management consultants to perform the task, other have appointed steering committees, task forces, working parties or individual officers. The George Washington project issued three separate publications on this particular aspect. [1] The writer's preference is for a small task force of senior officers chosen from the administrative, financial and technical departments, as operated by the Greater London Council. [2]

One important requirement in determining objectives, and synthesising these in a programme structure, is the recognition of flexibility and adaptability. A good starting point is the formulation by an officer or group of officers of an initial programme structure to form the basis for discussion. Foundations could be laid from experimentation elsewhere, reinforced with the fundamental knowledge of experienced officers regarding the broad aims of local government and local practice. This is but the first preliminary step in a *modus operandi* which involves much discussion and argument over basic goals and the programmes which will be needed to fulfil the goals. The writer was told on two occasions in the United Kingdom

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1. George Washington University, PPB Note 2: Administrative Framework for establishing PPB Systems in States, Cities and Counties: Some considerations and suggested policies; PPB Note 3: Development of initial instructions to inaugurate a PPB System: Some preliminary considerations and model instructions to be adopted for local use; PPB Note 4: Staffing and Training for a PPB System in State and Local Government

2. Greater London Council, Programme Planning Budgeting Systems, Report of Task Force; H.L. Oliver, 'Creating the right environment', Programme Budgeting - Some Practical Problems of Implementation, op. cit. pp. 25-26.

of the apparently insoluble problem of deciding whether to place school feeding under education or social welfare. Similarly, in the proposed programme structure illustrated in this chapter, there could be much argument on whether streetlighting should be scheduled under 'Protection to Persons and Property' or 'Transportation'. Of significance for the present chapter is the fact that whatever machinery is employed for setting up a programme structure, it should be seen as a task which should be executed with as little delay as possible.

It should also be understood that the compilation of a programme structure and the consequential work in connection with the other components of the programme budgeting system would take place independent of the preparation of the normal annual financial budget, even though integration of the two may be the ultimate aim.

Attention will now be devoted to some of the conceptual problems arising in the framing of a programme structure. In some works on programme budgeting and management by objectives the suggestion is made that the objectives of a local authority should be determined in vacuo, in the form of an idealistic, normative approach to what a local community should really strive for. A geographically isolated community would thus strive for optimal physical and cultural well-being, within the financial resources the community is prepared to make available. This is the approach sometimes advocated by management consultants and involves the rejection of extant, traditional procedures for resource-allocation and the deter-

mination of objectives on a basis of optimisation. From
a theoretical point of view this is an excellent start to
the composition of a programme structure, but it is im-
practicable from several points of view, the most important
of which is that goals conceived without thought for quan-
tification of output in lower-level objectives thwarts the
use of the system for planning and control. One may con-
template philosophically the ideals for which a community
should strive, yet a programme budgeting system must keep
constantly in mind how ideals can be achieved with limited
resources. Constraints of many kinds must be taken into
account. The formulation of a programme structure, there-
fore, represents more than a listing of community goals,
even though this is the first important step. It requires
the identification of objectives and programmes in an at-
mosphere wherein the practical implications of achieving
objectives are not overlooked. Major objectives must be
susceptible to breakdown into various levels of activity
for which criteria of effectiveness in meeting ultimate
goals can be established. The individual or group respon-
sible for the building of a programme structure should be
guided by the following broad principles:

1   Objectives should not be defined too broadly e.g.
    'to provide for the general well-being of the aged
    population'. Such an objective is wide and non-
    operational. On the other hand, they must not be
    defined too narrowly e.g. 'to build roads', for
    then the real objectives of a local authority may
    not be perceived. The aim should be to formulate

objectives which conform to the fundamental goals of a local community, yet delineated in such a way that some criteria of effectiveness can be applied. The objective of 'Transportation', for example, could be defined as 'To enable the movement of persons and goods within the city in an efficient, safe and economically acceptable manner'. [1]

2   A programme structure is compiled without reference to existing organisational patterns.   The objectives and the breakdown of these into lower level programmes should take place irrespective of which department may currently be responsible for such activity.   The present responsibility-centre could be shown in brackets after a particular activity in the programme structure.   It is not necessary to make changes in the present organisational chart in order to prepare a programme structure, though implementation of programme budgeting frequently leads to changes in due course because of the logicality of fulfilling objectives by unified management and control.

