Impediments to the Spending of the Municipal Infrastructure Grant in Lepelle-Nkumpi Municipality

Manare Martin Tshoshi

A mini – dissertation submitted in fulfilment of Master of Management in the School of Governance (Development and Economics)

UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

Supervisor: Professor Pundy Pillay

2022

Declaration of Originality

I, Manare Martin Tshoshi, declare that this study “Impediments to the spending of Municipal Infrustructutre Grant in Lepelle-Nkumpi Municipality” is my own work and has not been submitted elsewhere for publication or any other purposes. All the sources of information used are duly acknowledged.

Acknowledgements

I want to acknowledge the following individuals for their immense contributions and support during the course of this study:

- My mother, Jeminnah Tshoshi
- My wife and children
- Prof Pundy Pillay
- The officials in Lepelle-Nkumpi Municipality

Wits University is also acknowledged for the opportunity to study with them, thank you.

Abstract

Unspent conditional grants, particularly the Municipal Infrastructure Grant, is a common problem in South African municipalities. The provinces of KwaZulu-Natal, the Eastern Cape and Limpopo received a large portion of the MIG allocation for the period 2011 to 2016 (National Treasury, 2017). Reporting on municipal performance in Limpopo province, COGHSTA in 2013 highlighted that over 5 million rand of MIG funds in 2012/13 financial year was taken back to the National Treasury from a total of 30 municipalities (25 local and five district municipalities), reason being that these municipalities failed to expend the allocated funds. This included Lepelle-Nkumpi Municipality. The study intended to identify impediments to spending MIG funds in South Africa’s Lepelle-Nkumpi Local Municipality. A qualitative research methodology was applied with data largely collected from documents and key respondents to better understand the studied phenomenon. Purposive sampling technique was employed to choose relevant officials or participants in the municipality. Primary findings of the study were that the impediments to the spending of MIG funds in Lepelle-Nkumpi Municipality relate to lack of forward planning relating to allocations, supply chain processes, community unrest and political instability. Major recommendations were that the municipality needs to avoid late or haphazard planning, as this generally affects the supply chain process of appointing service providers on time and causes unnecessary delays as a result of protracted SCM processes. Political changes need to be managed properly as they stall progress made insofar as spending of MIG funds is concerned.

List of Acronyms and Abbreviations

ACDG	Australian Community Development Grant
AG	Auditor – General
CBPWP	Community Based Public Works Programme
CFO	Chief Financial Officer
CMIP	Consolidated Municipal Infrastructure Programme
COGHSTA	Limpopo Department of Cooperative Governance, Human Settlement and Traditional Affairs
COGTA	National Department of Cooperative Governance and Traditional Affairs
FFC	Financial and Fiscal Commission
IDP	Integrated Development Plan
IEC	Independent Electoral Commission
LEDF	Local Economic Development Fund
LFA	Logical Framework Approach
LNM	Lepelle-Nkumpi Municipality
MFMA	Municipal Finance Management Act (56 of 2003)
MIG	Municipal Infrastructure Grant
MSA	Municipal Structures Act (117 of 1998)
NCBF	National Capacity Building Framework
NDP	National Development Plan
NEF	National Electrification Fund
NT	National Treasury
PMU	Project Management Unit
SA	South Africa
SPAID	Support Programme for Accelerated Infrastructure Development
Stats SA	Statistics South Africa

Table of Contents

List of tables and figures

CHAPTER 1: INTRODUCTION AND BACKROUND

1.1 Introduction

The purpose of this study was to identify impediments in relation to unspent Municipal Infrastructure Grant funds within South Africa's Lepelle-Nkumpi Municipality. More than fifteen of municipalities in Limpopo Province have reportedly received disclaimers or adverse audit opinions between the years 2016 and 2021 (National Treasury, 2016; 2021). One of these municipalities was Lepelle-Nkumpi Municipality. This Municipality, according to its Integrated Development Plan (2016/2017), is predominantly rural and is made up of 29 wards. As of 2016, Lepelle-Nkumpi Municipality' population was 235 380. Whilst the Municipality generates 63.87 % of its income locally, the remaining 36.13 % is the money from the local government equitable share and grants such as MIG which are allocated by national government (National Treasury, n.d.). Below is the background of the study.

1.2 The Context of the Study: Background Issues to the Problem Investigated

1.2.1 Fiscal intergovernmental relations and transfers to municipalities

In South Africa, the larger portion of revenue collection is undertaken by national government. According to Khalo in Moeti (2014: 81-82), this is one of the defining features of being a unitary state, that is, a political system in which almost all powers of government are bestowed in the central or national authority of government and that level of government may delegate some of its powers to provinces and municipalities. This, therefore, makes intergovernmental transfers a necessity and crucial within the intergovernmental fiscal relations framework in South Africa.

However, Durham and Verwey (2012) and Moeti (2014) criticised the current method of dividing the nationally raised revenue for undermining the fact that some municipalities have a smaller revenue base and rely extensively on the equitable share and national grants. This critique is premised on the fact that during the division larger budgets goes to national and provincial governments, and only a relatively small proportion of nationally collected revenue goes to local government mainly because of its power to raise own revenue. This is apparent in the 2011/2012 – 2018/2019 Budget review statement whereby both national and provincial governments received 40% of the budget and local government 10% (National Treasury, 2013: 111). The table below provide an indication of the division of nationally raised revenue between the three spheres of government in the financial periods 2011/2012 to 2018/2019.

Table 1.1 Division of Revenue (2012 to 2019)

Percentage shares	**Outcome**					**Estimate**	**Medium term expenditure**	
Financial Year	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**	**2016/17**	**2017/18**	**2018/19**
National Departments	47.9%	47.9%	47.9%	48.2%	48.9%	48.1%	47.5%	47.4%
Provinces	43.7%	43.4%	43.4%	43.2%	42.2%	42.9%	43.4%	43.3%
Local government	8.4%	8.7%	8.7%	8.6%	8.9%	9.0%	9.1%	9.3%

Source: Adapted from National Treasury, 2016: iv

Looking at the percentage shares of the nationally raised revenue in table 2.1 above, it is true that both national and provincial governments receive larger proportions as compared to local government. In all the financial years (Table 1), both the upper spheres received over 40 % with local government below 10%. The reason for this as pointed out by National Treasury (2013) is that local government is given powers [although limited] to collect own revenue, thus, municipalities fund most expenditures through the collected revenue (municipal tax and rates).

Furthermore, intergovernmental transfers comprise of *conditional transfers* which implies that the receiving institution has limited discretion to decide on where and how to use the grant, and unconditional grants which can be used as deemed fit by the recipients. The equitable share to municipalities remains the only unconditional transfer in South Africa mainly on the basis that it is a constitutional entitlement. This assertion is foregrounded by the Constitution (1996) in section 227 which underscore that local government is entitled to a share in the nationally raised monies in order to enable to provide basic services as well as performing functions allocated to it. According to Pauw, Van Der Linde, Foure and Visser (2015: 295), the equitable share means having a fair share or receiving a deserved portion. Notably, the above authors view on equitable share is unarguably different from saying ‘equal share’ which implies that the involved parties are entitled to the same amount or are required to yield the same output (Pauw et al., 2015).

According to data gleaned from National Treasury (n.d.), the notion of equitable share *inter alia* unconditional transfers first came into picture during the 1998/1999 financial year after realising that there is growing levels of poverty among communities. As correctly captured in the White Paper on Local Government (1998), not only does the equitable share addresses the gap between revenue and expenditure on municipalities, it is also helpful in that it allocates financial resources between municipalities on the backdrop of proportion of poor households within municipal jurisdictions. Currently, transfers accounts for 25% of municipal budgets on average, and in poor municipalities (municipalities that have lower revenue bases) transfers can make up to 75% of municipal revenue (South African Local Government Association, 2012: 7).

On the other hand, the objective of conditional transfers as explained by National Treasury (2011) and SALGA 2012 is to capacitate municipalities and support municipal infrastructure investment programmes. Nevertheless, one of the noticeable characteristics of both the transfers is that the method of transferring resources to municipalities is through direct cash on the one hand while on the other, is done through asserts and support services which is done indirectly.

However, one cannot mention conditional transfers without Municipal Infrastructure Grant *hereafter referred to as MIG*. This is because the MIG is regarded as the principal infrastructure transfer programme (Sogoni, 2010), and is administered and facilitated by Cooperative Governance and Traditional Affairs as a national department responsible for municipalities. In 2003/2004 and 2009/2010 financial years, Khan et al. (2016: 99) revealed that the MIG accounted for 54.1 per cent of all infrastructure transfers which led to its actual growth projected to be an average of 21.4% over medium term (National Treasury, 2010).

1.2.2 Contextualisation of Municipal Infrastructure Grants

According Mulenga and Bekker (2015) and Khan et al (2016), the MIG is the principal infrastructure grant made available to municipalities by the Treasury. The intention of the MIG is to render basic infrastructure-related services to underdeveloped and previously marginalised communities in South Africa (COGTA, 2004). This programme was introduced 2 years after the new local government system was ushered in (in the year 2000) with the aim of ensuring that basic services can be provided, and assisting the national government in its challenges of alleviating poverty and creating employment. It is a conditional grant, which aims to clear backlogs in service delivery in poor communities across the country (Hlongwane & Nzimakwe, 2018). Tjebana and Rachidi (2018: 603) added,

> The MIG is a relatively new infrastructure funding arrangement to municipalities replacing all the capital projects that were in existence before. The infrastructure programmes that were in existence prior to the MIG programme were inept, fragmented and managed under different institutions. This fragmentation led to difficulties in accountability and administration of projects.

Accordingly, the MIG remain the largest infrastructure transfer programme which is administered by COGTA. Results indicate that between 2003/2004 and 2009/2010, MIG alone accounted to more than 54 percent of all infrastructure transfers (COGTA, 2015; Khan et al., 2011: 99). According to Tjebana (2018), MIG is underpinned by the following principles:

- Provision of infrastructure for basic services at local level: this means that the MIG is limited to providing basic infrastructure service delivery.

- Improving the lives of the poor: the MIG programme is primarily aimed at improving infrastructure in the previously disadvantaged black communities and specifically for the poor in order for services to reach them.
- Increasing economic benefits: management of the MIG programme must ensure increased beneficiation by the locals from the initiated projects and infrastructure.

Given the above context, MIG is not without problems or challenges. Literature has recorded a number of challenges pertaining MIG from different case studies or municipalities.

1.3 Problem Statement

The unspent conditional grant, particularly the MIG, remains a common problem in South African municipalities. The provinces of KwaZulu-Natal, the Eastern Cape and Limpopo received a large portion of the MIG allocation for the period 2011 to 2016 (National Treasury, 2017). Focusing on Limpopo and, as indicated earlier in the introductory remarks, the COGHSTA (2013) 2012/2013 report on highlighted that MIG funds worth more than 5 million rand was returned to national treasury from Limpopo's 30 municipalities (25 local and 5 districts) for the 2012/2013 financial year mainly because these municipalities failed to spend the allocated funds. Lepelle-Nkumpi Local Municipality was no exception. It is not surprising because this is the same Municipality that received 'qualified audit' statements in the past four financial years (2015/2016; 2016/2017; 2017/2018; 2018/2019) (National Treasury, 2020: Online). The evidence above is partly corroborated in one of the few studies undertaken on the MIG (Tjebana & Rachidi, 2018). The authors revealed that factors that hinder municipalities from spending allocated MIG funds range from lack of capacity to manage MIG projects to political interference in the supply chain processes.

Therefore, by using Lepelle-Nkumpi Municipality as the study's contextual setting, an attempt will be made to contribute new knowledge, and further ascertain some of the findings from literature. In addition, as no research has previously been conducted to identify impediments to unspent MIG funds within Lepelle-Nkumpi Municipality, this research is necessary. For COGTA (2015), under spending of MIG funds by municipalities equates to denying communities basic services and the much-anticipated development from the democratic government.

Therefore, the problem statement of this study is premised on the fact that the inability to spend MIG by South African municipalities deprives communities of basic services. As a result, service delivery is affected in the local sphere of government. The statement thus reads as follow: *the inability to spend MIG funds by Lepelle-Nkumpi Municipality deprives poor communities of basic services*. It is therefore important that the impediments to unspent Municipal Infrastructure Grant funds are identified and possibly addressed. In order to achieve this, the following research questions, purpose and objectives are put forward.

1.4 Research purpose

The purpose of this research is to identify impediments to unspent Municipal Infrastructure Grant funds within South Africa's Lepelle-Nkumpi Local Municipality

1.5 Research objectives

The primary objective of the study is to identify and analyse key impediments relating to unspent Municipal Infrastructure Grant funds within Lepelle-Nkumpi Municipality. The research also intends to:

- establish whether Lepelle-Nkumpi Municipality has the capacity to implement MIG projects;
- understand service delivery implications resulting from unspent MIG funds; and
- proffer possible solutions that will address the question of unspent MIG funds in the Municipality

1.6 Research questions

The primary question in the proposed study will be: *what are the primary impediments of unspent Municipal Infrastructure Grant funds (MIG) within Lepelle-Nkumpi Local Municipality?*

The following will be sub-questions:

- Does Lepelle-Nkumpi Municipality have capacity to implement MIG projects?
- What are the implications of unspent MIG funds in Lepelle – Nkumpi Municipality?
- What can be recommended to address the problem of unspent MIG funds within Lepelle - Nkumpi?

1.7 The Adopted Research Methodology Process

According to Dweba (2017: 418), researchers are obliged, when designing research methods, to clearly outline the analytical path to be followed and the methodological direction, which is informed by objectives of the study and the approach to be adopted in the study. The methodological path that this study followed is briefly summarised in the table below.

Table 1.2 Methodological path

Research method(s)	Qualitative method
Research design	Qualitative case-study design
Research tools	Interview guide
Sampling methods	Purposive sampling
Process of analysis	Content and documentary analysis

Source: Own compilation

A mixture of literature and empirical studies were followed in formulating this study. Whilst the literature study basically covered information collected from various secondary sources such as books, journals, and government publications, the empirical study largely consisted of experiences of participants from the investigation (Quinlan, 2011). The rationale for adopting the methodological process outlined in table 1.1 above is contained in chapter 3 of this study.

