



**Cape Peninsula  
University of Technology**

**EFFECTIVENESS OF THE EASTERN CAPE PROVINCIAL DEPARTMENT OF  
LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS TO MONITOR AND  
EVALUATE THE PERFORMANCE OF MUNICIPALITIES: A CASE STUDY OF  
CACADU DISTRICT MUNICIPALITY**

**by**

**OGOMODITSE MABEL GOPANE**

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**Supervisor: Prof H. Ballard**

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## **ABSTRACT**

South Africa has been experiencing poor service delivery protests. The Eastern Cape in particular, is characterised by rural areas owing to segregation that was created by the past apartheid government. Ineffective operations of municipalities are usually found to be the root cause of ineffective service delivery.

However, the Republic of South Africa's Constitution, 1996 and other forms of legislation provide for monitoring and support of municipalities by national and provincial government, although most monitoring and support responsibilities are borne with the provincial government. Provincial governments provide an oversight role towards municipalities and assist them when they cannot and do not fulfil their obligations. This study focuses on the Eastern Cape with the Cacadu District Municipality as the identified case-study. The district is one of the largest in the Eastern Cape and is marked by high levels of poverty and unemployment. The study investigates the effectiveness of the Eastern Cape Department of Local Government and Traditional Affairs (ECDLGTA) to monitor and evaluate municipalities, with reference to the Cacadu District Municipality.

Monitoring and evaluation are effective tools, which are utilised by developed countries to achieve good governance and effective service delivery. South Africa has also followed a culture of M&E and established the Government Wide Monitoring and Evaluation System. It is important that monitoring and evaluation systems are effective. Because with effective systems, government can detect early warning signs of corruption or any other forms of ineffectiveness.

The purpose of this research study is to explore current systems that the ECDLGTA has established to monitor municipalities and to assess whether those systems are effective or not. Furthermore, the research intends to explore the reasons for ineffectiveness, as well as the relationship between the municipalities and the provincial government. In order to reach conclusions to these questions, an empirical study was conducted by using qualitative research methodology. Interviews were conducted and are described in chapter five. Chapter Six and Seven present the results that were achieved from the interviews and analysis of those results, whilst Chapter eight presents concluding remarks and recommendations based on the findings.

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## GLOSSARY

SA: South Africa

EC: Eastern Cape

M&E: Monitoring and Evaluation

GWM&ES: Government Wide Monitoring and Evaluation System

MSMS: Municipal Support and Monitoring Services

ECDLGTA: Eastern Cape Department of Local Government and Traditional Affairs

DPSA: Department of Public Service and Administration

PALAMA: Public Administration, Leadership and Management Academy

OOP: Office of the Premier

OPSC: Office of the Public Service Commission

COGTA: Cooperate Governance and Traditional Affairs

KPA: Key Performance Area

KPI: Key Performance Indicator

5YLGSA: Five year Local Government Strategic Agenda

MEC: Member of Executive Council

MINMECS: Ministers and Members of Executive Council

MM: Municipal Manager

CDW's: Community Development Workers

IGR: Intergovernmental Relations

IDP: Integrated Development Plan

LED: Local Economic Development

PPP: Public Private Partnerships

SDBIP: Service Delivery Budget Implementation Plan

PMS: Performance Management System

PGDP: Provincial Growth and Development Plans

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# CHAPTER 1: INTRODUCTION AND BACKGROUND

## 1.1 Introduction

Skilled, semi-skilled and unskilled people throughout South Africa migrate frequently from their rural homes to other provinces to improve their lives and to seek better living conditions. The situation existed before 1994 and still prevails. Apartheid has been blamed for inadequacies of service delivery across African communities. Eastern Cape (EC) rural areas are ideal examples of the disadvantages brought about by the Apartheid era. These areas are characterised by high levels of poor service delivery and infrastructure. Section 27(1)(a)(b) and (c) of the Republic of South Africa Constitution Act of 1996 (The Constitution, 1996) states that everyone has the right to health care services, sufficient food, water and social security, including people who are unable to support themselves and their dependants. Section 27(2) of the Constitution, 1996 states that the State is responsible for developing reasonable legislative and other measures within its available resources to ensure that these rights are fulfilled. The Constitution, 1996 also encourages co-operative governance amongst the three spheres of government to ensure better governance and to enhance the living conditions of its citizens. Cloete (2005:10) emphasises that even though the State is responsible for the provision of these rights, local government is the main implementing institution of government policies, plans, and programmes.

