The role of public–private partnership in achieving local government sustainable development

**Background:** Public–private partnerships (PPPs) have emerged as a new form of supply in an effort to improve the standard and value for finances of infrastructure as well as government services. However, the implementation of the Skills Development Goals through PPPs is hampered by a number of issues, including political and regulatory risks, a lack of capacity and expertise and dearth of trust and partnership.

**Aim:** The purpose of this study is to evaluate the effectiveness of PPPs in achieving local government sustainable development.

**Setting:** The setting of this article is in the local government municipalities.

**Methods:** Qualitative research methods are employed for this study, primarily through the application of desktop research as well as secondary data analysis. The research critically reviewed studies, literature and online information between 2010 and 2023. The study used Google Scholar, ISI, ProQuest and Scopus search engines to locate these studies using key words such as PPPs, sustainable development goals (SDGs) and local government.

**Results:** The findings of the study show that PPPs have been identified as a potential tool for achieving local government sustainable development. However, a major obstacle to the successful implementation of PPPs is the lack of trust and cooperation between public and private players.

**Conclusion:** The study concludes that PPPs have the potential for SDGs but require trust and cooperation for successful implementation.

**Contribution:** This article focused on providing an overview of how PPPs might assist local governments in meeting their goals for sustainable development.

**Keywords:** public private partnerships; local governments; sustainable developmental goals; service delivery; collaboration.

**Introduction**

Across the globe, governments grapple with the immense responsibility of providing infrastructure and services that directly impact the well-being of their citizens (Browder et al. 2019; Chirisa et al. 2020; Masuku & Jili 2019). In South Africa, this challenge is further accentuated by the pursuit of sustainable development goals (SDGs), encompassing economic prosperity, social equity and environmental protection. To navigate this complex landscape, governments have increasingly turned to a novel approach: public–private partnerships (PPPs). Public–private partnerships bridge the gap between public need and private expertise, fostering collaborations between the public and private sectors to deliver essential services, infrastructure and public goods (Carbonara & Pellegrino 2018; Mandiriza, Fourie & Madumo 2021). Their potential for advancing SDGs is immense. The private sector injects valuable knowledge, efficiency and innovation into service delivery and infrastructure projects, while PPPs facilitate technology and information exchange between both sectors (Chileshe et al. 2022; Debela 2019; Delmon 2021). However, harnessing the full potential of PPPs for sustainable development in developing countries like South Africa comes with its own set of challenges. Corruption casts a long shadow, potentially hampering the integrity and effectiveness of these partnerships (Bavington 2021; Lin Tan 2020). Political and regulatory uncertainties further add to the complexities. Yet, despite these challenges, PPPs remain a compelling strategy for many developing nations in their quest for SDGs (Hall 2014).

Despite existing research on PPPs in infrastructure and service delivery (Cui et al. 2018; Trebilcock & Rosenstock 2015; Wang et al. 2020), relatively little is known about their specific influence on achieving SDGs within the local government context in South Africa. This gap begs for further exploration. The diverse regions and municipalities within the country...
present unique challenges and opportunities for utilising PPPs in the pursuit of sustainability. This study delves into this uncharted territory, investigating how PPPs can empower local governments to achieve their sustainable development aspirations. The following sections will outline the research methodology employed in this study, present the findings and ultimately offer concluding remarks and recommendations for advancing sustainable development through PPPs within the South African local government context.

**Methods**

This research relies on a desktop research methodology, primarily involving reviewing existing literature and documents. We delved into a diverse range of sources, including journals, articles, policy documents, government reports, books and even newspapers. To ensure that the research captured relevant and diverse perspectives, a snowball sampling technique was employed within a non-probability sampling framework. This method involved starting with a set of initial documents and then using them to identify additional relevant sources cited within. This iterative process allowed the study to progressively expand the understanding of the topic and gather a more comprehensive dataset.

The gathered documents were then meticulously analysed and categorised. Themes and patterns were identified, and the overall meaning and significance of the findings were extracted. To ensure objectivity and mitigate bias, the author employed a structured approach to data evaluation.

**Data identification**

Identifying relevant data or papers proved to be a challenge for our review study on PPPs in local government. We began by searching information from the Scopus database, using keywords like PPPs, SDGs and local government to narrow down the search. However, keyword-based searches have their limitations, and our initial results were primarily restricted to titles and abstracts. The paucity of relevant papers in Scopus led us to expand our search to other databases like ResearchGate, Open DOAR, ISI, ProQuest, JSTOR and Google Scholar, with no publication year restrictions. This broader approach yielded an initial pool of 1000 papers containing the chosen keywords, which we then narrowed down to 65 documents for further analysis.