1.8 Synopsis of Study Chapters

The study is made up of the following chapters:

Chapter one covered the general introduction and context of the study, problem statement, objectives and questions that guides the study and study significance. This chapter is critical in that, like the current proposal, it provide a general orientation of what the study will look like.

Chapter two is about the evaluation of relevant literature. This included a review of various books, journal articles, government publications, research findings and scholastic outputs on the studied phenomenon, being local government and MIG. It scrutinised previous studies on the subject of MIG and gaps were identified.

Chapter three dealt with the methodological path adopted in the study. The chapter demonstrated rationality behind choices of the researcher for adopting certain methods of collecting data. Most importantly, the chapter dealt with collection of data from participants in the study.

Chapter four deals with presentation and analysis. The intention was to make sense of the data collected and to report on various responses or views of the participants.

Chapter five covered the findings and conclusions as well as recommendations that transpired from the data analysis and interpretation chapter. This is the final chapter of the study.

1.9 Conclusion

This chapter aimed at outlining the general orientation of the study. It did so through a number of headings namely; introduction, context of the study, problem description, research purpose, objectives and questions, the adopted methodological process and synopsis of study chapters. The background in so far as intergovernmental transfers to municipalities in South Africa and Municipal Infrastructure Grant was laid out and this complimented the investigated problem in the study. This chapter was important because it laid out the basic structure of the research report itself and further outlined what is to be expected in terms of the contents and composition of study chapters. The chapter that ensues deals with literature review.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

As asserted in the foregoing chapter, this study consists of two phases, namely (1) literature study and (2) empirical study. This chapter will present the selected literature materials reviewed. Its primary purpose is to research and analyse that which is already known about Municipal Infrastructure Grants, their benefits and the challenges facing municipalities during implementation. This review also includes international lessons on funding of infrastructure development at sub-government levels. That being said, this chapter aims to help the researcher to draw valuable lessons from the existing body of knowledge. Thus, in sampling the relevant literature sources the researcher made use of search engines such as Google scholar, EBSCO, SABINET and other online academic journal databases. Relevant books, government gazetted documentation and many pieces of legislation that impact on MIG as sources of information were visited and carefully analysed. Discussed next is the literature review – the concept itself, its significance and how it assists researchers understand the studied phenomenon.

2.2 Unpacking Literature Review as a Concept

The Literature review has been articulated by various scholars as a data collection method. One of those scholars is Snyder (2019) who explained the literature review as an excellent endeavour by which a researcher synthesises research findings from the existing studies to bring out evidence on a Meta – level and to uncover specific areas in which research is needed. By uncovering areas requiring research, researchers are then able to create and build theoretical frameworks as well as conceptual models. Supporting the above view, Brynard, Harnekom and Brynard (2014: 33 – 35) correctly mention that the literature review is construed as a process whereby researchers collect, critique, evaluate and integrate all relevant information from sources such as books, academic journals and other forms of publications into their research mainly for the purpose of building new methods, solutions, strategies, techniques and theoretical points of departure. Therefore, what can to be deduced from the above view is that the literature review process goes beyond what Brynard et al. (2014: 4) described as “a haphazard compilation of data" or mere collection of information mainly because the process itself demand that researchers read, and read comprehensively, analyse and develop own ideas.

Against this backdrop, and in as far as the significance of conducting a literature review is concerned – it can be deduced that construing research on the existing literature or knowledge is viewed as the key building block to pursuing academic research endeavours. Hence the current study deems it fit to adopt the literature study as one of the data collection methods with the other one being the empirical data collection method. This will allow the researcher to explore what other researchers have found on the same subject [the Municipal Infrastructure Grant]. By so doing, the researcher was able to highlight existing gaps in the present literature thus avoiding possible duplication of research findings. MIG is one among many programs adopted by government in 2003 to assist municipalities deliver their developmental mandates; therefore, its context must be explored and understood. The following section focuses on decentralisation, the umbrella concept within which to denote MIG programme.

2.3 Decentralisation: Understanding Fiscal Decentralisation and Intergovernmental Financial Systems

Decentralization has a large literature base. In different political systems, decentralisation takes on different shapes. A unitary state is typically defined by a single or multi-tiered government in which the central authority has effective control over all government functions. A federal state is a multi-layered framework with autonomous decision-making distributed across government levels. Transfer of powers, according to Grindle (2007), can occur inside formal political systems, administrative or parastatal structures, or from the public to the private sector, or a mix of these. Given the foregoing, it is reasonable to conclude that decentralisation entails the transfer of authority from the central government to lower levels of government, and that the rationale for decentralisation is frequently to democratize service delivery by bringing government closer to the people, as well as a belief that local governance is more effective and well positioned to render services than centralised governance. The focus of this section is on fiscal decentralisation.

2.3.1 Fiscal decentralisation

The devolution of financial powers and activities to lower levels of government is referred to as fiscal decentralisation. According to Kessy (2013), whether financial revenue is raised locally or consists of transfers, the system of control and dissemination of financial revenue is a basic component of fiscal decentralisation. The allocation of fiscal duties and the interactions that result between the national and lesser governments (e.g., provinces and municipalities) are referred to as fiscal decentralisation (Kee, 2003).

The devolution of financial powers to lower levels of government reduces central government control over public spending. It involves the central government delegating powers to local authorities to make independent decisions on revenue collection strategies and spending decisions. With this autonomy comes local responsibility, such as covering costs through user fees and property taxes. For Aotes (1999), fiscal decentralization can empower locally elected officials to raise and spend their own revenues. In some cases, local government is given significant tax powers and the freedom to determine the scope of public service delivery (Kaburu, 2013). The argument supports unlimited tax autonomy as local government capacity is maximized. However, such autonomy is rare in practice, particularly in developing countries, as the main government tends to control tax rates in the interests of macroeconomic stability.

2.3.2 Intergovernmental Fiscal Systems

This system was formally introduced in 1986 and as the literature reveals (Khan et al. 2016:202 – 204), considerable progress was made in so far as basic service delivery and other development imperatives are concerned. Under the new system, three main components of government were set up and these included (i) political decentralisation which has been achieved through the system of Local Councils, (ii) administrative decentralisation which is visibly implemented through the formation of a non-subordinated and locally answerable local administrative system, and lastly (iii) financial decentralisation.

The South African (S.A.) National Treasury (2010) believes that the system of transfers to municipalities is intended to assist in eradicating or reducing poverty levels and firming up the municipalities' individual capacity to deal with service delivery backlog. The national transfers support municipal spending that should be self-funded through service charges and local taxes to support economic progression. Accordingly, the National Treasury identified three roles that transfer programmes play, these are:

- to address the structural inconsistencies between the revenue available to municipalities and the spending roles assigned to them;
- Supporting national or macroeconomic priorities as outlined in various sectoral policies, these focused on providing sustained access to services;
- Incentivize better governance practices and build local governance capacity within an effective fiscal framework (National Treasury, 2017a)

2.4 International and Regional Experiences on Government Funding for Infrastructure at the Local Level

2.4.1 Developed countries

2.4.1.1 Canada

The literature shows that Canada is not much different from other countries that facilitate development and service delivery through grant systems. In 2000, the Canadian federal government established the infrastructure development programme called Infrastructure Canada Program (ICP) with the aim to develop urban and rural infrastructure (Mehiriz & Marceau, 2013:76), and the primary goal was to advance the value or quality of life of the Canadians (Matabane, 2017). According to the Canadian government (2010 cited in Matabane, 2017), this grant receives over $2.65 billion annually. Funding allocation often is subjected to time frames within which States (provinces) and territories (local authorities) are expected to have expended the funds. In allocating the funds, the federal government applies a pre-determined formula that usually takes into account the population and the unemployment rate within a given area (Mehiriz & Marceau, 2013:78). If such procedure is to be followed in South Africa it would mean that more allocations to the program are directed to the local municipalities that are largely disadvantaged than the advanced urban municipalities. Accordingly, this also suggests that the bias of the above indicated formula towards large population among territories.

2.4.1.2 United State of America

In the USA, funds are allocated via the federal grant to states and regional authorities mainly with the intention to improve economic viability within own jurisdictions. According to Long (2014), there are three categories of federal grants, namely categorical, block grants and broad or general revenue sharing. South Africa's MIG is typical example of a categorical grant – a grant due to similarities on their part of mission and some operational aspects (Congregational Research Service, CRS 2019: 2). Pagan and Perry (2008) added that this kind of grant systems usually allows the state and regions fluctuating gradations of firmness especially around utilisation of grant funds. This is mainly because the federal administrator has high degree of control over the grant.

Furthermore, Long (2014) observed that, to a considerable extent, the federal law makers often extend the intergovernmental grants to gain support from the states and local government. The expectation is that the state and local government will be more reluctant to reject some federal policy proposal as they get funding from the federal government. Such grants may therefore be useful to foster coherent policy implementation at the state and regional tiers simply on the basis that achieving such policy in a single headed programme could be difficult.

2.4.1.3 Australia

In Australia, the Australian Community Development Grant (ACDG) programme was established in 2013 with the aim to support infrastructure development within sub – governments (Australian Government, 2014: 4). The administration of this grant is facilitated by the central government and is not a competitive grant. What this means is that based on its own identification criteria the Australian government gets to decide which project is to be funded through the ACDG. This is similar to the USA's categorical grant and South Africa's MIG program. This is particularly so because the nature of the grant is such that it does provide for continuous or on-going operational costs of the sub – governments or any other maintenance costs except for infrastructure development programmes (Matabane, 2017: 18). Data collected from the Australian Government (2014) shows that the ACDG is relatively a new program and that it only started to be implemented in the 2013 – 2014 financial year (Carter, 2013). It is also relatable to South

Africa’s MIG in a sense that the funds come with specific intentions and flows directly from central government. However, a crucial lesson learnt from the above literature is the ACDG programme can also be used to promote security of the local economies as juxtaposed to just providing bulk infrastructure development or service delivery programmes. This lesson can be used to review the mission and scope of MIG and to further check if it cannot be positioned to provide security of local economies like the Australian ACDG.

2.4.2 Developing Countries

2.4.2.1 India

India is the second populous nation – with the population of more than 1.2 billion, second only to that of China (World Bank India [WBI], 2020: Online). One of the common governance features between India and South Africa is that local government in both countries functions on the decentralised governance system. A study by Chattopadhyay (2015:60) revealed that municipal authorities in India otherwise known as Urban Local Bodies (ULB) have a limited revenue base; therefore, they cannot do much in terms of infrastructure without transfers from upper governments. In 2005, the India government adopted Jawaharlal Nehru National Urban Renewal Mission (JNNUR) for purposes of pursuing urban reforms and fast-tracking development in the jurisdictions of ULBs. This is a funding programme and it is conditional in nature (Chattopadhyay, 2015:56). The vision of JNNUR is relatable to that of MIG whilst the ULB shares similar challenges to municipalities in South Africa, especially on the ground that they cannot sufficiently fulfil service delivery mandates on their own – depending heavily on intergovernmental transfers from central government. However, the difference between MIG and JNNUR could be that the latter’s focus is largely to pursue urban reforms while the other caters for both urban and rural development.

2.4.2.2 Uganda

Uganda is one of many African States that, immediately after achieving independence, has adopted a decentralised governance system. This system was formally introduced in 1986 and as the literature reveals (Khan et al. 2016:202 – 204), considerable progress was made in so far as basic service delivery and other development imperatives are concerned. Under the new system, three main components of government were set up and these included (i) political decentralisation which has been achieved through the system of Local Councils, (ii) administrative decentralisation which is visibly implemented through the formation of a non-subordinated and locally answerable local administrative system, and lastly (iii) financial decentralisation.

For Uganda to realise financial decentralisation, the unconditional block grants system which is administered at a central level and locally determined budgets were pursued in 1994 (Villadsen & Lubanga, 1996: 61). This follows the 1993 Local Government and the District Review report cited in Khan et al. (2016: 202) which hinted the need for local authorities to be funded on service delivery and rural development programmes as the new system implied that they no longer function as agents of central government but as separate tiers of government with powers and capacity to administer resources within own jurisdictions. This however does not assert municipalities as an autonomous local entity.

A study by Haxha (Undated: Online), commissioned by USAID shows that, while the need for conditional grants used to fund some crucial decentralised services have increased considerably over the years, the unconditional grants remained unchanged thus affecting local revenue generation which in turn posted dismal performances. Decentralised services as pointed in the Uganda's Resistance Councils Statutes of 1987 include among others: assisting police and chiefs in the maintenance of law and order; provision of water, roads and security within defined areas of operations; and inspire, support and participate in self-help projects and mobilise people, and technical assistance. In addition, Khan *et al* (2016) revealed that the grant was still not enough. As a result, Uganda resorted to finance service delivery and infrastructure via the Public Private Partnerships which tend to bare greater productivity, additional cloistered investment, strengthened district local governments and higher growth. The primary example in that regard is the USAID which initiated a grant program called 'Strengthening Decentralisation for Sustainability (SDS)' worth around $54.9 million which implemented on a six-year timeframe. Essentially, the grant's primary objective is to empower local governments (35 partner districts and sub –

county local governments) in order to advance quality service delivery (Haxha, Undated: Online).

This literature reviews showed that all the selected countries (both developing and developed) have decentralised their systems with the central government responsible for dispensing various resources to the sub-national institutions. It is also noticeable that through funding of infrastructure and service delivery the central government's socio-economic and poverty alleviation plans are broadly reflected in the budgets of sub – governments particularly the local governments. This is also considered as strategy in USA and Canada for example, to foster vibrant intergovernmental relations which sees the sub – states respecting and valuing the federal government. To this end, it is safe to indicate that the implementation of grants in the selected countries indicates that South African MIG programme is not something new within the public policy environment and the practice of public administration in general. Below, the undergirding conceptual framework of the study is discussed.