The monitoring and evaluation (M&E) function, particularly the monitoring aspect, is the focus of this research. According to De Visser (2005:207), monitoring of local government is necessary in order to protect the development agendas of the national and provincial government, and to identify early signs of problems in municipalities that might require some form of intervention. Fookes (1996:20) describes monitoring within local government as a means whereby municipal councils can consistently appraise their performance, reassess their approach and move closer to achieving their objectives through the refining of policies. The research attempts to investigate the role of the Municipal Support and Monitoring Services (MSMS) unit within the EC Provincial Department of Local Government and Traditional Affairs (ECDLGTA) to ensure effective service delivery by local municipalities.

## 1.2 Background of the research problem

The EC Province was established in 1994 from consolidation of the independent homelands of Transkei and Ciskei, and a segment of the Cape Province (The Media Connection, n.d). The EC is the manufacturing hub for some of the world's major motor companies such as Ford, Daimler-Chrysler and Volkswagen (South African government Information, 2012:1).

Pauw (2005:2) states that the EC Province consists of seven district municipalities, namely Alfred Nzo, Nelson Mandela, Cacadu, Chris Hani, OR Tambo, Ukahlamba and Amatole. OR Tambo and Alfred Nzo municipalities are characterised by high levels of poor infrastructure and underdevelopment. Pauw (2005:2) further reveals that more than 78.2% of the people in the Alfred Nzo municipality live in extreme poverty. In OR Tambo and Ukahlamba municipalities, approximately 78% and 70.1%, respectively, live under the same extreme conditions. Molele (2009:2) also reports that seven out of ten people in the province still live in extreme poverty. The per capita gross domestic product (GDP) in the EC is lower than the national average. Pauw (2005:7) states that in 2003, the EC province contributed approximately 8.1% of the national GDP, whilst 14.4% of the country's population reside there. Service delivery in rural provinces such as EC, Mpumalanga and Limpopo is poor. The trend is evident in the EC where, according to Grobler (2009:2-3), the proportion of households that has access to water is 73% and electricity services only 66%. It is paradoxical that the EC is poorer than other provinces, while service delivery protests are minimal there.

Kgafela (2009:3) submits the following reasons for this phenomenon:

- municipalities are mostly characterised by poor and rural communities, hence there is less inequality, as people are equally poor;
- communities are traditionally led in addition to political leadership; therefore, concerns of the communities are dealt with traditionally following a set protocol; and
- communities are less vulnerable to evictions, as they still live in relatively decent houses unlike in informal settlements.

Vennekens and Govender (2005:45-50) state that local government has a “two-wing” responsibility. The first wing relates to macro-level functions such as planning and promoting intergovernmental development planning, land economics and environmental development. The second wing involves delivery of services such as water, electricity, health, housing, road and transport, solid waste, community, emergency, security and public works. Section 153(a) of the

Constitution, 1996 also prescribes the duties of a municipality, which are to: "...structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community and to promote the social and economic development of the community." Pretorius and Schurink (2007:19) point out that access to effective public services is no longer an advantage to the few privileged only, but a legitimate right to everyone, particularly those who were previously disadvantaged during the Apartheid era.

Although municipalities transmit the responsibility to improve the livelihoods of the local people, they cannot bear this task alone. The Constitution, 1996 provides for municipal monitoring, supervision and support by provincial governments. In the EC, the 2007/2008 consolidated report on municipal performance reflects that municipal performance is measured in terms of five Key Performance Areas (KPA's) in order to improve performance. The five KPA's, as indicated by the Five-Year Local Government Strategic Agenda (5YLGSA), are: municipal transformation and organisational development; basic service delivery; local economic development; municipal financial management and viability as well as good governance and public participation. The report also shows oscillation in the five key performance areas. The report may not be completely accurate because most municipalities fail to submit the required reports on time and some municipalities do not submit any reports at all.