3   The objectives and programmes in a programme structure have no direct relationship with categories in the financial budget, though several may coincide. A programme structure emphasises the planning aspect, the things to be done;   the financial budget emphasises the management and control of current opera-

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1.   Used by the City of Boulder, Larry N. Blick, 'An approach to implementing PPB', Municipal Finance, May 1969, p. 152.

tions, the things to be bought. (1)

4 The programme structure should be compiled fear-
lessly and reasonably quickly, and it must be re-
garded as completely flexible and subject to al-
teration as other components in the programme bud-
geting system become explored.   Under the impact
of analysis original objectives may be altered, and
an attitude of mind in the preparation of a pro-
gramme structure should be established which ac-
cepts the possibility of substantial change.   An
attitude such as 'There are the objectives, let the
experts determine the activities', is unsatisfac-
tory.   Ends and means can no longer be separated
in planning concepts.

5 Objectives should be 'a statement of where a local
authority is heading, and not a mere justification
for what it is currently doing'. (2)   While it is
true that currently executed activities in existing
departments are a good starting point in the framing
of objectives, as will be illustrated later, an
open mind must be preserved in relation to the im-
portant questions. What should be done? For whom
should it be done?

6 A common theme should predominate in framing objec-
tives and programmes, and the most suitable theme
for local government is to see objectives in the

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1. George Washington University, PPB Note 5: Deve-
loping an Objective-oriented Government Program Structure.

2. R.B. Butt, 'Objective Setting', Programme Bud-
geting - Some Practical Problems of Implementation, op. cit.
p. 35.

light of the needs of the individual citizen.

The above six guidelines are sufficient for visualising the general concept of a programme structure, which does nothing more than present an overall strategic picture of a local authority's goals and the programmes and activities which assist in achieving them. It has been suggested that political philosophers and not economists or elected representatives or officials are the proper persons for determining the ends of society. [1] The compilation of a programme structure has itself been criticised as manifesting a rigidity in approach which is foreign to the concept of value judgment, and it has also en criticised on the grounds that too much emphasis is placed on economic rationality. Mosher states that the actions of municipalities have an enormous impact upon citizens; their lives are affected by the objectives chosen and these should not be judged solely against economic criteria. [2] Reference has already been made to these conceptual problems in previous chapters, and they will be referred to again in the final assessment of programme budgeting for South African local authorities.

The object of the present chapter, however, is to present a programme structure which is related to South African conditions. It matters little who prepares the first

1. See for instance, Frederick C. Mosher, 'Limitations and Problems of PPBS in the States', Public Administration Review, Vol. XXIX, 1969, p. 162; Roland N. McKean and Melvin Anshen, 'Limitations, Risks and Problems' in Planning Programming Budgeting : A Systems Approach to Management, Fremont J. Lyden and Ernest J. Miller, pp. 337 - 357.

2. ibid.

programme structure and how well it is done, as long as
there is room for adaptation and amendment under the impact
of analysis.   There is no one uniquely ideal programme
structure, even where local conditions would appear to
be broadly similar.   The rest of this chapter will there-
fore be devoted to the composition of a programme struc-
ture which takes into account both the functions undertaken
by South African local authorities and the traditional ac-
tivities performed in executing those functions.   Such a
procedure involves both a normative and pragmatic approach,
which is more suitable to the theme of this study than a
micro-analytical study of one particular local authority
unsustained by the broader conceptual aspects for the rea-
sons of space.

2   The Functions of Local Authorities in South Africa

The use of the word 'function' in relation to the work that
local authorities perform or are empowered to perform is
universal.   The word was used by Mill thus: 'It is one
of the undisputed functions of government to take precau-
tions against crime before it has been committed'. [1]   The
reports of governmental commissions and committees which
have investigated local government in South Africa abound
with references to the functions of local authorities in
relation to the functions of the central government and the
provincial administrations.   In this respect the word func-
tion is used to cover all classes of work undertaken by a
particular organ of government, from a grant-in-aid of ten
rand to the construction of a multi-million rand freeway.

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1.   John Stuart Mill, On Liberty, p. 185.