2.5 The conceptual framework

From the United Nations Development Programme's (UNDP) (2009) perspective, Decentralised Governance for Development comprises empowering of lower levels of government to ensure that local people take part in, and benefit from, their own governance structures and development services. Decentralised Governance for Development (DGD) is the focus of the decentralisation from higher levels of government to local level. The United Nations Development Programme (2009) suggests that decentralisation is a key area of democratic governance being the cornerstone for societal development and Millennium Development Goals (MDG), with a view to empowering all levels of society and providing services for and to the people.

The arguments for lack of capacity, fragmentation of services and standards as reasons for not devolving powers, particularly financial powers to municipalities in the local sphere are overstated with little substantive insight in terms of democratic and representative governance (Tshamano, Shopola and Mukonza, 2021). Thus, considering that the devolution of powers to local government is to empower and develop representative governance, the rationale is providing services where needed most. The subsequent movement towards devolution is to improve service delivery, cost efficiencies and increased capacity and productivity at local level. Devolved governance creates the opportunity to improve local governance and positive externalities for national governance. As argued by Oakely (1995) and Mohan (2001), no matter what terms are used, whether it is devolution, decentralisation or assignment of powers and functions to the local sphere, it effectively means that the rationale is:

- Representative and democratic governance;
- Effective decision-making;
- Service provision to benefit the local citizenry;
- Building local capacity and capability; and
- Cost efficiency in service delivery.

The aforementioned rationale will be considered in this study to look at municipalities in the local sphere of government apply their assigned powers and implement service delivery aspirations of the national government through the grant system. It must be emphasised that the aim of local government and local governance is to ensure a functioning city, district, town, or region with decent living conditions supported by economic development. This means that citizens should expect acceptable levels of income and good local service delivery.

The conceptual framework adopted is the Devolved Governance for Development. The framework encompasses the aspect of fiscal decentralisation which is crucial for supporting local governments in fostering community development and providing sustainable services to the people. It is through fiscal decentralisation and intergovernmental fiscal relations frameworks adopted by governments that makes provisions such as MIG programme to occur, hence the adoption of the DGD in this study.

2.6 South African Experience with the Municipal Infrastructure Grant

In almost all the reviewed studies on the MIG, and these include for example Sogoni (2010), Khan et al. (2016) and Tjebana and Rachidi (2018), there seems to be an agreement that this type of programme is an important funding mechanism for almost all municipal services which include basics such as electricity, water, road, housing and recreation. Prior the 2013 decision by Cabinet to centralise administration of these programmes in the hands of COGTA, the above MIG programmes were administered by individual departments including all other departments responsible for infrastructure (MIG Booklet, 2004; Tjebana, 2018: 603).

2.6.1 Factors that affect municipal spending of Municipal Infrastructure Grant funds

A study by Maake (2017: 25) which looked into the causes of unspent MIG allocations in two local municipalities within Capricorn District Municipality found that municipalities lack capacity to handle finance and projects. The author stated that “Municipalities needs to be capacitated in order for them to be able to handle municipal finances and projects. They should be financially capacitated and have human capital” (Maake, 2017: 25).

Capacity, especially institutional capacity, to implement MIG programmes has been a problem in most rural based municipalities. A study carried out by FFC in 2012 attributed non – performance of municipalities and unspent MIG funds to capacity constraints, pointing that most municipalities have been functioning without Chief Financial Officers, Project Managers and other critical skills thus affecting service delivery and project implementation (FFC, 2012: 2).

In light of DPLG (2007)’s suggestion on highly-qualified? personnel required for MIG implementation, a municipality is bound to fail if, upon being identified as MIG recipient, does not have some of the following key personnel; project manager, engineering team, technical personnel, CFO, legal team, administrative personnel etc. These personnel should form part of PMU (Breetzke, 2009). Despite the above view, additional capacity constraints identified by FFC (2012: 2) included inappropriate staffing, poor institutional design, low staff morale, poor accountability, lack of clarity in governmental roles and responsibilities, and skills deficits.

2.7 Sound Financial Management Practices for Successful Implementation of MIG

It is accepted that almost all policies in municipal administration or municipal service delivery objectives can only be realised through the spending of money. Sound financial management systems are therefore of paramount importance. Echoing the need for sound financial management systems, Nkuna and Sebola in Moeti (2014: 151) added that “the manner in which municipalities go about managing their finances will determine, to a larger extent, if and how objectives and mandates will be achieved”. Financial management system is provided for in the MFMA (2003). Despite the Act forming an integral facet of the larger and broader reform ever introduced within South African local government system, it essentially seeks to modernise not only budgetary but accounting and financial management practices as well (Kopung 2017: 73), and the main goal is one; that is, to deliver services to communities.

Judging from the Auditor Generals' reports, one could say that local authorities in South Africa still face a cloud of challenges when it comes to financial management. The 2018/2019 AGs report shows that fewer than 10 municipalities nationwide managed to get a clean audit, while the rest received qualifying reports. In 2012, a study commissioned by the National Treasury uncovered a number of negative indicators of distress, ranging from high numbers of creditors and debtors to negative cash balances, reckless spending of operating budgets, and underspending of capital budgets. Corroborating the above findings from legal bodies, Schoeman (2011:3-4) and Momoniat (2001:2) summarised short comings associated to the local government finances as follows:

- Allowing municipalities to be increasingly dependent on national government transfers. This is mostly caused by lack of sufficient revenue base.
- The unsettled debtors of the municipalities.
- The actual expenditures of all categories of municipalities have increased by 13.3% annually. This rise far exceeded the rate of inflation and represents a sharp increase in real spending.

Judging from the number of service delivery dissents that occur on a regular basis, Deloitte (2012) described the state of local government finance in South Africa as chaotic. The latter made reference to National Treasury (2011) report which found that 66 of 278 municipalities are in financial distress owing to poor service delivery provision. It is clear from Deloitte' study that lack of a sound financial system leads to a chaotic environment where municipal operations frustrate customers.

2.8 The Significance of Sound Project Management Practices in MIG

According to the Municipal Infrastructure Support Agency's [MISA] Annual Report (2013:24), implementation of MIG requires strong and effective project management approach. This is because, when MIG was established in 2003, there was no proper process and project management plan put to ensure coordination between the spheres of government. Each national department had its own mechanisms to monitor implementation of MIG funds allocated to municipalities and this resulted in departments working in silos, fragmented and uncoordinated manner and reporting to national government was done haphazardly. The introduction of project management units (PMU) as critical tool to the implementation of MIGs will be discussed later in this section. The next paragraphs are an attempt to layout an understanding of what project management is and how its application differs according to context (public and private).

In government institutions, Van Der Waldt (2011) explained that policies [statement of intent] and services programmes are realised by means of projects. In other words, projects and project management are used as vehicle to put into action or rather operationalise policy programmes and service delivery strategic objectives. Hence in local government, the third phase of IDP require managers to develop projects content. These will usually include details of each identified project, intended beneficiaries, costs, start and completion data as well as management issues (see Polokwane Municipality IDP, 2016 – 2021).

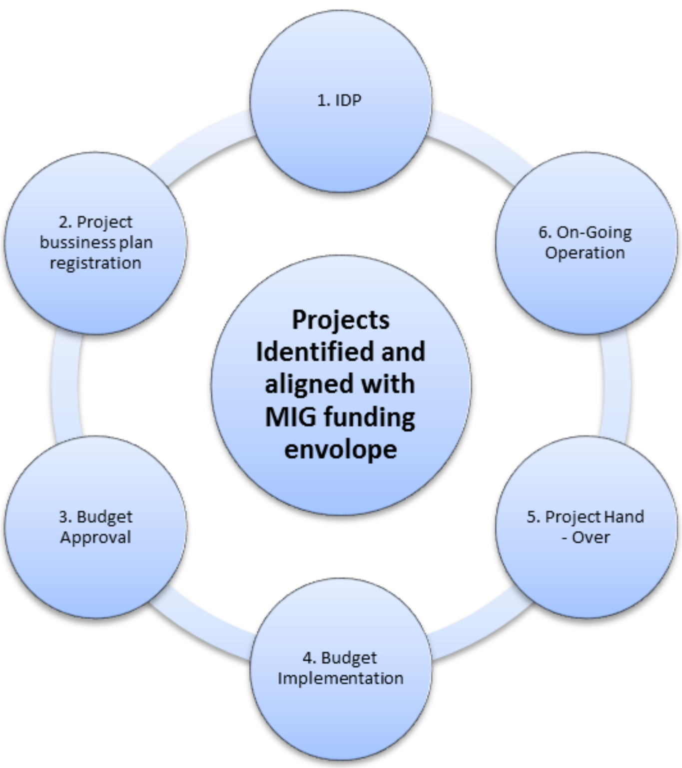
Project management in public sector differs significantly with the one in private sector. Waldt (2011:68) commented on the difference between project management as undertaken within private and public sectors, mentioning that such a assessment between the latter should take into account differences in the demographics involved, type and nature of dispensation, ideology and philosophy of a state. However, what distinguishes the two mostly is that the private sector believes in profit; in other words, it is profit orientated while the public service delivery orientated; meaning that its goals can only be measured by the extent to which people receive basic needs.

Furthermore, Van Der Waldt (2011: 80) revealed that “Government extension” as developed by PMI is deemed important as it addresses different practices in the public sector. In that regard, three areas that can be detrimental in one way or another to public sector; these are,

- The scope and multiplicity of government entities and their projects;
- The duties of the project management team to aid as overseers of public interest (Van Der Waldt, 2011: 80).

Furthermore, other scholars have correctly argued that the notion of project management cannot be completely understood without a project life-circle (Crawford & Bryce, 2003:363). Below is a typical project life circle that is inclusive of MIG projects in municipalities.

Figure 2.1 Overview of project life - circle



Source: DPLG *now known as (COGTA)* (2004a)

In the past, coordination as a key factor in the implementation of infrastructure development programmes in municipalities was not clear. Projects were implemented in a disjointed and clumsy manner by different departments. The model above represents a project life-circle that takes into account the question of community and stakeholder involvement and awareness. The inclusion of IDP as the first step of the project suggests that both municipal stakeholders such as provincial departments and the community aught be kept informed of what is happening during the course of the implemented project.

Despite the foregoing, reviews of the literature indicate that there are instances in other industries where project management approaches cross pollinate and if such happens, people leading the projects resorts to use the approach called 'Logical Framework Approach (LFA)' (Crawford & Bryce, 2003:364). As the instrument that has occurred as closest to being the support, LFA is extensively utilised as a planning and appraisal tool.

2.9 Conclusion

This chapter sought to identify and analyse literature on infrastructure program funding and community service delivery and related intergovernmental fiscal relations models. These included how decentralisation in relation to fiscal relations is currently implemented in other countries. Lessons from various countries, both developed and developing, were sought. Literature also revealed that despite an ample legislative framework guiding implementation of the MIG, municipalities are still failing to spend allocated funds owing to unfinished projects and are over – or under – expenditure. The problem is attributed to many factors including lack of skills, poor management of supply chain processes, and lack of support from upper government.

Apart from introduction, this chapter consisted of nine important topics namely; understanding literature review as a concept, contextualisation of the local sphere of government and funding of infrastructure development projects and service delivery in South Africa, international and regional experiences on government funding of infrastructure and service delivery at local level, South African experience on MIG, sound financial management for successful implementation of MIG, the significance of project management practices, guiding legislative framework for MIG, and this conclusion. The next chapter deals with research methods.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

As Creswell (2014) asserted, research methodology entails the way in which research investigation ensues. This explains the purpose of the present chapter, which is to outline the type of methods this study used and how the goals were advanced. Schwandt (2007) mentioned that the researcher should be able to detail in the form of explanations the rationale behind choosing certain methods. Against this backdrop, the current study made use of qualitative research methods. The qualitative methods together with the chosen paradigms, tools used in collecting data and ways of analysis are discussed herein. Crucially, as guided by Brynard et al. (2014), the qualitative approach was utilised to gather the descriptive data from the participants within Lepelle-Nkumpi Municipality. The researcher, in choosing the [qualitative] research methodology, also aligned this study to Kumar's (2005:20) view that the topic of the research study should be the determinant factor on the type of methodology to be utilised in any research study. This study's topic is 'impediments to the spending of the Municipal Infrastructure Grant: The case of Lepelle-Nkumpi Municipality'. Therefore, the employed methodological approach in this research also follows Atieno (2009), who contends that a qualitative study is a proper response to specific, but not all, research needs. Hence in the chapter before this one the researcher, in an attempt to validate data collection techniques, resorted to secondary sources of information.

3.2 The Use of Qualitative Research Methodology in the Study

As indicated by Brynard et al. (2014:37), there are two distinguishable methodologies in scientific research, namely, qualitative and quantitative methods. These two methods are inherently different from one another and their differences will be provided in detail in the sections below. That being said, it suffices to mention that, while a qualitative methodology does not typically provide the researcher with step-by-step instructions or a fixed recipe to follow, a quantitative methodology typically dictates the researcher's decisions and actions (De Vos, Strydom, Fouché & Delport, 2011:269). This section elaborates on how qualitative research was applied in the study.

Qualitative research focuses on generating meaning and understanding through rich descriptions (De Vos et al, 2011; Brynard et al 2014). Brynard et al (2014) hinted that qualitative research can be a useful method towards studying educational programmes that requires developing and understanding of complex social context and the meaning that the people within those contexts or environments bring to their experience. Accordingly, it differs from its counterpart methodology 'quantitative' in many ways. It typically addresses different problems that emanates from different philosophical world view. As clearly outlined in Xavier University Library (2019: Online), whereas qualitative focusses on the meaning of experiences, quantitative focuses on the quantity, frequency and magnitude basically asking questions such as how much, how many or how frequent.

In light of the information above, this study chose to employ qualitative research methodology. The rationale was that the study required one to engage officials within Lepelle-Nkumpi Municipality so that the studied phenomenon could be properly understood. Understanding that the challenges experienced by municipalities during implementation of MIG funds differs from one municipality to the other, an undertaking of this nature (qualitative) is necessary to avoid prediction and generalisation of results. Apart from the above context, the chosen methodology has allowed the researcher to capture through one-on-one interaction – the opinions and experiences of officials with regard to the implementation of MIG. The intention was to gain insights from the Lepelle-Nkumpi Municipality on the impediments to the spending of MIG funds.

