an urban (provincial) transport fund of some sorts, integrated planning will remain an objective that will elude the respective planning authorities.

According to the DoT annual report for 2012/2013, as well as supplementary information presented by the DoT at the Annual General Meeting of SABOA held in May 2013, there is a magnitude of funding sources for the various operational subsidies and capital projects for this period (Table 2).

TABLE 2: Different funding sources for public transport operational subsidies and capital projects (2012/2013).

Funding source	Amount (Rand)
Public Transport Operations Grant (DoT transfer payment)†	4 317 269 000
Public Transport Infrastructure and Systems Grant (DoT transfer payment)†	4 884 401 000
Taxi Recapitalisation Programme (DoT transfer payment)†	407 437 000
Scholar subsidy‡	1 255 501 325
Municipal bus subsidy‡	769 155 390
Provincial bus subsidies‡	908 825 000
Passenger Rail Agency of South Africa Ltd (DoT transfer payment)†	10 227 905 000
Total	**22 770 493 714**

Source: †, Department of Transport (DoT), 2013a, Annual Report 2012/2013, Pretoria; ‡, Department of Transport (DoT), 2013b, 'National Road Based Public Transformation Plan: A negotiated approach', presentation to the Annual General Meeting of the Southern African Bus Operators Association, University of Johannesburg, 30 May
DoT, Department of Transport.

As can be seen, about R22.8 billion is spent on public transport in the country. In addition to these funds, there are also funds dedicated to the Gautrain and its bus feeder system, which are not depicted in the table. It should also be noted that three provinces (Limpopo, North West and Eastern Cape) fund public transport services from their provincial budgets as part of their equitable share of central government transfers (L. Manamela [DoT], pers. comm., 28 May 2014). This amounts to R908 825 000, as reflected in Table 2.

It is evident that fragmented management and funding of public transport is rife in the public transport industry in South Africa. Although the article has concentrated on Gauteng, as an example, there are different management and funding

approaches followed in virtually every other province in the country. Continuing these levels of fragmentation will result in the goal of achieving integrated transport services being pushed out far into the future at huge cost and effort to the detriment of the main beneficiary, the user of such services. The following section proposes potential solutions, based on international experience in the management of integrated public transport systems.

Proposals to address the lack of policy implementation

The establishment of transport authorities to aid integrated transport planning

In order to promote the development of integrated public transport systems, it is proposed that in provinces with large metropolitan areas and large municipalities, province-wide transport authorities are established. This will be in line with the conclusions of Sager (2007), who found that successful policy implementation in Switzerland was dependent on an administration that is highly professionalised, acts as independently as possible in operative terms, is organised in a centralised manner and is active at a supra-local level. These types of authorities are to be found in many countries of the world, for example Germany, England, Scotland, Wales, New Zealand, Australia, Canada and USA. In the South African context this could mean an authority between the provincial and metropolitan or local government structures that does the planning across each of the municipal areas, in conjunction with such municipalities.

The lack of adequate institutional structures has been identified in previous research by Walters and Heyns (2012), who concluded that implementation will be greatly assisted if properly structured and capacitated formal transport authorities could be established that will have the necessary capacity to plan, implement and monitor transport plans. The *National Land Transport Transition Act* (DoT 2000) made provision for such transport authorities to be established; however, because of inconsistencies between the requirements of this act and other legislation relating to local government, this requirement was omitted from the replacement act, the *National Land Transport Act* (DoT 2009). Municipalities, however, can agree to form such structures to assist them in urban transport planning.

The structure should be capacitated to ensure that the necessary skills are available for transport planning, its implementation and the monitoring of services. The types of skills needed could include engineering skills, transport planning, urban planning, transport economics, financial management, contract design and management, operational expertise, social development, environmental management and marketing (Walters & Heyns 2012).