In the literature on programme budgeting, however, some writers have used the words functions and subfunctions as relating to particular levels in the hierarchical pyramid of objectives which in a programme structure spread downwards from broad goals to the actual tasks performed. Nassau County in U.S.A., for instance, restricts the use of the word to an ultimate, major area of responsibility in a hierarchy which reads: Functions, objectives, programmes, activities, tasks. [1]

It is accordingly desirable to clear some of the semantic confusion which has arisen in the naming of objectives at various levels, and to choose a classification that can be used consistently in the present study.   The word function will not be used as a component of a programme structure.   It will be kept for use in its traditional South African rôle of referring to all work which local authorities are legally empowered to perform. [2] The classification system which will be used in the programme structure for the remainder of this study will be:

1 Major Objectives

2 Second Level Objectives

3 Third Level Objectives

4 Programmes

5 Activities

6 Tasks.

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1. J. Ward-Wright, op. cit. p. 158.

2. The word function is derived from the Latin _fungi_, to perform.   Legal books usually refer to powers and duties rather than functions.   See for instance, Dönges and van Winsen, _Municipal Law_, Chapters 14-21.

This is a combination derived from several programme bud-geting systems.[1]   The second and third level objectives are sometimes combined and called intermediary objectives.

When local governing bodies were originally established in the course of the eastward and north-eastward popula-tion movements from the Cape of Good Hope, their functions were simple and confined to the provision of rudimentary services.   The first local needs were protection against wild animals and hostile tribes, sanitation services and piped water supplies.   Urban concentrations expanded be-cause commercial institutions, industrial concerns and a professional corps established themselves consequent upon the growth of the rural community.   Economic growth ge-nerated a demand not only for environmental services, but also for cultural and welfare amenities.

The Tucker Commission divided local functions into the following groups:

(a) Framing and enforcement of bylaws for the pu-blic weal e.g. health, fire, traffic.

(b) Provision of appropriate buildings and equipment and the appointment of officials.

(c) Performance of services such as street construc-tion, maintenance and cleaning, fire brigades, grants-in-aid, parks, cemeteries, sewerage, storm-water drainage, etc.

(d) Measurable services such as electricity and water,

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1. See in particular 'I.M.T.A. - U.K. Programme Bud-geting Working Party Report No. 6', Local Government Finance, September 1970, p. 366.

tramways, swimming baths, abattoirs, markets, warehouses and refuse removal. [1]

The Stallard Commission adopted a somewhat fragmentary approach to local government functions without any attempt at classification. [2] This presaged a period of relative disinterest by the higher authorities in the affairs of local government. During the period between the two world wars there was intermittent criticism of provincial administrations for neglecting the needs of local government. [3]

The Social and Economic Planning Council reported on local government in 1945 and saw the legitimate sphere of local functions as follows:

1 Protective Services e.g. traffic control, fire brigades.

2 Personal Welfare Services

(a) Mental e.g. libraries, lecture rooms, art galleries, theatres, botanical gardens.

(b) Physical e.g. personal health, social services.

3 Environmental Services e.g. refuse removal, sewage disposal, pest control, health inspection, water supply, housing, slums clearance, building control.

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1. Transvaal, Report of the Municipal Commission 1909, p. 11.

2. Transvaal, Report of the Local Government Commission 1921, Chapter III.

3. See for instance, J.H. Hofmeyr, quoted by Paul Guenalt in 'The Future of Local Government in the Post-War World, I.M.T.A. - S.A. Conference Proceedings,1946, p. 62.

4   Services of Convenience e.g. transport, electrici-
    ty, roads, public conveniences, parks, recreation
    grounds, swimming baths. [1]

From 1945 onwards local authorities, through the Uni-
ted Municipal Executive, pressed the government for more
equitable financial relationships between the Central Go-
vernment and Provincial Administrations on the one hand
and local authorities on the other.   Lengthy memoranda
were submitted by the Institute of Municipal Treasurers
and Accountants S.A. (Inc) on behalf of the United Munici-
pal Exec ve in 1938, 1944, 1949 and 1955.   These have
no direct bearing on the present subject except in two re-
spects.

Firstly, they caused the then Minister of Finance to
state in 1945 that he would only consider the financial
relations issue on the basis of three principles.   The
first is pertinent to the present study and reads:

> The functions of an urban local authority, for which
> it should be regarded as financially responsible, are
> those which are consequent on the close settlement of
> a body of people in an urban area.   Some of these
> functions will be purely local, others will be of a
> hybrid character.   In respect of the former class the
> local authority should bear full financial responsi-
> bility - in respect of the second such responsibility
> should be shared by it with the Central or Provincial
> Governments. (2)

Secondly, the government appointed the Borckenhagen
Committee in 1956 to examine the entire financial relations

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1.   South Africa, Report No. 8:Local Government Func-
tions and Finances.