3.3 Research Design

According to Leavy (2017:8) a research design is the overall plan or structure involved in building the research project. Research design provides a particular direction for research procedures (Akhtar, 2016: 68). The importance of research design, therefore, is to translate a research problem into data which has to be analysed to provide relevant answers to research questions. As guided by Akhtar (2016:75), this study has adopted explorative, descriptive and case – study research designs to identify and analyse impediments to the spending of MIG in Lepelle-Nkumpi Municipality. The exploratory design was employed with the understanding that impediments to MIG, much as they appeared in the existing studies, differed according to a particular context in which MIG funds are administered. Thus, it was important that the current research explores the subject from the officials or participants from Lepelle – Nkumpi. For similar reasons mentioned above, the Lepelle-Nkumpi municipality was also used as a case study and the researcher was able to describe obstacles to MIG as expressed by the selected officials in the municipality.

3.4 Research Approach

Burney (2008: 6) states that “research can be conducted in diverse ways and includes both theoretical and methodological approaches”. While theoretical approach may consist of inductive or deductive approaches, associated methodologies can either be qualitative or quantitative. This assertion is supported by Leedy and Ormrod (2014:17) that these (inductive and deductive) are regarded as the two generic theoretical research approaches. They are discussed below in detail:

- **Deductive research approach**

This research approach is based on reasoning. It uses reasoning to accept events or events that claim to be facts. Contrary to this approach, the inductive approach tends to comprehend hypotheses to elucidate or clarify a particular problem or a solution in that regard (Grix, 2004).

- **Inductive research approach**

The focus in this approach is on the lived experience shared by people and draws conclusion on based on that. As opposed to deductive, researchers using inductive reasoning has to do with the setting in which the activities are taking place (Leedy & Ormrod, 2014; Burney, 2008: 6).

Based on the above, the current study made use of inductive research approach. The approach was chosen on the ground that it is linked to the adopted research methods (qualitative) and that it allowed the researcher to find out from the officials in Lepelle-Nkumpi Municipality how MIG funds are expended and related problems around not spending of such funds. Inductive approach was also important in that the researcher was present during data collection and probing questions were asked were necessary to get deeper understanding of context. Further, it also be understood that inductive approach complements the data collection instruments employed in the study (semi – structured interviews) and it is largely for this reason that the researcher was able to collect relevant data and gain deeper understanding of the study topic.

3.6 Population and Sampling

3.6.1 Population

According to Creswell (2014) is population a total number of subjects in the scientific enquiry. For this research, population consisted of the entire Municipality, however, selection of participants was done on the basis of their availability and the fact that they are employed in Lepelle-Nkumpi Municipality and that they are directly involved in the implementation of MIG in the Municipality. A total number of 10) participants was selected and comprised of Office of the Municipal Manager, Mayor, Project Management Unit, Supply Chain Management Unit, and IDP staff and a Mayoral Committee member appointed to the Community Services Portfolio.

3.6.2 Sampling

The sampling method used to select the said participants was 'purposive sampling'. In qualitative research, purposive sampling aims to deepen understanding of a larger process, relationship or a social setting, and that the people to be studied are selected based on their relevance to the topic rather than their numerical representativeness of the population (Neuman, 2011). Saunders et al. (2007) explained that purposive sampling method involves set of objects that a researcher believes best represent the population. Balnaves and Caputi (2001) added that, a good sampling method such as purposive reduces the chances of the researcher picking wrong people or unit of analysis for study. Furthermore, participants in this study were chosen on the ground of the position held and in terms of how that position is perceived to be relating with the study topic. In addition, an inclusion criterion is based on the following:

- Only officials responsible for planning, implementation and monitoring of Municipal Infrastructure Grant within Lepelle-Nkumpi Municipality.

Exclusion criteria

- All officials within the Municipality that are not tasked to plan, manage or oversee implementation of MIG i.e. officials in the tax and rates Unit, Auditing and municipal consultants.

3.7 Data Collection

This study collected data from two sources of data namely, primary and secondary sources of data.

3.7.1 Primary source

According to Quinlan (2011:242), primary data sources provide first-hand knowledge of the past events. Primary data collection is convenient, realistic and clear and includes collecting methods such as interviews and questionnaires. In this study, the researcher will obtain primary data from participants through interviews, and government published documents such as IDPs, National Treasury documents and legislations, journal articles and research on the topic have constituted secondary data.

3.7.2 Secondary source

Secondary sources are defined as the existing information such as academic journals, textbooks and the websites. Secondary data sources were used to gain insights on the information around MIG (Farlex, 2012). In this study, as already highlighted in the foregoing paragraph, this included information from published government reports, legislations and relevant academic sources.

3.8 Data Collection Instruments

Interview guide was used as the main data collection instrument. By selecting the interview as data collection instruments, key data was obtained from officials who are assumed to have it and, this enabled the researcher able to find out the actual feelings of key informants through both their verbal and non –verbal communication during the interviews.

Furthermore, Interview is a useful method as it allowed the researcher to ask probing and clarifying questions. In this study, the researcher collected data using semi-structured interview, asking central questions like “What do you understand about the MIG and what do you thin contributes to the under – spending of MIG funds in your Municipality?” The interview was conducted in a quiet room and it lasted 25-30 minutes with all participants. The researcher also took field notes while recording with audio recorder. This is because a researcher may not be able to write down everything that a respondent says during an interview, hence through an audiotape or videotape recording the researcher is able to listen to the information over and over again during the reporting and analysis stage (Flick, 2007:93).

Keeping in line with current developments around Covid-19 pandemic, the research also ensured that all necessary protocols are followed as the interviews were conducted physically. The following measures, as encouraged by the national Department of Health (2020: Online) were followed:

- Wearing of masks
- Ensuring there is 1 metre space between the interviewer and interviewee
- Sanitisation, and
- Checking of body temperature (this is usually conducted at the Municipality premise and is compulsory).

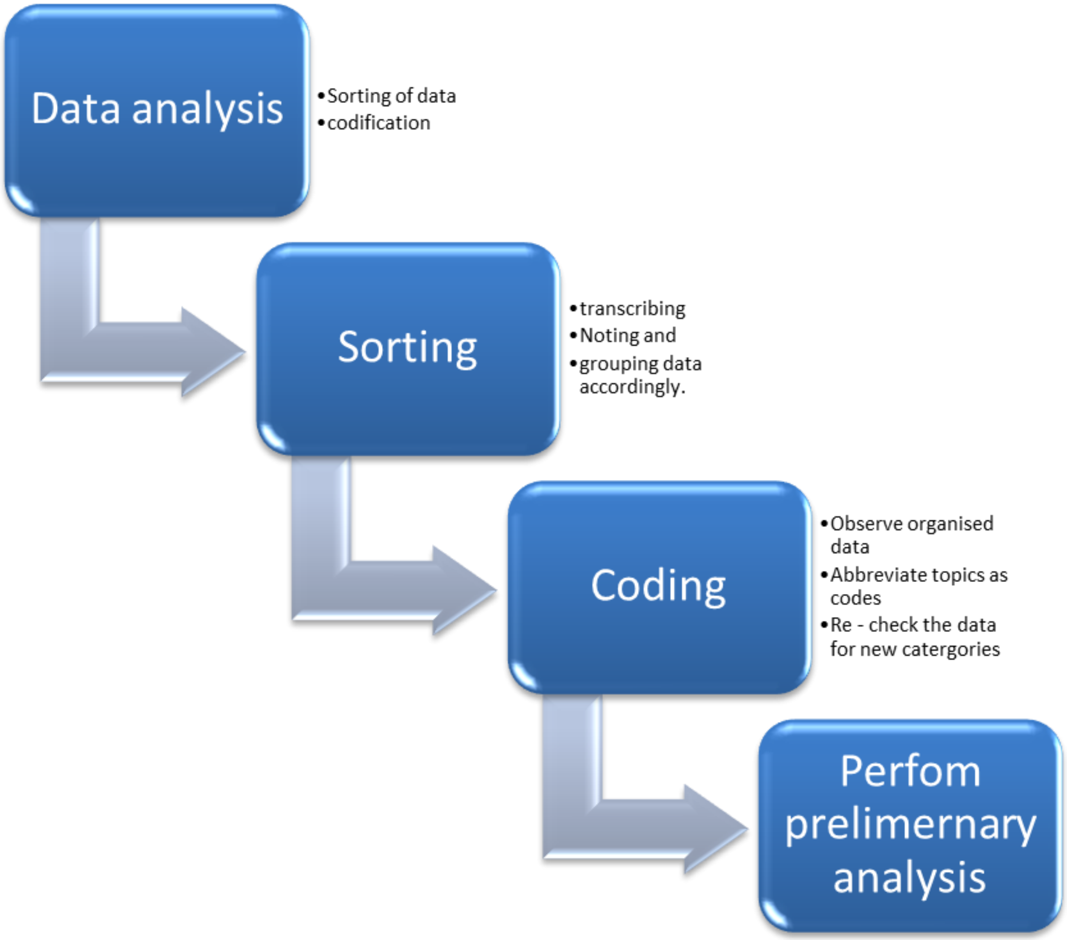
3.8.1 Piloting of research instrument

According to Feeley, Cossete, Cote, Heon, Stremler, Martorella and Purden (2009), there is a need for researchers to pilot data collection instrument in any empirical investigation and this is intended at ascertaining the appropriateness and suitability of the selected research methods. In this study, the interview questionnaire was pre-tested using similar groups of officials from another municipality (Blouberg Municipality, where is the researcher is working as a Councillor). Thus, by piloting the research instruments employed in this study, the researcher was able to identify inadequacies and related shortcomings in the instruments thereby elucidating ambiguous questions prior to final distribution to the actual research participants.

3.9 Data Analysis

Data analysis typically involves two main steps, namely (i) reducing the collected data to a manageable level and (ii) identifying patterns and themes in the collected data (Babooa, 2008:152). Figure 3.1 below illustrates the data analysis process followed in this study.

Figure 3.1 Data analysis process



Source: *Researchers' own compilation with inputs from Theron (2015) and De Vos et al. (2011).*

Based on the above sketch, data collected in this study was reduced, organized with meanings attached, but most importantly the analysis of data was done with the help of *in vivo* coding method for qualitative analysis. As stated by Saldaña (2013) and (Theron, 2015), in vivo is the most preferred method of data coding in qualitative studies. What happens here is that the exact word of the participant serves as code. In light with the figure above, data in this study was transcribed, sorted, codified and analysed accordingly.

3.11 Ethical Consideration

As guided by Burns and Grove (2003:166), ethics means that researchers must have ethical responsibility to protect participants' human right during research. The following ethical aspects were considered in the discourse of this research; permission was sought from Wits University and Lepelle – Nkumpi Municipality; Informed consent was prepared, read and distributed to the participants. The Interview guide was thus submitted to the university's research committee for ensuring that the questions contained are not against the expected standard of questioning. Bertram and Christianson (2014) added that interview guides should be crafted in such a way that the respondents will not feel compromised and uncomfortable. As already alluded to, the interview guide or questionnaire used in the current study was piloted so that obsolete and uncomfortable questions are eliminated.

3.12 Conclusion

This chapter sought to explain the research methodological aspects chosen by the researcher. The research methodological process was achieved through typical headings such as research approach (qualitative and quantitative), research design, sources of information, research instruments (interviews), validity and reliability. In this chapter, the rationale behind choosing interview as an instrument of data collection was explained. One of the reasons was that it enabled the researcher to ask probing questions regarding MIG in Lepelle-Nkumpi Municipality and saturation was reached. Drawing from the current chapter, the ensuing chapter four deals with data interpretation and analysis. Thus, it is safe to conclude that this chapter laid a ground for chapter four and is going to be instrumental to the coming chapters.

CHAPTER 4: PRESENTATION OF DATA AND ANALYSIS

4.1 Introduction

The primary focus of this chapter is to analyse the collected data. Unlike chapter two, which focused on secondary or theoretical information gleaned from various sources, including books, journals and government policy, this chapter consists of primary data collected from the selected participants. In other words, the data presented herein reflects the actual experiences of the Lepelle-Nkumpi Municipality officials on the subject this research enquired on, namely the impediments to the spending of the MIG funds in the municipality.

4.2 Data collection experience

The researcher received institutional approval from Lepelle-Nkumpi Municipality to interview the officials from different units and political office-bearers who formed part of the 2016 – 2021 Municipal Council. Interviews with the selected participants were conducted between April and September 2021. The interviewees also signed consent forms that were distributed via email. The consent form was accompanied by both the interview questionnaire and the municipality approval letter. Ten interview questionnaires were distributed and only eight interviews were secured. The two outstanding interviewees cited a tight work schedule and hospitalisation as a result Covid-19 as reasons for not participating. In addition, unplanned postponements were also experienced in the month of June and August due to positive cases of Covid-19 that were identified within the municipal premises, and this led to delays in collecting data.

4.3 Profiling of the research participants

4.3.1 Participants' profile per gender

Gender	Number of participants
Male	5
Female	3

Source: Researcher’s own compilation

The table above represents the participants’ profiling in terms of their gender. Three out of the eight participants were women while five were men. Although gender proportion has no bearing on this study, the outcome of this profiling is consistent with the municipality’s organogram, which shows that gender inequality remains high among employees, with a ratio of 3:1 of men against women (Lepelle-Nkumpi Municipality Organogram, 2020: Unpublished). These proportions are also inconsistent with the objectives of that country’s Employment Equity Act (55 of 1998), which advocates for fair representations of the special groups in workplaces. In light of this, there is a need for Lepelle-Nkumpi Municipality to consider the question of gender proportionality in their recruitment and hiring processes.