**Inclusion criteria**

The major aim of this study is to review the publications regarding the effectiveness of PPPs in achieving local government sustainable development. To ensure that the research remained focused on its core objectives, we established specific inclusion criteria. Documents were selected based on their relevance to PPPs in local government and their discussion of the effectiveness of these partnerships in achieving SDGs.

**Data screening**

The data screening process involved meticulously reviewing each document against the established criteria and considering the types of documents that would be excluded. Our initial search for papers resulted in publications including journal articles, conference proceedings, books and book chapters. We carefully screened the data, keeping in mind the inclusion criteria for our study. Publications older than 10 years were not considered, and we primarily focused on titles and keywords to assess relevance. Out of the initial 65 documents, 40 met the inclusion criteria and were retained for further analysis. Notably, all research publications were sourced from reputable academic publishers, ensuring the quality and credibility of the information used. It is worth noting that all research publications hailed from esteemed academic publishers, such as Elsevier, Taylor and Francis, Wiley and Springer, further solidifying the quality and credibility of the information used in our study. In short, the papers chosen for this study emanated from reliable and trustworthy sources.

**Ethical considerations**

This article followed all ethical standards for research without direct contact with human or animal subjects.

**Review findings**

Public–private partnerships are critical in promoting the local governments’ sustainable development. These alliances promote resource sharing, creativity and knowledge, which improves the effectiveness of SDG implementation. However, issues remain, such as ensuring equal benefit distribution, preserving accountability and resolving possible conflicts of interest. Balancing these benefits and constraints is critical for realising PPPs’ promise to promote SDG development at the local government level. This section will discuss the benefits and the challenges of PPPs in achieving local government sustainable development.

**Benefits of public–private partnerships in achieving local government sustainable development goals**

The execution of SDGs via public–private partnership conveys obstacles as well as possibilities for local administration. The benefits of PPPs in achieving local government SDGs is discussed further in the text.

**Public–private partnerships: Boosting efficiency and effectiveness for local sustainable development goals**

Public–private partnerships are gaining traction in South Africa as a means to boost the effectiveness and efficiency of delivering goods, services and infrastructure. This approach holds particular promise for local municipalities in their pursuit of the SDGs. Several factors contribute to the appeal of PPPs. Firstly, they leverage the combined strengths of the public and private sectors. Public–private
partnerships can pool resources and expertise, leading to effective SDGs achievement. Private businesses often possess the knowledge, tools and innovation that governments lack (Eweje et al. 2021; Gündoğdu 2019). Secondly, PPPs mitigate the financial and development risks associated with achieving SDGs in local government. Amin (2020) points out that public entities may lack the financial muscle for large-scale infrastructure projects. In such cases, the private sector can step in and share the burden. Thirdly, PPPs can enhance efficiency, cost-effectiveness and accountability in public service delivery. Performance-based contracts hold private partners responsible for meeting specific standards and efficiency benchmarks (Esposito & Dicorato 2020). This incentivises high-quality service delivery.

Furthermore, PPPs can foster the development of environmentally friendly construction initiatives. Delmon (2021) highlights the potential of PPPs to improve both service delivery and infrastructure development, crucial aspects for equitable growth. Public–private partnerships have proven to be a valuable tool for South African local governments in addressing SDG-related challenges. According to Guha and Chakrabarti (2019) PPPs:

> [E]nhance the local government’s capacity to develop integrated solutions, facilitate creative and innovative approaches, reduce cost, reduce delivery time and also, in some cases, transfer certain risks to the private partner. (n.p.)

While specific understandings and implementations may differ, core characteristics like open governance, long-term contracts and risk-sharing define PPPs in the Western context (Amović, Maksimović & Bunčić 2020; Khurana, Garvin & Mahalingam 2022). As South Africa continues to embrace PPPs, these partnerships can play a key role in achieving the SDGs and promoting sustainable development at the local level.