The benefits of introducing transport authorities (TAs) are the following, amongst others:

- TAs will address institutional weaknesses. In setting up a transport authority, the requisite skills can be acquired to manage the transport policy functions. A TA can function across various local authorities to ensure coordinated planning, and include agencies such as PRASA and the Gautrain Management Agency (in Gauteng). Integrated seamless transport planning therefore becomes possible.
- TAs will allow for integrated transport planning, resulting in a move away from the current 'silo-based' transport operations and planning that leads to suboptimal modal arrangements.
- Institutional memory would not be prejudiced every time a national or local election is held. The employees of the proposed TA would transcend these political changes, although there may be a shift in focus of a new provincial or local government administration.
- The requisite expertise will be available to ensure policy implementation and monitoring. In a country with a critical shortage of skilled and specialised labour in public transport regulation and policy implementation, a TA will address some of these skills issues by pulling together the available expertise and not spreading the present expertise so thinly amongst the different authorities that policy implementation becomes problematic.
- As TAs will consist mainly of professionals undertaking urban transport planning (but reporting at the political level), policy implementation will become easier and more consistent.

A coordinated approach to public transport funding

A major requirement for implementation progress is adequate funding for public transport in its entirety. Current funding streams should be pooled (refer to the quantum in Table 2) and used in terms of agreed transport plans. This would mean that all authorities currently responsible for a transport function (Figure 1) should relegate such functions (and funding) to the TA, or work closely with such an authority to speed up policy implementation and eventually ensure integrated services.

The current focus on BRT initiatives and the 'earmarked' capital funding of BRT initiatives (Table 2, PTISG quantum), as well as additional operational funding via the DORA, without taking cognisance of an integrated approach to public transport management and operations, leads to 'silo-based' planning and a lack of integration between the various transport modes. In this way criticism can be levelled at the development of the Gautrain high-speed rail service and its bus feeder and distribution system that operate mostly as a 'closed' system and is generally not integrated with existing public transport services. Other public transport services, such as the commuter bus, passenger rail and school bus services, are all funded by means of separate funding streams originating from various institutional structures, each with its own policy guidelines for the funding of its transportation services.

An integrated systems approach is very important to ensure that a modal focus (to the possible exclusion of other

modes and/or more deserving investment opportunities) is avoided. In this regard a transport authority at a supra-level in a province could play a leading role in coordinating public transport funding based on integrated transport plans.

Conclusion

In this article, mainly limited to the subsidised commuter bus industry, it has been shown that public transport policy implementation has been slow and problematic. It is argued that some of the underlying reasons could be the variety of institutional structures that mainly follow a modal approach, as well as the complex relationship between the three spheres of government in executing and implementing the policy. In addition, the lack of a coordinated funding effort has resulted in suboptimal, modal funding and a preference for BRT systems, most probably to the detriment of the traditional modes of transport, in particular the commuter bus and taxi industries. A better coordinated spending and investment programme, for public transport as a whole, based on integrated transport plans, is dearly needed.

There are, however, ways to address the current issues experienced with a lack of policy implementation and the funding of public transport services. Two solutions have been proposed: Firstly, the establishment of TAs at the supra-local level within provinces which would harness available resources, deal with the lack of institutional memory, consolidate available expertise and transcend political changes that regularly lead to policy inactivity and a lack of progress. Such structures ought to speed up the process of developing and adjusting integrated transport plans and will have a major task in ensuring implementation of such plans. Secondly, it is proposed that available funds for public transport infrastructure and operations be pooled or consolidated under the auspices of TAs, and managed in conjunction with the respective role players, such as local and metropolitan authorities, as well as agencies such as PRASA and the Gautrain Management Agency. In this way the public transport cause will be better served and mobility increased for the South African population.

It is foreseen that these proposals will experience significant resistance by some role players in that they would want to protect their domains. The proposals are overarching in nature and will therefore need to be supported by a range of initiatives to ensure proper implementation and execution, the major requirement being to obtain political support and buy-in, supported by strong political leadership. These proposals would also mean that legislation would have to be re-drafted to accommodate these changes – both at the national and provincial levels of government. The extent of such drafting is beyond the scope of this article but should not prove insurmountable.