4.3.2 Participant profiling per age group

Most participants were relatively old, with six ranging from 45 to 55 years old and two below 35. If anything, this finding is consistent with the Stats SA (2020) results, which show that the most employees of Lepelle-Nkumpi Municipality are relatively old, yet most youth people are still seeking employment. Based on this reflection, it is important that young skilled people are brought into the labour force, as they come with fresh ideas and much-needed potential. Nonetheless, it is equally crucial to point out that these findings do not necessarily have a direct bearing on the outcomes of this research, as the intention was not to draw conclusion on numbers or age varieties, but on the experiences of the participants on the implementation of MIG in the municipality.

4.3.3 Participant profiling per academic qualifications

This information has a direct implication on the outcomes of this study, and it aligned to the question on how MIG is understood in the municipality. The outcomes show that six participants were in possession of university degrees that complimented their positions, and two had post-school qualifications obtained from colleges. Four out of the six have completed their postgraduate qualifications (honors and masters). Overall, it can be said that the participants are fairly learned and are academically qualified to serve in the positions they are holding in the municipality.

4.3.4 Participant profiling per years of experience in the municipality

Of the eight participants interviewed, only three had been working in their current positions for less than five years. The other five had over five years' working experience in their present posts. However, through interactions with the participants, it was noted that all the participants had more than five years' experience working in a municipal environment. This demonstrates that their knowledge of the democratic local government dispensation is extensive.

4.4 Presentation and discussion of key findings from empirical research

The information contained in this section was directly gleaned from the participants in Lepelle-Nkumpi Municipality. The aim of this section is thus to present and dissect the outcomes of the interactions with the officials. As explained previously in Chapter 3, a qualitative case-study research design was followed and the process of analysing data was such that data was recorded, transcribed, sorted, arranged and re-arranged and themes identified. As a result, five main themes emanated from the transcribed data in line with section B of the data collection instrument. These themes are summarised in table 4.4.1.

Table 4.4.1 A sample of themes and descriptors (codes) generated from data

Themes	**Descriptors or codes**
1. Knowledge on Municipal Infrastructure Grant	• MIG as a supporting tool for improved service delivery in municipalities • MIG as a policy-coordinating tool between spheres of government
2. Impediments to the spending of MIG funds	• Delays in supply chain processes • Lack of forward planning

	• Political instability • Community unrest
3. On the capacity to implement MIG projects	• Continuous training on MIG programmes • Capacity of the service providers
4. New revenue generation strategies needed to satisfy the needs on the communities	• The need to enhance municipal maintenance costs • Transfer of functions by province to municipalities
5. Systems to monitor MIG	• The need to adhere to plans set out in the Service Delivery Budget and Implementation Plan • Continuous monitoring and updating of project management policy

Source: Researcher's own compilation (2021)

The above indicated themes are explained in detail below. Also, for purposes of protecting identities of the participants, the researcher used codes in the form of alphabets and numbers (Participant LNM 1 to 8) to describe the officials.

4.4.1 Theme 1: Knowledge on municipal infrastructure grant

The participants were asked to share their views on what they understand about MIG. The question was, what do you understand about MIG? The objective was to establish knowledge of the participants on the subject matter. The participants' views are presented below.

One female participant (Participant LNM 1) commented that

> *"MIG is the grant that we get from COGHSTA [meaning COGTA national] wherein it assists municipalities in projects… in funding the projects that they are having in*

> *municipality and it is conditional, you can't use it for anything except for service delivery and also for the projects that you have submitted the plan for*".

Participant LNM 5 referred to MIG as a "*a grant that is provided to municipalities for … for your service delivery for basic services that is required by the local communities*". Another participant (Participant LNM 8) understood MIG to mean a grant that the national government "*provides to municipalities to achieve policy coordination between the spheres of government… you must understand for municipalities to deliver government promises … especially the ones captured in the national development plan they must be supported and MIG is one of the supporting grant to realise national objectives*".

Based on the above, it can be said that the understanding MIG by officials in Lepelle-Nkumpi is correct. Two perceptions can be noted, one which has to do with MIG as a supporting tool between the spheres of government, and the other that views MIG as a policy coordination instrument. The latter understanding of MIG is likened by Long (2014) to the United States' categorical grant wherein it is stated that the one of the federal law makers' intentions for providing this type of a grant is to gain support from the states and local units in the country. The literature agrees that MIG can also be construed as a supporting mechanism for sub-governments and this drives fiscal decentralisation that most states opted for to achieve national policy goals (Kee, 2003; Keysee, 2013). According to Kaysee (2013), fiscal decentralisation is concerned with the distribution of fiscal responsibilities and the consequent interactions between levels of government. It includes the design of intergovernmental fiscal transfers that will see general revenue shift from nationally collected taxes to local governments and determines the extent to which municipalities may borrow from private financial institutions.

4.4.2 Theme 2: Impediments to the spending of MIG funds in Lepelle-Nkumpi Municipality

This theme came out of the participants' answers in relation to the question, "What do you think are the impediments or challenges to the spending of MIG funds in Lepelle-Nkumpi Municipality?". This was the main research question, and it was asked with the understanding that the reasons and challenges that lead to municipalities not spending MIG funds that are allocated vary significantly. Meanwhile, all the interviewed officials conceded that the municipality is indeed facing challenges when it comes to spending MIG funds. A male participant (Participant LNM 9) who is working as a senior official under the budget unit cautioned against not spending MIG funds properly and underscored that the "*MIG grant constitute 50% of the Capital Budget in Lepelle*". According to the Budget Adjustment Report (2020/2021), the municipality's total capital expenditure in 2020/2021 was R95.9 million. If anything, this indicates how dependent the municipality is on the national government, which also means that the municipality is struggling to collect revenue. This sentiment has direct links to the aim of MIG, which is to assist municipalities to augment their revenue bases in the quest to deliver basic services to communities (MIG, 2004 – 2007: 16).

Participants have referred to the fact that one of the major challenges in meeting the deadlines set out in the MIG conditions is the delays in SCM process. Despite this being a major challenge, there are two slightly different views held by the participants on the issues that could potentially account to delays in SCM. While some believe SCM process can be delayed by issues that have to do with improper contracts and compliance with laws, others held the view that SCM is a regulated process; therefore, it should not be seen as a delay and the pre-planning phase that has to do with the tender specification process are the cause rather than the actual SCM process. Below are the views of the participants as captured from the interviews.

A female participant who is senior manager in the Office of Chief Financial Officer mentioned that

> "For me [referring to Finance Office] to spend MIG funds I have to go through the most competitive bidding process… This process comes with stringent laws and regulations. mostly, the famous one would be that you [have] procured and found later that the contract was irregular. So the results of this is that you will always have to be cautious when evaluating to ensure that … that bid do not become irregular. Then if you don't award that bid because of irregularity it means you will not expend the allocated grant. Much as it the desire of the Municipality to deliver … Irregular expenditure is also not a

desired outcome" (Participant LNM 10, female, senior manager in the Office of the CFO).

Another participant shared that

> "For me, the problem really is not the regulated part of procurement or Supply chain processes. The problem lies in the planning phase where the municipality has to do forward planning in terms of preparing the spec or tender documents which are informed by the design [a process which is not regulated or which can be done anytime] … if we delay in terms of this process, eventually we will delay the procurement process, which takes up to 90 days before finalisation. The pre-planning phase is a problem because it is not regulated and our municipality often encounters problems in designing bid specifications" (Participant LNM 3, Male, Director).

Furthermore, lack of forward planning was identified by most participants as another problem that contributes to the unspent MIG funds in Lepelle-Nkumpi Municipality. Forward planning refers to a process whereby the municipality identifies key possible projects that can be funded through MIG for the next three financial years. The 2019/2020 Lepelle-Nkumpi Special Adjustment Report attest to the fact the municipality had not set priorities for 2019/2020 financial year. Accordingly, the municipality allocated that R 7,5 million from the approved MIG funds to 2021/2022 financial years.

An MIG expenditure plan must be submitted together with funding requests from municipalities (Limpopo Provincial Treasury, 2014: 65). According to some participants, although the realisation of such contingent plans will always depend on some contextual factors and political manifestations, it is prudent and perhaps safer to have them as opposed to not having them. Participant LNM3 also mentioned that "*sometimes the issues of misaligned financial years between the spheres of government is discouraging … you find that our financial year ends at July but theirs end at March and they allocated based on their financial year*".

The majority participants also acknowledged that there is direct and immediate correlation between political instability and the MIG implementation process and is often detrimental to the latter. An unstable political environment always carries a threat to the implementation of community projects. The reviewed literature confirms that a change in political system or leadership can result in a complete reversal of some community policies and performance goals (Khumalo, 2015). According to a male official in the PMU (Participant LNM 7), installation of the new mayor in 2019 meant changes to the existing council committees and membership in the mayoral committee and other internal committees such as Bid Adjudication Committee (BAC). The study found that all directors in Lepelle-Nkumpi Municipality sit on the BAC; therefore, changes in councils might affect all the directors. Also, such changes always pose a threat to the approved project implementation or expenditure calendar or plan.

Moreover, impediments to MIG were also linked to community unrest. Accordingly, community protests that Lepelle-Nkumpi Municipality experienced have reportedly coincided with the implementation of MIG projects because of communities wanting direct benefits. Participant LNM 7, a male official in the Project Management SBU or known as PMU, mentioned that "… it is always a common practice that communities must benefit from the projects that take place in their back yards. Sometimes you will find that … the contractor is reluctant to sub-contract existing contractors in the communities or hire members due to lack of experience. Then, revolts will ensue". Trends show that since 2004, protests grew incredibly across municipalities countrywide (Manyaka, 2018: 56). In 2014, 281 service delivery protests were recorded (Mafolo, 2016: 230; Municipal IQ, Online). Clearly, these requests for services or improved services that are mostly forceful in nature are really about the dissatisfaction of communities with the apparent lack of performance by municipalities in rendering basic services such as the provision of water, sanitation, electricity and waste management (in some instances, there are no services at all).

Taking the above experiences into context, the international literature demonstrates that there are significant differences between developed countries and the developing ones when it comes challenges facing local units (recipients of MIG funds). One visible difference, as pointed out in studies by Kater (2013) and Pegan and Perry (2008), is that in countries like the USA and Australia sub-governments do not necessarily have capacity problems and weak systems to implement nationally or federally funded projects and have not demonstrated total reliance on intergovernmental transfers, yet in developing countries the story is different. In Uganda and India for example, Chattopaddayi (2015) and Khan et al. (2016) found that a common problem with the local units regarding spending of national grant-funded projects and programmes relates to a lack of capacity to handle projects and poor revenue bases. This situation is similar to South Africa. What it means is that even after spending the allocated funds, municipalities will still struggle to maintain such projects due to lack of revenue.

4.4.3 Theme 3: On the capacity to implement MIG projects

This theme focused on the human resources capacity of the municipality to implement MIG projects. Some of the most cited problems in municipalities related to shortage of staff and the needed skills to implement projects (Maake, 2017; IMESA, 2004: 77). Findings show that the municipality has established not only the relevant units responsible for implementing infrastructure projects as per the legal directive in the MFMA (56 of 2003) and Municipal Structure Act (32 of 2000), but have appointed experienced officials to lead those units. Key among these units are the budget office, which is headed by the CFO, the project manager unit, headed by a qualified project manager and senior manager (Director), and the IDP Office. In relation to MIG, participants also indicated that from time to time they attend MIG training workshops organized by the Limpopo COGHSTA and Provincial Treasury. Most of the officials that participated in the study possess the relevant postgraduate qualifications.

The critical and perhaps recurring problem in Lepelle-Nkumpi is its ability to spend the allocated MIG funds fully. The table below shows the spending patterns in Lepelle-Nkumpi Municipality.

Table 4.2 Spending patterns in the municipality (2014 – 2020)

Financial Year	2014/2015	2015/2016	2016/2017	2018/2019	2019/2020
Allocations	16,096,125.00	17,563,156.00	21,807,006.00	25,685,517.00	26,500,719.00
Spent	15,371,043.00	17,312,150.00	20,675,622.00	23,956,760.00	25,673,376.00
Unspent	725,082.00	251,006.00	1,131,384.00	1,728,757.00	827,343.00

Source: Researcher's own compilation (with inputs from Municipal Annual Reports, 2015/2016/2017/2018/2019 & 2020).

According to the table above, from 2015 to 2020, the residents of Lepelle-Nkumpi Municipality have lost over R3 million rand due to unspent allocations. The researcher went as far as adopting one MIG funded project to demonstrate how the municipality goes about spending of its funds from the planning perspective. Below is the illustration.

Table 4.3: MIG-funded project in Ward 23 of Lepelle-Nkumpi Municipality

Project name	Approved budget (R)	Adjusted budget (R)	2018/19 Actual progress	2019/2020 Actual progress	Annual Expenditure (R)	Project Achievement	Reason for variance
Upgrading of roads from gravel to tar	3 094 421. 80	7 000 000. 00	0 KM	0 KM	66 459. 95	None (0%)	Delay in termination of poor performing contractor

Source: Researcher's own compilation with information from LNM Annual Report (2019/2020: 94).

The table above is an extract from the 2019/2020 Annual Report, which shows how poor performance of appointed contractors affected the MIG expenditure patterns of the municipality in one of the MIG-funded projects. Utilisation of service providers, commonly known as consultants, to implement infrastructural projects is a common practice in government. However, data contained in the auditor general's report (2017/2018) shows that service providers have not been effective in municipal project management. Officials in Lepelle-Nkumpi shared similar sentiments, indicating that most consultants do not commit to the work that they have to do. This often leads to unspent MIG funds. In the words of the auditor general (2018: 9), "… Leadership in [Limpopo] municipalities should play a close oversight role on expenditure and on consultants".

4.4.4 Theme 4: The need for new revenue generating strategies to satisfy the needs of communities

When asked whether MIG funds are enough to address the service delivery backlog in Lepelle-Nkumpi, participants indicated that although it makes up 50% of the capital budget of the municipality, it is not enough. A male official in the PMU (Participant LMN

6) said that "… you see my brother, MIG funds are for three-year period, and you will find that we allocate those funds for two or three projects in certain wards … and what about the other wards? I think it's time we start to consider other means of raising revenue if we really want to adress needs *tsa batho* [of the people]".