**Beyond collaboration: Unpacking the multifaceted value of public–private partnerships**

Public–private partnerships hold a crucial position in today’s world, encompassing several layers of meaning beyond mere collaboration. At its core, a PPP represents a framework for communication and exchange among diverse stakeholders originating from both public and private domains (Carbonara & Pellegrino 2018; Strasser et al. 2021). The true significance of PPPs lies in their ability to empower local governments to achieve SDGs. By harnessing the private sector’s knowledge, resources and innovative spirit, PPPs unlock new avenues for progress. This collaboration is key to achieving the ambitious and multifaceted SDGs, which demand creativity and ingenuity in tackling complex challenges. According to Poulton and Macartney (2012) cited in Mutize, Mugobo and Ivu (2018), PPPs are value drivers and one of the best ways for governments to improve value for money in infrastructure development. Furthermore, Khadaroo (2014) stated that this can be accomplished in a variety of methods, including risk transfer, in which the majority of the risk is assigned to an independent entity with the necessary competence and capability to achieve outcomes at a lower cost to the government. Then, the structure of the bidding process encourages bidders to pursue new solutions to meet the tender specifications (Satish & Shah 2009). Lastly, private parties are encouraged to use a single facility to support numerous revenue streams, lowering the cost of any specific service provided by the facility (Zaharioaie 2012). This enables a sponsoring department or agency to enter into a long-term contract for services to be provided when and as needed (De Schepper, Haezendonck, & Dooms 2014).

One of the strongest arguments for PPPs is their undeniable role in fostering innovation and creativity. This unique partnership model brings together diverse stakeholders with distinct perspectives and experiences, creating a fertile ground for fresh ideas and solutions (Satish et al. 2009; Mutize et al. 2018). The public sector contributes its expertise in regulation and legislation, while the private sector injects knowledge in innovation, technology and business acumen (Fombad 2015). This synergy allows both parties to transcend their individual limitations and conceive novel approaches that would remain unimaginable in isolation. Furthermore, PPPs provide an environment conducive to experimentation and risk-taking, further propelling innovation and creativity. The private sector’s inherent drive to stay competitive and introduce new offerings fuels its innovative spirit. Similarly, the public sector’s pursuit of better service delivery for society motivates its own creative endeavours. Ultimately, a successful PPP fosters inclusivity by welcoming participation from various entities, including the state, businesses and the community. This collaborative spirit fosters trust and facilitates mutually beneficial partnerships, paving the way for groundbreaking inventions and creative solutions. Therefore, PPPs extend far beyond mere partnerships. They represent a multifaceted tool for unlocking sustainable development, promoting innovation and fostering collaboration. By harnessing the unique strengths of both public and private sectors, PPPs offer a promising way to navigate the complex challenges of today’s world and build a brighter future for all.

**The challenges of public–private partnerships in achieving local government sustainable development**

Public–private partnerships have become increasingly popular as a strategy for overcoming various development obstacles, such as achieving SDGs. Public–private partnerships are essential in the context of local government because they make use of the knowledge, capital, as well as management of the private sector to promote sustainable growth as well as enhance service delivery. Public–private partnerships, however, confront a number of challenges that limit their ability to advance local government sustainable development. These challenges are discussed further in the text.
Political risk and institutional pitfalls: Obstacles to public–private partnerships success in South Africa

Public–private partnerships have emerged as a promising tool for South Africa to achieve the SDGs (Mongalo 2022). However, their effectiveness is undermined by significant obstacles, with political risk and instability posing a major threat. According to Mutize et al. (2018), some political leaders oppose PPPs because they believe the private sector will try to profit while ignoring its responsibility to provide infrastructure services. Furthermore, in South Africa, political instability often manifests as corruption and a lack of political will further hindering progress. Unclear policy frameworks and inconsistent strategic direction exacerbate the situation, leading to project delays or even abandonment. A study conducted by Mutize et al. (2018) shows that:

There is a gross lack of fiscal clarity in these PPP projects, and this has led the government to overstate the levels to which partnerships increase additional resources to fund infrastructure development. Thus, these partnerships create temptations for the projects to be over-budgeted for and over-spent to satisfy politicians who are under pressure to deliver new infrastructure. (p. 137)

Similar weaknesses plague many local governments across South Africa, hindering their capacity to partner with the private sector, regulate projects and ensure proper monitoring and evaluation. While PPPs hold great potential for South Africa’s SDG aspirations, political risk and institutional weaknesses pose serious challenges. Addressing these issues through increased transparency, stable governance and capacity building within local governments is crucial for unlocking the full potential of PPPs and driving sustainable development.