Acknowledgements

Competing interests

The author declares that he has no financial or personal relationship(s) which may have inappropriately influenced him in writing this article.

References

Birkland, T.A., 2001, *An introduction to the policy process: Theories, concepts, and models of public policy making*, M.E. Sharpe, Armonk.

Cloete, F. & Wissink, H., 2005, *Improving public policy*, Van Schaik, Pretoria.

Department of Roads and Transport (DRT), Gauteng, 2012, *Gauteng 25-year integrated transport master plan: 5-year transportation implementation plan*, 2nd draft, Pretoria.

Department of Transport (DoT), 1986, *White Paper on National Transport Policy*, Pretoria.

Department of Transport (DoT), 1996, *White Paper on National Transport Policy*, Pretoria.

Department of Transport (DoT), 2000, *National Land Transport Transition Act*, Pretoria.

Department of Transport (DoT), 2007a, *Draft strategy to accelerate public transport implementation via a win-win-win partnership between government, existing operators and labour*, Pretoria.

Department of Transport (DoT), 2007b, *Public Transport Action Plan (Phase 1, 2007–2010): Catalytic integrated rapid public transport network projects*, Pretoria.

Department of Transport (DoT), 2009, *National Land Transport Act*, Pretoria.

Department of Transport (DoT), 2012, *National Public Transport Transformation Plan*, draft version 5, Pretoria.

Department of Transport (DoT), 2013a, Annual Report 2012/2013, Pretoria.

Department of Transport (DoT), 2013b, 'National Road Based Public Transformation Plan: A negotiated approach', presentation to the Annual General Meeting of the Southern African Bus Operators Association, University of Johannesburg, 30 May.

McConnell, A., 2010, 'Policy success, policy failure and grey areas in-between', *Journal of Public Policy* 30, 345–362. http://dx.doi.org/10.1017/S0143814X10000152

Mitchell, M.F., 2009, 'A critical analysis of selected aspects of South African transportation policy', Doctoral thesis, Department of Transport and Supply Chain Management, University of Johannesburg.

National Planning Commission, 2011, *National Development Plan – Vision for 2030*, viewed 23 April 2013, from http://www.npconline.co.za/medialib/downloads/home/NPC%20National%20Development%20Plan%20Vision%202030%20-lo-res.pdf

Naude, L.J., 1999, 'An evaluation of the impact of the South African public transport policy on the restructuring of the commuter bus industry', Doctoral thesis, Department of Transport and Supply Chain Management, Rand Afrikaans University.

Sager, F., 2007, 'Making transport policy work: Polity, policy, politics and systematic review', *Policy & Politics* 34(2), 269–288. http://dx.doi.org/10.1332/030557307780712951

South Africa, 1996, *Constitution of the Republic of South Africa*, viewed 21 May 2014, from www.gov.za/documents/constitution/1996/a108-96.pdf

Southern African Bus Operators Association (SABOA), 2009, 'Member survey', SABOA, Pretoria.

Statistics South Africa, 2012, *South African National Census, 2011*, Statistical release P0301.4.

Statistics South Africa, 2014, *National Household Travel Survey, February to March 2013*, Statistical release P0320.

The Public Policy Web, 2001, *Good implementation*, viewed 23 April 2013, from http://www.profwork.org/pp/implement/good.html

The World Bank, 2010, *South Africa policy brief: Excellent policies – unintended failures*, viewed 01 June 2013, from http://siteresources.worldbank.org/INTSOUTHAFRICA/Resources/South_Africa_policy_briefs_overview.pdf

Walters, J. & Cloete, J.J., 2001, 'An appraisal of the tender for contract system in the commuter bus industry in South Africa', paper presented at the THREDBO 7 conference on Competition and Ownership in Land Passenger Transport, Molde, Norway, September 2001.

Walters, J. & Heyns, G., 2012, 'Problems with the implementation of bus transport contracting in South Africa', *Journal of Transport and Supply Chain Management* 6(1), 35–54.