Poor municipal revenue collection has been dubbed one of the potential contributors to the slow implementation of rural development strategies in South Africa. The idea that abolishing the apartheid spatial settings within which most rural municipalities are demarcated, and a shift from neoliberal national policies will potentially solve municipal revenue collection problems as demonstrated some scholars, is noble (Manyaka, 2014), but it is not the only one. Some participants suggested that since Lepelle Municipality has a small revenue base, it would advisable that the province revised roads demarcations and "… *allow the municipality to collect traffic monies in one of the busiest provincial roads that falls within its [Municipality] geographic area*" (Participant LMN 3, female official).

4.4.5 Theme 5: Systems to monitor municipal infrastructure grant

Most participants agreed that Lepelle - Nkumpi do have systems to monitor the MIG. Some participants mentioned the Service Delivery Budget and Implementation Plan (SDBIP) as one important tool that helps the municipality to monitor projects on a quarterly basis. When asked if the SDBIP is producing the desired results, participants commented that it does not always bear the expected results due in part to failing to link it with the service delivery objectives contained in the IDP. Confirming the above finding, the researcher has visited the IDPs and SDBIPs of Lepelle-Nkumpi Municipality (2016/2017 & 2017/2018) and picked a number of inconsistencies on the targets and baselines. Despite this, another participant (Participant LNM4) added that the municipality has in place the "Capital Project Progress Reporting Template" approved by council to monitor MIG. This is one of the templates used by the municipal public accounts committee as its monitoring tool of the projects implemented by the municipality. In addition, findings also show that from time to time the national treasury monitors MIG spending by reviewing and assessing the municipality. As correctly indicated by Tshamano, Shopola and Mukonza (2021), just like in any government entity it is common cause that reports are considered sufficient for decision making and monitoring of public expenditure within treasury.

4.5 Highlights on the connection between the findings and the adopted conceptual framework

Considering the information contained in this section, the conceptual model adopted (devolved governance for local democracy) in this study demonstrates that the whole notion of MIG is an offshoot of fiscal decentralisation in a devolved state. The model recognises that local units as the coalface of service delivery needs to be supported financially. Its primary intention, among others, is to build local capacity and capability, and to enhance service provision to benefit local citizenry (Oakely, 1995; Mohan, 2001). With this in mind, it is evident from the findings that Lepelle-Nkumpi Municipality is a predominantly rural municipality that has limited capacity to collect revenue and is heavily dependent on MIG funds to fulfil its service delivery mandates. This point was established from the interaction with a male senior official in the budget and treasury unit, who revealed that the MIG funds in Lepelle-Nkumpi constitute 50% of the municipality's capital budget. Beside this local experience, international studies such as Long (2014) and Kee (2003) have also demonstrated that the devolution of fiscal powers to sub-governments and support through the grant system has proven the ultimate way to advance development in developing countries such as the USA, China and Australia.

However, it can be said that the devolution of [fiscal] powers in South Africa is yet to produce the anticipated outcomes. This is indeed in the context of the national treasury's revenue-sharing process, which sees the national and provincial spheres apportioned 90% of the total raised revenue and the local receiving the remaining 10% (National Treasury, 2013; Tshamano & Shopola, 2021). Although the justification is that municipalities are given taxation powers to collect revenue, the findings of this study revealed that predominantly rural municipalities like Lepelle-Nkumpi Municipality are struggling due to a weak revenue base. One respondent suggested a need for the devolution of some provincial functions, particularly the roads function, to allow the municipality to generate revenue. In that regard, it can be suggested that the current devolution system, especially the fiscal devolution model, need to be revisited to look into possibilities of allowing municipalities, especially those in disadvantaged areas with a weaker financial revenue base, to have more functions than they have now because, as Manyaka (2014) argues, relying on MIG alone does not resolve the service delivery backlog that these municipalities are grappling with.

4.6 Conclusion

The main intention of this chapter was to present findings following the data collection process. This was in respect to the underlying objective of this study, which was to find out the impediments to the unspent MIG funds in Lepelle-Nkumpi Municipality. The finding was presented in the form of themes that were generated from the interview transcriptions. Overall, lack of forward planning, poor performance by contractors and supply chain irregularities, among others, have been identified as key contributing factors to the unspent MIG funds in the municipality. The next chapter focuses on recommendations. It also provides the conclusion of the study.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Chapter four presented and analysed the primary findings from the empirical investigation. The current chapter aims to provide the conclusions and recommendations of the study. From the outset, the chapter commences by outlining the overview of the study chapters. This is succeeded by a section demonstrating how the main questions were answered and related findings that emanated from data collection. Towards the end, recommendations are proffered.

5.2 Summary of key findings

The overarching aim of the study was to identify impediments to unspent municipal infrastructure grant funds within South Africa's Lepelle-Nkumpi Local Municipality. The study used an interview questionnaire from collecting qualitative data. Shenton (2004), cited in Modise (2020), undermining context in qualitative research, indicating that qualitative results must always be understood within the context of certain characteristics of the organisation. This study's results should be understood in the context of the Lepelle-Nkumpi Municipality officials responsible for implementing and managing MIG. Despite noting possible correlations between the current study and other existing studies, the findings herein are not necessarily generalisable to other contexts. The study had three questions that it covered, namely:

- Does Lepelle-Nkumpi Municipality have the capacity to implement MIG projects?
- What is the implication of unspent MIG funds on service delivery?
- What can be recommended to address the problem of unspent MIG funds in the municipality?

5.2.1 Does Lepelle-Nkumpi have the capacity to implement MIG projects?

On whether Lepelle-Nkumpi Municipality has the capacity to implement MIG projects, the findings show that the municipality is capacitated through several training forums, which include the CFO forum. The study found that all key positions needed for the municipality to function well in relation to project implementation and financial management were filled with skilled officials. In addition to this, the bibliographical information of the participants collected through the first section of the interview questionnaire revealed that the municipality has appointed academically qualified officials (directors, managers and technicians), as most of them possessed matching qualifications with their positions and even postgraduate qualifications. Beside the above, it was further discovered that from time to time the municipality benefits from the MIG induction programmes undertaken by Limpopo COGHSTA and Treasury.

According to the findings, all the interviewed participants have demonstrated a full understanding of what MIG is. Two critical explanations of MIG that are consistent with the literature were picked from the interaction with the participants. The first is that MIG is a nationally initiated programme intended to help municipalities to eradicate service delivery backlogs and assist in infrastructure development, and the second was that the MIG serves as a policy coordinating tool that the national government uses to foster support and relations with the local sphere of government. The latter, according to Moeti (2014), is not only crucial to the promotion of intergovernmental relations, as espoused in section 41 of the Constitution (1996), but also significant for national government in a typical quasi-federal state to achieve its own macro ideological questions using sub-governments as its implementing machineries.

In addition, as Tshamano, Shopola and Mukonza (2021) correctly argued, having the best skilled personnel or human resources capacity does not mean challenges will not prevail. From the interactions with the participants, numerous factors that made it difficult for the municipality to spend MIG funds were also identified. Participants identified the following impediments to the unspent MIG funds:

- delays in SCM processes,
- political instability,
- lack of forward planning,
- poor performance by contractors,
- and community unrests.

In terms of supply chain processes, the findings revealed that the reason why the municipality is unable to expend allocated MIG funds sometimes is the irregularities identified in the bidding process. Regarding supply chain issues, participants pointed out that delays in spending MIG funds are bound to happen when the SCM picks up irregularities in the tendering processes. According to the National Treasury Irregular Expenditure Framework (2021: 7), irregular expenditure is incurred because of transactions where a municipality or public entity would have contravened SCM laws. Contravention of laws in South Africa is a punishable offence. Understanding that MIG funds are allocated for a particular period, further delays in SCM will result in the treasury taking back the funds. This means that the municipality will have to apply again for the next cycle. The AGSA report presented in the Limpopo Provincial Legislature (attached as annexure in the LNM Annual Report, 2019/2020) showed that LNM has contravened SCM laws in the recent past, specifically citing three projects that the municipality did not comply with during bid management.

5.2.3 What are the associated implications for the unspent MIG funds in Lepelle-Nkumpi Municipality?

According to Kopung (2019), while municipalities carry the burden of losing the unspent monies over the financial years, communities will obviously miss the opportunity for new developments and delivery of services. All of this will happen because municipal authorities could not spend the allocated MIG funds.

According to the Table 4.1 in the previous chapter, from 2015 to 2020 the residents of Lepelle-Nkumpi Municipality have lost over R3 million due to unspent allocations. As the participants agreed anonymously, the ramification of this is that services would not be delivered, poor conditions with which residents are confronted with everyday remain unchanged, and the municipal citizenry lose hope in the system. It also for this reasons that the voter turn-out turned to be poor in the 2021 local government elections in South Africa country – wide.

As of 2016, Lepelle-Nkumpi Municipality' population was 235 380 and about half of this number is unemployed (Statistic South Africa, 2020). Whilst the Municipality generates 63.87 % of its income locally, the remaining 36.13 % is the money from the local government equitable share and grants such as MIG which are allocated by national government (National Treasury, Online). What these numbers mean is that Lepelle-Nkumpi Municipality is still predominantly rural and the implications of returning MIG funds to National Treasury as a result of lack of spending is that:

- Unemployment will remain high
- There will be little or no development in the area
- Withdrawal of funds affect the budget circle and planning of the municipality and this will postpone service delivery
- It leads to the misalignments of targets in the IDP and SDBIP
- It leads to failure to deliver services.

Another important question that was asked as a follow-up to the above was whether the misalignment of the IDP and SDBIB as the monitoring systems have an impact on the spending of MIG in the Municipality.

5.2.3.1 How is the misalignment of IDP and SDBIP as the monitoring systems impacting the spending of MIG funds?

Another continuous problem that contributes to the unspent MIG funds related to the misalignments of performance targets outlined in the SDBIP and IDP. According to the IDP official that was interviewed, this problem is recurring relentlessly. The IDP and SDBIP were mentioned by many participants as a monitoring tool for MIG funds and failure to realise targets set out in these two instruments means the municipality is bound to lose track of MIG implementation targets and this could cause the municipality to not spend the allocated funds. The abovementioned misalignments are evident in the 2016 – 2021 IDP and 2018/2019 SDBIP (Lepelle-Nkumpi Municipality IDP, 2016 – 2021; SDBIP 2018/2019). The cause of this, as revealed by participants, relates to political instability in the council. Change in political arrangements are likely to affect the entire functioning of the municipality (Khumalo, 2017: 33). This is because the new political leadership will want to influence the strategic direction of the institution in one way or another. According to the interviewed officials, the same thing happened in Lepelle when the new mayor was installed in 2018 and this meant that new appointments in the mayoral committee and administrative processes had to be established while other MIG related projects and processes were stalled. The last question that speaks to the recommendations from the study findings is dealt with in 5.5 below.

5.3 Conclusions

The study has demonstrated that indeed the implementation of MIG in the local sphere of government is not a one size-fits-all; every municipality has its problems when it comes to the spending of MIG funds. Meanwhile the study by Maake (2017), which investigated reasons to the unspent MIG funds in Lepelle-Nkumpi Municipality's counterpart municipalities with Capricorn District (Polokwane Municipality and Blouberg Municipality), discovered poor capacity as a result of a lack of qualified and skilled personnel, the results of the present study proved otherwise. That is, all critical posts needed for administration of municipal finance in Lepelle-Nkumpi were filled with fully qualified personnel; therefore, it was concluded that the problems have everything to do with a lack of forward planning, community unrest, performance of the contractors and commitment to the performance targets.

The study concluded that underspending of MIG funds have wider ramifications for communities of Lepelle-Nkumpi Municipality and the municipality itself. For example, when funds are withdrawn, it means that the targets set out in the IDP and SDBIP will not be reached and the municipal budget or financial plans for present and future years not only gets disrupted, but plans are also postponed. Communities are denied much-needed developments and basic services will not be delivered as expected. Major projects are responsible for employment: the withdrawal of funds will mean no creation of employment opportunities.

Another conclusion that the study reached was that Lepelle-Nkumpi Municipality need serious revenue enhancement plans. Relying on MIG funding has proved insufficient, as the municipality's revenue base is weaker. The idea that some provincial functions need to be devolved to municipalities, especially those found in rural spatial set – up, is a noble one. For Lepelle-Nkumpi to inspire confidence and gain trust from its communities there is a need for effective service delivery provision. Without it, community unrest will be inevitable and this study has demonstrated that there the latter is one of the dominant causal to unspent MIG funds in the municipality. The ensuing section deals with recommendations from this study.

5.4 Recommendations

Based on the above, therefore, the following recommendations are made:

- The need for proper forward planning: most participants have agreed poor planning is to be blamed for underspending of MIG funds. The result of this is that the municipality finds itself making late appointments of contractors and this places the supply chain unit under enormous pressure, which in many cases leads to disputes from members of the communities if not irregularities in the appointment of contractors.

- The need to strengthen monitoring mechanisms: although findings show that Lepelle-Nkumpi Municipality uses IDP and SDBIP to monitor the implementation and spending of MIG funds, these tools need to be strengthened from the sense of instilling the spirit of commitment from manager to implement targets set out. The only way to achieve that is by ensuring there is alignment between the two.

- The need to revise the equitable revenue-sharing formula: it is clear from the adopted conceptual framework in this study that the present equitable share formula is based on demographics. It is suggested that to strengthen the fiscal sharing model there is a need to consider tangible variables such as the rural set-up that most municipalities are demarcated in, vastness of the municipal space and the cost profiles for service delivery due to factors such as topography and distance from markets.