Shadow over sustainable development: Lack of trust in South African public–private partnerships

In South Africa, PPPs encounter numerous challenges even though they have the ability to support SDGs. According to Fombad (2014) PPPs’ ability to achieve the intended results has been hampered by a variety of governance concerns, such as a lack of accountability, institutional weaknesses, pervasive corruption, a lack of transparency, unfavourable regulatory environments, power disparities between private sector partners, a lack of political commitment and a lack of confidence in the ability, willingness and know how to manage the funds. Lack of trust and cooperation between public and private actors is one of the major challenges. This stems from a history of corruption in both sectors, leading to a culture of distrust and cynicism that hinders collaboration (Mandiriza et al. 2021; Schomaker 2020). According to Mashwama, Aigbavboa and Thwala (2018), there is limited trust between public and private sector professionals. The issue of mistrust, or lack thereof, affects almost every aspect of society, and trust is essential to the efficient operation of all spheres of government (Jakoet-Salie & Ramolobe 2023). South African local governments must address these issues of trust, conflicting objectives and limited finances to unlock the full potential of PPPs for sustainable development.

Implications and recommendations

Based on the review of PPPs in local government sustainable development, here are some key implications for policymakers and clinicians.

Policy implications for local governments

Promote political stability and good governance

Implement measures to reduce political risk and instability, such as enacting stable regulatory frameworks, fostering transparency and combating corruption. This will create a more predictable environment for private sector investment and collaboration.

Build institutional capacity

Strengthen local government structures by addressing organisational weaknesses, investing in technical expertise and providing proper training on PPP management. This will equip local governments to effectively partner with the private sector and manage complex projects.

Foster trust and collaboration

Implement initiatives to bridge the gap between public and private sectors. This could involve promoting open communication, building shared objectives and ensuring stakeholder engagement throughout the PPP process.

Address financial constraints

Explore innovative financing mechanisms to secure adequate funding for PPP projects. This could involve public–private co-investment models, blended finance schemes and public guarantees.

Develop capacity and expertise

Provide training and skill development programs for public sector officials involved in PPPs. This will ensure they have the necessary knowledge and skills to negotiate, manage and monitor these partnerships effectively.

Recommendations of the study

- Address political risk and instability: There is a need to implement transparent governance practices, build strong institutions and mitigate policy uncertainties to attract and retain private sector partners.
- Foster trust and collaboration: There is a need to enhance stakeholder engagement, address conflicts of interest and ensure equitable partnerships to build trust and cooperation.
- Build capacity and expertise: There is a need to invest in training programs and attract skilled professionals to equip local governments with the knowledge and skills needed to manage PPPs effectively.
• Secure adequate funding: There is a need to explore innovative financing mechanisms, attract private investment through attractive PPP models and ensure financial sustainability of projects.
• Strengthen legal and regulatory frameworks: There is a need to develop clear and consistent PPP regulations to minimise risks, ensure transparency and protect public interests.
• Promote community engagement: Actively involve communities in PPP planning and decision-making processes to address concerns, ensure social accountability and build trust.

Lastly, future studies can analyse the effectiveness of PPPs in different contexts, considering factors such as the level of development, political stability and institutional capacity. This will provide valuable insights for policymakers seeking to adapt PPP models to their specific needs.

Conclusion
Public–private partnerships have the potential to transform local government. This research was descriptive in nature and focused on providing an overview of how PPPs might assist local governments in meeting their goals for sustainable development. The unique contribution of this study was that it identified benefits of PPPs in achieving SDGs in South African local government. Furthermore, the study found that PPPs lower the financial and development risks associated with achieving the SDGs in South African local government. For example, the public domain may lack the financial capacity to sustain massive infrastructure projects that are both costly and need long-term commitment; in such instances, the private domain can use its financial resources to shoulder some of the financing load. Furthermore, one of the reasons that PPPs are so effective in fostering innovation and creativity is that they bring together varied stakeholders with varying perspectives and experience. Furthermore, another unique contribution of the study was identifying the challenges of PPPs in achieving SDGs in South African local government. Among the challenges highlighted are political risk and instability, lack of trust and partnership and lack of capacity and expertise. The findings of the study show that PPPs have been identified as a potential tool for achieving local government sustainable development. However, a major obstacle to the successful implementation of PPPs is the lack of trust and cooperation between public and private players. One of the main reasons for a lack of trust is the history of corporate and government corruption in South Africa.

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K.S.R., and U.K. both contributed to the conceptualisation, methodology, formal analysis, investigation; writing the original draft and project administration.

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Data availability
The data that support the findings of this study are available from the corresponding author, K.S.R., upon reasonable request.

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