2.   F.E. Jenvey, 'Latest Developments regarding Finan-
cial Relations in South Africa', South African Treasurer,
May 1947, p. 110.

issue. [1] The first two terms of reference required the Committee to investigate and report on the existing functions of local authorities, whether the exercise of these by local authorities was justified and whether it would be advisable to abolish, diminish or transfer certain functions to other bodies. [2]

The Committee enunciated the following general principles on which local functions should be determined:

> Any functions or services (i) the need for which is consequent upon the close settlement of a body of people or (ii) the benefit of which is substantially or wholly enjoyed by persons residing in a local area, should be regarded as those for which Local Authorities should accept full responsibility. (3)

The Committee investigated fully the various functions performed by local authorities, and published the best summary so far compiled of the functions which may be or are at present undertaken by local authorities in South Africa. [4] These functions are set out below in a form slightly different from that in the Report.

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1. The Committee of Enquiry into the Financial Relations between the Central Government, the Provinces and Local Authorities, Government Gazette 17th August 1956 Government Notice No. 1498.

2. ibid.

3. South Africa, First Interim Report of the Committee of Enquiry into the Financial Relations between the Central Government, The Provinces and Local Authorities, p. 6.

4. South Africa, Main Report Part I : Urban Local Authorities, pp. 26-7.

TABLE V

FUNCTIONS PERFORMED BY LOCAL AUTHORITIES
IN SOUTH AFRICA

Function	Whether permissive or obligatory
1 Health Services	
(a) Environmental	Both
(b) Infectious Diseases, prevention and control of	Obligatory
(c) Personal Curative Services	Permissive
(d) General Ambulance Services	Both
(e) Personal Promotive Health Services	Permissive
2 Building Control Town Planning and Aesthetic Control	Both
3 Roads, Sidewalks, Bridges and Stormwater Drainage	Permissive
4 Lighting of Streets and other public places	Permissive
5 Traffic control including provision of parking	Permissive
6 Housing for the lower income groups	Permissive
7 Slum Clearance	Both
8 Fire Services	Permissive
9 Parks and Recreation Services including control of public land	Permissive
10 Cultural institutes and activities such as libraries, art galleries, musems, theatres, orchestras, etc.	Permissive
11 Aerodromes and landing strips	Permissive
12 Licensing	Both
13 Bantu, Asiatic and Coloured Affairs	Obligatory
14 Trading Services including water, electricity, gas, transport, markets and abattoirs	Permissive

Table V is noteworthy for its concentration on clearly demarcated functions, omitting activities included in the reports of previous commissions which should be regarded as only incidental to the performance of real functions e.g.

passing bylaws, appointing officials, erecting offices.

Although the above list was compiled in 1966 it is still indicative of the functions performed by local authorities with the following notable exceptions:

(a)   Several local authorities have abandoned control of abattoirs in favour of the Abattoir Commission.

(b)   Bantu Affairs have been taken over by Bantu Administration Boards constituted by the Central Government to administer Bantu Affairs in wider regions. [1]

(c)   Purely local markets are in the process of being absorbed into larger national markets serving wider regions.

(d)   Responsibility for personal health services is likely to be taken away from local authorities consequent on the reports of the Borckenhagen Committee and Schumann Commission, and as contemplated in the Health Bill 1972.

One clear fact which emerges from the above classification of local functions in South Africa is the absence of some of the important services performed by local authorities in other countries.   In the United Kingdom and several states in U.S.A. local authorities undertake education, social welfare and police services.   In South Africa these services are performed by the Central Government.   At one time local authorities performed social welfare services but these have now been taken over by the Central Government.

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1.   Bantu Affairs Administration Act No. 45 of 1971.