Additional recommendations include the following:

- Increased ability to generate more revenue to bridge the gap between the revenue available and the needed revenue for basic service provision. The Constitution in chapter 7 compels municipalities to provide basic services which revenue is required

- Infrastructure maintenance – the available infrastructure is perpetually ageing and maintenance levels are low due to limited funds
- Replace the ageing water and sanitation network
- Strict monitoring of contractors by project managers in the municipalities
- The need for provincial department of transport to devolve roads functions to allow the municipality to raise own revenue by collecting from the busy roads

5.6 Conclusion

The study did not only demonstrate the need for research on the implementation of MIG in Lepelle-Nkumpi Municipality, has but also succeeded in revealing underlying impediments to the spending of MIG funds in the municipality. The impediments, as outlined in this chapter, included lack of forward planning, supply chain processes, community unrest and political instability. Moreover, the study recognises that impediments such as community unrest and natural causes such as weather are unforeseeable events and it will prove very challenging to avoid. That being indicated, it can also be concluded that forward planning, and maintain political stability can be dealt with as they demand commitment from project managers and political maturity and understanding from the elected representatives. Furthermore, through the adopted conceptual framework of analysis, the study has also concluded that the fiscal decentralisation strategy used currently needs realignment to deal with the notion of municipalities depending heavily on grants for development of communities. Lepelle-Nkumpi Municipality is evident to that effect. Findings have shown that a weaker revenue collection base always impedes municipalities to deliver on their constitutional mandates and the consequence is total reliance on national grants like MIG. Increasing revenue is the only way municipalities will be financially viable.

References

Aotes, W.E. (1999). An essay on fiscal federalism. *Journal of Economic Literature*, 37 (3): 1120 – 1149.

Atieno, O.P. (2009). *An Analysis of the Strengths and Limitation of Qualitative and Quantitative Research Paradigms. Problems of Education in the 21st Century*, 13: 13 – 18.

Australian Government. (2014). *Grants with ministerial discretion*. https://australiainstitute.org.au/wp-content/uploads/2021/11/P1111-Grants-with-Ministerial-Discretion-Web.pdf [Accessed on 22 March 2021].

Kumar, R. (2005). *Research Methodology: A Step-By-Step Guide for Beginners*. London: SAGE Publications.

Babooa, S.K. (2008). *Public participation in the making and implementation of policy in Mauritius with reference to Port Louis' Local Government*. Unpublished Doctoral thesis. Pretoria: University of South Africa.

Bertram, C. & Christiansen, C. (2014). *Understanding research*. Pretoria: Van Schaik Publishers.

Bless, C., Higson-Smith,D. & Kagee, A. (2006). Fundamentals of social research methods: an African's perspective. Cape Town: Juta

Boadway, R. & Shah, A. (2007). Intergovernmental Fiscal Transfers: Principles and Practice. Washington D.C: The World Bank.

Bönisch P., Haug P., Illy, A. & Schreier L. (2011) Municipality size and efficiency of local public services. Halle Institute for Economic Research-IWH: Discussion Papers 18.

Botma, Y., Greeff, M., Mulaudzi, F.M & Wright, S.C.D. (2010). *Research in Health Sciences*. Cape Town: Pearson Education.

Brink, H. (2006). *Fundamentals of research methodology*. Cape Town: Juta.

Brink, H.I, van der Walt, C, & van Remsburg, G. (2012). *Fundamentals of research methodology for health care professionals*. Cape Town: Juta

Brynard, D.J., Harnekom, S.X. & Brynard, P.A. (2014) *Introduction to Research*, 3rd Ed. Pretoria: Van Schaik.

Burns, N & Grove, S.K. (2012). *Understanding nursing research*. 5th edition. Philadelphia: WB Saunders.

Bwengye, S.G. (2018). Monitoring the role of local governments in implementing the decentralisation reforms: An international perspective. Journal of Public Administration, 53 (2): 142 – 153.

Carter, M. (2013). Australian Local Government Financial Reform –A Federal Perspective. Downloaded Online at https://www.uts.edu.au/sites/default/files/2013-ACELG_Briefing_paper_Financial_Sustainability.pdf

Castillo, J.J. (2009). Research population. Available from: https://explorable.com/population-sampling. Accessed 24 April 2021

Chattopadhyay, S. (2015) *Financing India's Urban infrastructure: Current Practices and Reform Options*. India: Sage publications.

Cobuild. (2013). *Advanced English Dictionary*. 13th edition. London: Collins Publishers.

Congressional Research Service. (2019). Federal Grants to State and Local Governments: A Historical Perspective on Contemporary Issues. Available at https://crsreports.congress.gov Accessed on 16 March 2021.

Cook, B.G. & Cook, L. (2016). Research designs: Different designs address different questions. *Learning Disability Research & Practice*, 00 (0): 1 – 9.

Cooper, D.R. & Schindler, P.S. (2011). Business research methods. (11th ed.). Boston, MA: McGraw-Hill Higher Education.

Crawford, P. & Bryce, P. (2003). Project monitoring and evaluation: a method for enhancing the efficiency and effectiveness of aid project implementation. *International Journal of Project Management*, 21:363-373.

Creswell, J.W. (2018). *Research Design: International Student*. (5th edition.). London: SAGE Publications.

Creswell, J.W. (2014). *Research design qualitative, quantitative and mixed methods approaches*. (4th edition.). London: Sage.

De Vos, A.S, Strydom ,H.,Fouche, C.B.& Delport C.S.L . (2011). *Research at grass root for social science and human profession*. 2nd edition. Cape Town: Lansdowne.

De Vos, A.S. (1998). *Research at grass roots: a premier for the caring professions*. Pretoria: Van Schaik Publishers.

Department of Cooperative Governance and Traditional Affairs. (2015). *2014/2015 Annual Report*. Pretoria: Government printers.

Department of Provincial and Local Government. (2004). *The MIG Programme*. Pretoria: Government Printers.

Department of Provincial and Local Government. (2007a). *Municipal Infrastructure Grant: A guide for the establishment Project Management Unit (PMU) by municipalities 2007/08 – To be reviewed yearly if necessary*. Pretoria: Government Printer.

Durham, S. & Verwey, L. (2012) *South African Budget Guide and Dictionary*. Pretoria: IDASA.

Eichler, J.P., Wegener, A. & Zimmermann, U. (2012). *Financing Local Infrastructure – Linking Local Governments and Financial Markets*. Germany: GIZ.

Farlex, (2012). *The free dictionary*. Available at http://www.thefreedictionary.com. [Accessed: 30 May 2021].

Feeley,N., Cossete, S., Cote,J., Heon, M., Stremler, R., Martorella, G. & Purden, M. (2009). The importance of piloting – an RCT intervention. *CJNR*, 41 (2): 84 – 99.

Fenton, B. & Mazulewicz, J. (2008). Trustworthiness. http://www.omnivice.com /research/trustworthiness. [Accessed on 2021/03/01]

Financial and Fiscal Commission. (2017). Financial Sustainability of local government and fiscal equity. Available at http://www.salga.org.za. Downloaded on 13 March 2021.

Fjeldstad, O. (2001). Why people pay taxes: The case of the development levy in Tanzania. *World Bank*, 29 (12): 2059-2074.

Flick, U. (2007). *Doing interviews*. London: Sage publications.

Grindle, M. (2007). Good Enough Governance Revisited. *Development Policy Review*, 25(5):533-574.

Grix, J. (2004). *The foundations of research*. London: Palgrave Macmillan.

Hendricks, C.J. & Senago, M. (2017). Intergovernmental Fiscal Relations and Local Government service delivery: A South African case study. *Administratio Publica*, 25 (3): 33 – 54.

Hendricks, C.J. (2014). *Intergovernmental Fiscal Relations: The paradox between the Vertical Fiscal Imbalance and Responsiveness and Accountability in the Northern Cape Provincial Government*. Ph.D. Thesis, University of Free State, Bloemfontein.

Hlongwane, T. & Nzimakwe, T, I. (2018). Towards a Municipal Infrastructure and Finance Model for Local Government: a Case of uMgungundlovu District Municipality. *Politeia,* 37(1):21

Kaburu, F.N. (2013). Fiscal Decentralisation in Kenya and South Africa: A Comparative Analysis. *Africa Nazarene University Law Journal*,1(1):76-106.

Kahn, S., Madue, S.M. & Kalema, R. (2016). *Intergovernmental Relations in South Africa*. Pretoria: Van Schaik Publisher.

Khalo, T. (2014). '*Intergovernmental Fiscal Relations'*. In: Moeti, K. ed. Public Finance Fundamentals. Cape Town: Juta & Co Ltd.

Khumalo, N.N. (2015). *A review of the alignment between the Integrated Development Plan and the performance management system of Capricorn District Municipality*. Downloaded from https://www.semanticscholar.org/paper/A-review-of-the-alignment-between-the-Integrated-of-Khumalo/e4f814723b992d6872d8b741606cf4d1a5bdb0ae [Accessed on 14 November 2021]

Kopung, S. (2017). An operational framework to improve Municipal Infrastructure Grant spending in North West Province, South Africa. Ph.D. Thesis. North West University: Mafikeng.

Leedy, P.D. & Ormord, J.E. (2014). *Practical research: Planning and design*. 10th edition. Harlow: Pearson Education Limited

Lolwana, P. (2017). Mitigating service delivery protests. Available at: http://cdn.lgseta.co.za/resources/performance_monitoring_and_reporting_docume nts/Mitigating%20/Service%20Delivery%20Protest.[pdf]. Accessed on 2 February 2021.

Maake, K.R. (2017). *Causes of Unspent Municipal Infrastructure Grant in The Capricorn District Municipality: A Case of Two Selected Local Municipalities*. Dissertation (Masters). University of Limpopo: Turfloop.

Mafolo, M.A. (2016). Intergovernmental Relations System For Public Participation in the Local Sphere of Government. *Journal of Public Administration*, 51 (2): 230 – 245.

Manyaka, R.K. (2018) Making Sense of Community Protests in South Africa: Issues for Consideration. Journal of Public Administration, 53 (1): 52 – 63.

Maserumule, M.H. (2016). City on Fire: Pre-Poll Mayhem and the Fate of the African National Congress. *Journal of Public Administration*, 51 (3.1): 549 – 572.

Matabane, G.S. (2017). The impact of Municipal Infrastructure Grant on basic service delivery: A case of Ellias Motsoaledi Local Municipality in Limpopo Province. Masters Dissertation. University of Limpopo: Turfloop.

Mehiriz, K. and Marceau, R. (2013) The Politics of Intergovernmental Grants in Canada: The case of the Canada-Quebec infrastructure works 2000 program. *State and Local Government Review*, 45(2), 73-85.

Mitra, M., Bhattacharya, D. and Ghosh, B. (2014) Innovation in local governance: a case study of Durgapur Gram Panchayat’s efforts in controlling tuberculosis. *Decision*, 41(2):229-238.

Modise, M.P. 2020. Continuous professional development and student support in an open and distance e-learning institution: a case study. *International Journal of African Higher Education, 7(1)*, 49-68. Retrieved from https://ejournals.bc.edu/index.php/ijahe/article/view/10902 [Accessed on 13 November 2021]

Moeti, K. (2014). *Public Finance Fundamentals*. Cape Town: Juta.

Mohan, G. (2001). Participatory development. In: Desai, V & Potter, P (eds). *The Arnold companion to development studies*. London, UK: Hodder, pp. 49–54.

Mtantato, S. & Peters, S. (2015). A Review of Direct and Indirect Conditional Grants in South Africa - Case Study of Selected Conditional Grants. Accessed Online at http://2015.essa.org.za/fullpaper/essa_2821.pdf [09 May 2021].

Mulenga, E. & Bekker, M.C. (2015). Causes of cost overruns of Municipal Infrastructure Grants funded projects at the OR Tambo District Municipality. *Journal of Public Administration*, 50 (2): 333 – 344.

National Treasury. (2011). Local government budgets and expenditure review, 2006/072012/13. Pretoria: Government Printer

National Treasury. (2013). Budget review. Available at: http://www.treasury.gov.za/document/national%20budget/2013/. Accessed on 09 October 2020).

North American Development Bank. (2013). Community Assistance Program (CAP). North America: Government Printers.

Oakley, P. (1995). *Projects with people: The practice of participation in rural development*. Geneva: International Labor Office.

Patton, M.Q. (2002). *Qualitative research and evaluation methods*. 3rd ed. California: SAGE Publications

Pauw, J.C., Van der Linde, G.J.A., Foure, D. & Visser, C.B. (2015) *Managing Public Money*. 3rd ed. Cape Town: Pearson.

Quinlan, C. (2011). *Business research methods*. Andover, Hampsire, UK: South-Western Cengage Learning.

Republic of South Africa (RSA). (1996a). *Constitution of the Republic of South Africa, 1996*. Pretoria: Government Printer.

Republic of South Africa [Department of Health]. (2021). *Media Release: Department of Health: Health protocols on Covid 19*. Viewed from https://health.gov.za/covid19/media/press-release.html on 22 October 2021.

Republic of South Africa. (1998). *White Paper on Local Government*. Pretoria: Government Printers

Republic of South Africa. (2003). *Municipal Financial Management Act No. 56 of 2003*. Pretoria: Government Printers.

Republic of South Africa. (2010). *National Treasury: Annual Report 2009/2010*. Downloaded from https://www.salga.org.za/Documents/Knowledge%20Hub/Parliamentary%20Committees/SALGA_Strategy_2012-17_PC-CoGTA_28_Feb_2012---v2.pdf on 22 August 2021

Republic of South Africa. 2013. Municipal Infrastructure Support Agent 2013/2014 Annual Report. Pretoria: Government Printers.

Republic of South Africa. 2016. National Treasury: 2016 Budget Review. Accessed athttp://www.treasury.gov.za/documents/national%20budget/2016/review/FullReview.pdf [Accessed on 12 October 2021].

Republic of South Africa. (2021). National Treasury: 2021 Budget estimates of national expenditure. Viewed from http://www.treasury.gov.za/documents/national%20budget/2016/review/FullReview.pdf on 16 October 2021.

Ring, I. (2008) Integrating local ecological services into intergovernmental fiscal transfer: The case of the ecological ICMS in Brazil. *Land Use Policy*, (25): 485-497.

Roux, N.L. (2005) A reform model for the improvement of municipal service delivery. *Journal of Public Administration*, 40(4.1):687-704.

Saldana, J. (2013). *The coding manual for qualitative researchers*. London: SAGE Publications.

Salkind, N.J. (2012). *Exploring research*. New Jersey: Person Education, Inc.

Santos R., Ring I., Antunes, P. & Clemente, P. (2012) Fiscal transfers for biodiversity conservation: The Portuguese Local Finance Law. *Land Use Policy*, 29 (52):261-273.

Saunders, M.N.K., Lewis, P., & Thornhill, A. (2009). *Research Methods for Business Students.* Fifth Edition. Pearson London, London.

Schwandt, T. (2007). *The SAGE dictionary of qualitative enquiry*. Los Angeles: SAGE publications.

Sirovha, K.I. & Thornhill, C. (2017). Partnership between Traditional Leaders and Municipalities with special reference to Bonjanala District Municipality. *Administratio Publica*, 25 (3): 134 – 156.

Snyder, H. (2019). Literature review as a research methodology: an overview and guidelines. *Journal of Business Research*, 104, pages 333 – 339.

Sogoni, E.M. (2010) ‘ANC policy and a revised intergovernmental fiscal relations’: Address to the Institute of Municipal Finance Officers, Annual Conference, DICC, Ethekwini. *Journal of the Institute of Municipal Officers*, 11 (2): 21 – 27.

South African Local Government Association. (2012). National Strategic Plan 2012/2017. Accessed from https://www.salga.org.za/Documents/Knowledge%20Hub/Parliamentary%20Committees/SALGA_Strategy_2012-17_PC-CoGTA_28_Feb_2012---v2.pdf [Viewed on 23 August 2021].

The World Bank India (WBI). (2020). Available Online at www.worldbank.org/en/country/India/overview Accessed on 03 April 2021.

Tjebana, M. P. & Rachidi, M. F. (2018). Challenges Faced by Sekhukhune District Municipality in Limpopo Province in Terms of Spending Municipal Infrastructure Grant Funds. Read from http://ulspace.ul.ac.za/bitstream/handle/10386/2240/tjebana_challenges_2018.pdf?sequence=1&isAllowed=y [Accessed on 12 April 2021].

Tshamano, W., Shopola, A. & Mukonza, R. (2021). Unmasking merger problems from employees’ perspectives: A case of the disestablished Aganang Local Municipality, South Africa. *Africa’s Public Service Delivery & Performance Review*, 9. DOI: https://doi.org/10.4102/apsdpr.v9i1.501

Tsheola, J.P. (2012). Theorising A Democratic Developmental State: Issues of Public Service Delivery Planning and Violent Protests in South Africa. *Journal of Public Administration*, 47 (1): 162 – 179.

United Nations Development Programme (UNDP). (2009). Strengthening Local Government Participation. United State of America: A.K. Office Suppliers Ltd.

Van Der Waldt, G. (2018). *Municipal Management: Serving the people*. (3rd Eds.). Cape Town: Juta and Company Ltd.

Van Wyk, B. (2012). *Research Design and Methods Part I - Post-Graduate Enrolment and Throughput*. University of Western Cape, Cape Town.

Villadsen, S. & Lubanga, F. (1996). Democratic decentralization in Uganda: A new approach to local governance. Kampala.

Wang L. and Davis, O.A. (2005). *The composition of state and local government expenditures and economic growth*. Pittsburgh: Carnegie Mellon University.

Webb, W. & Auriacombe, C.J. (2006). Research design in Public Administration: Critical considerations. *Journal of Public Administration* 41(3.1), pp. 18-32.

Welman, C., Kruger, F. & Mitchell, B. (2005). *Research methodology*. Cape Town: Oxford University Press Southern Africa Pty Ltd.

List of Attachments

Annexure A – Letter of request to conduct study

PO BOX 687

SENWABARWANA

0790

26 October 2020

The Municipal Manager

Lepelle-Nkumpi Municipality

Private Bag X 07

CHUENESPOORT

0745

APPLICATION TO CONDUCT RESEARCH ENQUIRY

I **Manare Martin Tshoshi** hereby wish to apply for permission to conduct academic research enquiry within Lepelle-Nkumpi Municipality. The research will include interviews with the selected officials under the topic: **IMPEDIMENTS TO THE SPENDING OF THE MUNICIPAL INFRASTRUCTURE GRANT: THE CASE OF LEPELLE-NKUMPI MUNICIPALITY.** I am a registered student for Masters of Management in the field of Governance at Wits University.

As you may be aware, unspent Municipal Infrastructure Grant (MIG) funds is becoming widespread at the local sphere of government and one of the consequences is that communities remain under-serviced. Your Municipality is one of many municipalities within the province of Limpopo that are still struggling to spend MIG funds within the expected time frames. It is largely for this reason that this research enquiry seeks to understand impediments to the spending of the MIG within Lepelle-Nkumpi Municipality.

Research ethics such as confidentiality of the information and others will be highly maintained at all throughout and the final results of the research will be made available to the institution upon completion.

I would be grateful for your assistance in this request. For more information contact me on 072 017 2383/ 0796016029

Yours Sincerely

Mr Tshoshi MM

26/10/2020

Annexure B – Confirmation of study from the University

UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

WITS SCHOOL OF GOVERNANCE
UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

Research Office:
Sithembile Xaba
Tel: 011 717 3133
Email: Sithembile.Xaba@wits.ac.za

Research Director:
Prof Pundy Pillay
Tel: 011 717 3501
Email: pundy.pillay@wits.ac.za

02 February 2021

Dear Mr Manare Martin Tshoshi

Title: Impediments to the spending of the Municipal Infrastructure Grant: The case of Lepelle-Nkumpi Municipality
Student Number: 737269
Degree: Master of Management in the field of Governance
Ethics Clearance Number: *WSG-2021-05*

All candidates must satisfy the University's ethical standards for research. Your ethics application has been received and reviewed by the Wits School of Governance Human Research Ethics Committee.

Your ethical clearance has been approved subject to you getting permission to conduct research from all sites where research is conducted. The letter(s) of permission to undertake research must be submitted to the WSG Research Office and kept on file with your final proposal and other ethics documents.

You may commence your data collection under the guidance of your supervisor. In the event that the scope, methodology or nature of the research changes, you are required to submit another ethics application reflecting the changes.

The onus is on you as the candidate, with support from your supervisor, to ensure that your research complies with university human research ethics policies and protocols at all stages of the research process.

It is recommended that you keep this letter in a safe place as you are responsible for ensuring that you have proof of ethics clearance and have lodged the ethics clearance / protocol number with Faculty before final submission of your research report. If you do not have an ethics clearance number, you are not permitted to graduate.

www.wits.ac.za/wsg

2 St David's Place, Johannesburg, 2050, Parktown, South Africa
E: admissions.wsg@wits.ac.za or shortcourses.wsg@wits.ac.za | T: +27 717 3520

IYUNIVESITHI YASEWITWATERSRAND | YUNIVESITHI YA WITWATERSRAND

Please do not hesitate to contact me if you have any queries.

Yours sincerely

Professor Pundy Pillay
Research Director

Annexure C – Permission letter from the Municipality

LEPELLE-NKUMPI
LOCAL MUNICIPALITY

Postal Address
Private Bag X07
CHUENESPOORT
0745

www.lepelle-nkumpi.gov.za

Physical Address
170 BA Civic Centre
LEBOWAKGOMO, 0737
Tel : (+27)15 633 4500
Fax : (+27)15 633 6896

Enquiries: M V Muparutsa

29 October 2020

Mr. M M Tshoshi
P O Box 687
SENWABARWANA
0790

Sir

REQUEST LETTER TO CONDUCT RESEARCH ON IMPEDIMENTS TO THE SPENDING OF THE MUNICIPAL INFRASTRUCTURE GRANT

Your letter dated 26 October 2020 refers.

Approval has been granted to conduct research on Impediments to the Spending of the Municipal Infrastructure Grant

Yours faithfully

L A GAFANE
ACTING MUNICIPAL MANAGER

MUNICIPAL CALL CENTRE NUMBER: 0800 222 011 **ANTI-FRAUD HOTLINE NUMBER: 0800 20 50 53**

"Motho ke motho ka batho"

Annexure D – Consent form

TITLE OF PROJECT: IMPEDIMENTS TO THE SPENDING OF THE MUNICIPAL INFRASTRUCTURE GRANT IN LEPELLE-NKUMPI MUNICIPALITY

Name of researcher: Manare Martin Tshoshi

I, ……………………………………….., agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below).

I agree that my participation will remain anonymous

YES NO

I agree that the researcher may use anonymous quotes in his / her research report

YES NO

I agree that the interview may be audio recorded

YES NO

I agree that the information I provide may be used anonymously after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.

YES NO

www.wits.ac.za/wsg

2 St David's Place, Johannesburg, 2050, Parktown, South Africa
E: admissions.wsg@wits.ac.za or shortcourses.wsg@wits.ac.za | T: +27 717 3520

…………………………………… (signature)

…………………………………… (name of participant)

…………………………………… (date)

…………………………………… (signature)

…………………………………… (name of person seeking consent)

…………………………………… (date)

www.wits.ac.za/wsg

2 St David's Place, Johannesburg, 2050, Parktown, South Africa
E: admissions.wsg@wits.ac.za or shortcourses.wsg@wits.ac.za | T: +27 717 3520

Annexure E – Interview Questionnaire

The Interview guide

The purpose of this semi-structured face to face interview is to obtain information from the selected group of officials or staff members and councillors of eight units at Lepelle-Nkumpi Local Municipality. The eight units to be focused on are: Project Management Unit; Supply Chain Management Unit, Integrated Development Planning Unit, Internal Audit Unit, Performance Management Unit, Office of the Municipal Manager, Office of the Mayor and Executive Committee member appointed to the Technical Services Portfolio. The results of the interview will be utilised in the **MASTERS OF MANAGEMENT IN THE FIELD OF GOVERNANCE (DEVELOPMENT AND ECONOMICS)** of Mr MANARE MARTIN TSHOSHI. The responses from all the interviewees will be treated as confidential. The interview will be conducted in a quiet room and it will last 25-30 minutes.

- Section A – Bibliographical information
- Section B – Perceptions
- Section C-- Recommendation

Section A seeks to solicit the following bibliographical information from the participants:

1. Age group

25 – 34 years	35 -44 years	45 – 54 years	55 – more years

2. Qualification

Matric Certificate	Diploma	Degree	Post- grad qualification

3. Gender

Male	Female

www.wits.ac.za/wsg

4. Unit/Department in the Municipality

2 St David's Place, Johannesburg, 2050, Parktown, South Africa
E: admissions.wsg@wits.ac.za or shortcourses.wsg@wits.ac.za | T: +27 717 3520

IYUNIVESITHI YASEWITWATERSRAND | YUNIVESITHI YA WITWATERSRAND

Integrated Development Planning Unit (IDP Manager)	Supply Chain Management Unit (SCM Manager)	Project Management Unit (PMU Manager)	Councillor Responsible for Technical Service (Portfolio Head)	Budget & Treasury (CFO)	LED & Planning (Director)
Internal Audit Unit (Internal Audit Manager)	Performance Management Unit (PMS Manager)	Office of Municipal Manager (MM)	Mayor's Office (Mayor)	Technical Service (Director)	Others

0 -5 YEARS	5 – 10 years	10 – 15 years	15 – more years

5. Years of experience in the Municipality

Section B seeks to establish perceptions or experiences of the participants on the studied research subject through the following questions:

1. What is your understanding about Municipal Infrastructure Grant (MIG)?

……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
…………………………………………………

2. What are the primary impediments of unspent MIG funds within Lepelle-Nkumpi Local Municipality?

……
……
……
……
……
……
……
……
……
……
……………………………………………………

3. What is the implication of unspent MIG funds on service delivery?

……
……
……
……
……
……
……
……
……
……
……………………………………………………

4. Does Lepelle-Nkumpi Municipality have capacity to implement MIG projects if yes gives details?

……
……
……
……

……
……
……
……
……………………………………………

5. Is there any relationship between underspending and service delivery if yes explain?

……
……
……
……
……
……
……
……
……
……
……………………………………………………

6. What are the causes of underspending in your municipality?

……
……
……
……
……
……
……
……
……
……
……
…………………………………………………………

7. Do you think the state of service delivery in your municipality is it satisfactory if yes explain?

………
………
………
………
………
………
………
………
………
………
………
…………………………………………………………………

8. What are the challenges faced by municipality in implementing MIG projects?

………
………
………
………
………
………
………
………
………
………
………
…………………………………………………………………

9. Is the any system in place to monitor MIG implementation If yes give details?

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
…………………………………………………………

10. Who are responsible in monitoring the system and how often is these monitored?

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
……………………………………………………

11. Do you have MIG/Project unit and What is the responsibility of this unit?

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………

………
………
………
………
………
………
………
………
…………………………………………………………………………

12. What are major revenue sources in your municipality?

………
………
………
………
………
………
………
………
………
………
………
………
……………………………………………………………………

13. What percentage of your budget is MIG, is that enough to address Service Delivery backlog if No give details?

………
………
………
………
………
………

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
…………………………………………………………

Section C seek to solicit recommendation from participants on the studied research subject through the following questions:

14. What can be recommended to address the problem of unspent MIG funds within the Municipality?

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
……………………………………………

15. What can be done to successfully implement MIG?

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………

-End of the interview-

Annexure F – Proof of Language Editing

Lexica

LANGUAGE SERVICES | TAALDIENSTE

10 December 2021

I hereby confirm that I reviewed the research proposal, "Impediments to the Spending of the Municipal Infrastructure Grant in Lepelle-Nkumpi Municipality", by Manare Martin Tshoshi, University of the Witwatersrand, for grammatical correctness, consistency, reasoning and correct formatting. The final quality of the work remains the student's responsibility. I wish him all the best with this submission and his future work.

Yours sincerely,

Salomé Smith

Registered language practitioner

SATI membership number: 1002588

Translation | Text editing | Copy writing
SATI-accredited

Lexica Language Services, Pretoria, South Africa
email: info@lexica.co.za | c: 084 598 2704 | www.lexica.co.za

Annexure G – Plagiarism report