With regard to electricity, most local authorities purchase their supplies in bulk from the Electricity Supply Commission; only a few still generate their own. The Borckenhagen Committee recommended and the government accepted the principle that in future local authorities should not generate electricity. [1] The regionalisation of water supplies by the setting up of statutory regional water authorities has been proceeding during the past three decades. The same tendency is now manifest in transport services. The fusion of local services on a regional basis has long had the support of the Central Government. [2]

These trends indicate a steady diminution of the services being rendered by local government in South Africa, and any programme structures composed by local authorities in South Africa would bear the stamp of this process. They would be different from the programme structures in other countries, not only as far as major objectives are concerned but also with regard to second and lower level objectives.

The greatly diminished functions undertaken by South African local authorities will have an important bearing on the general assessment of the desirability and efficiency of programme budgeting discussed in later chapters. It is a factor which is also significant from another point of view, namely, the general assessment of social wants and how they are satisfied. If for instance programmes are clas-

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1. South Africa, Fifth Interim Report, p. 18; South Africa, White Paper, (The Borckenhagen Reports) p. 16.

2. See for instance a speech by the Minister of Finance to the United Municipal Executive, The South African Treasurer, April 1966, p. 90.

sified according to the needs of the individual citizen,
the contribution of the local authority towards a citizen's
welfare may be found to be meagre compared with the contri-
butions made by the higher levels of government.   In the
case of a major local objective such as 'Protection to Per-
sons and Property', protection against robbers, the rigours
of the economic system and illness are vital to the indivi-
dual citizen.   Yet the local authority in South Africa
plays little part in these.   The principle formulated by
Hofmeyr and endorsed by Borckenhagen that close settlement
is the key to demarcating the boundaries of local vis a vis
central functions, is open to criticism on the grounds that
many of the services rendered by the Central Government and
the Provincial Administrations also arise from the close
settlement of people in communities.

In the programme structures of some overseas local au-
thorities all the services rendered in furtherance of the
welfare of the individual citizen are set out in the pro-
gramme structure with a reference to the governmental autho-
rity providing the service.   Such a procedure would be un-
duly complex in the compilation of a programme structure
for South African local authorities, and therefore major
objectives will be confined to those which local authori-
ties are empowered to fulfil.   This simplifies the area
of choice, yet it also raises a question regarding the va-
lidity of institutionalising a relatively small number of
functions in a formal programme structure, a problem dis-
cussed in the final chapter.

3 The Formulation of Major Objectives

The background to South African local government functions set out in the previous section provides a basis on which to compile a programme structure to the second level.   In the practical realm of programme budgeting a programme structure would be prepared as a corporate venture by officers, Councillors and experts in programme budgeting. For the purpose of this chapter a programme structure for South African local authorities will be formulated on the basis of the above Borchardagen classification of functions and the headings in   ...T.A. 1951 Report of Standardisation. [1]

Some relatively fixed patterns will be observed in these classifications arising from accounting and budgetary constraints mentioned in Chapter VI.   There would tend to be little difference in a programme structure composed de facto from functions actually performed in a particular authority and one composed deductively from the general functions discussed above.   A programme structure which would be suitable for local authorities in South Africa is set out in the table below:

TABLE VI

PROGRAMME STRUCTURE

I Community Safety

Objective : To minimise injury to persons and loss of property from unexpected events:
A Fire Protection
B Civil Defence
C Building Regulation
D Control of Traffic (See V, A)

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1. See page 124.

Table VI (cont.)

II Community Health

Objective : To protect people from illness and disease:
    A Environmental Health
    B Personal Health

III Community Environment

Objective : To provide satisfactory physical environment for the establishment of homes, trades and industry:
    A Community Planning
    B Housing
    C Refuse Removal
    D Sewage Disposal
    E Streetlighting
    F Beautification
    G Roads (See V, A)

IV Leisure Time Opportunities

Objective : To provide leisure-time opportunities for citizens:
    A Outdoor Recreational Opportunities
    B Cultural Opportunities

V Transportation

Objective : To enable the movement of persons and goods within the municipal area as quickly, safely and efficiently as possible:
    A Movement of Traffic on Highways
    B Urban Transport Undertakings

VI Public Utility Services

Objective : To provide services for the citizens which can best be undertaken by communal action:
    A Water Supply
    B Electricity Supply
    C Fresh Produce Market
    D Abattoir Facilities

VII Management

Objective : To provide all management and support activities necessary to achieve the authority's objectives:
    A General Administration and Management
    B Financial Administration

The above objectives would be a useful starting point for discussions on a programme structure and they would give

Author Cowden J W
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