### **1.2.1 Results from the 2007/2008 report on the five key performance areas**

The 2007/2008 consolidated report on municipal performance presents the following state of municipal performance in the EC per KPA.

#### **➤ KPA1 - Municipal transformation and organisational development**

KPA 1 states how the organisational structures and employment patterns of municipalities, which contribute to municipal transformation and institutional development. In this section the Consolidated Report on Municipal Performance (2008:22) reports that the overall performance in each district municipality was as follows: Nelson Mandela Metropolitan was the highest performing municipality with a little above 50%; Cacadu 42%; OR Tambo 32%; Alfred Nzo was the weakest with 29%; whilst Amathole, Chris Hani and Ukahlamba all performed below 40%.



➤ **KPA2 - Local economic development (LED)**

LED is utilised to ensure growth in the local economy, promote the second economy and ensure socio economic development. In this KPA, as illustrated by the 2007/2008 Consolidated Report on Municipal Performance (2008:38), the district municipalities all performed below 45%.

➤ **KPA3 - Basic service delivery**

This KPA helps to measure municipal performance with regard to municipalities' core mandate, which is the provision of basic services. The 2007/2008 Consolidated Report on Municipal Performance (2008:40) states that the overall performance of municipalities showed all municipalities performing below 45%, except for the Nelson Mandela Metropolitan which showed an exceptional performance of 70%.

➤ **KPA4 - Municipal financial management and viability**

Municipal financial ability, according to the 2007/2008 Consolidated Report on Municipal Performance (2008:42), refers to "... the ability of a municipality to maintain and sustain itself by collecting revenue due to it for services rendered for which the community has been billed; the ability of a municipality to provide improved living conditions to grow a happy, healthy and secure community; and the extent to which citizens can access quality education so as to reach their dreams for the futures of generations to come". Here the Consolidated Report on Municipal Performance (2008:52) depicts that the municipalities performed as follows: the Nelson Mandela Metropolitan did exceptionally well with an overall achievement of 62%, and the rest of the municipalities performed poorly with an overall percentage of 44 and below.

➤ **KPA5 - Good governance and public participation**

This KPA aims to promote an open, ethical, professional, sound and accountable system of governance. According to the 2007/2008 Consolidated Report on Municipal Performance (2008:59), the Nelson Mandela Metropolitan municipality was yet again identified as the best performing municipality with an overall percentage of 70%, while the rest of the municipalities performed below 45%.

### **1.3 Statement of the research problem**

The Constitution, 1996 provides a mandate for all spheres of government to co-operate by fulfilling the citizens' basic needs. In order for government to fulfil this mandate, the local sphere of government was established, according to Cloete (2005:10), to be the "...main implementing institution of government policies, plans, and programmes" Section 155(6) of the Constitution provides for the monitoring of local governments by provinces, while Section 139 of the Constitution provides for provinces to intervene when municipalities cannot or do not fulfil their duties. Furthermore, provinces should establish monitoring systems in order to monitor municipal performance, according to the KPA's discussed earlier.

The preceding paragraph outlines the non-performance of district municipalities in the EC and the importance of the provincial government's role in monitoring and intervening in municipalities. The focus for this research is to investigate the EC provincial government's monitoring and evaluation policy in relation to local government, as set out by the Constitution, 1996 and other forms of legislation which are explained later.

### **1.4 Statement of purpose**

The research seeks to investigate the effectiveness of M&E systems in the EC Provincial Government.

### **1.5 Research objectives**

To achieve the purpose statement, the following seven objectives were formulated:

- to explore the concept of M&E in government;
- to investigate the relationship between provincial and local government;
- to examine, which M&E system ECDLGTA administers for the EC municipalities;
- to identify and explain the selected case study on which the effectiveness of the M&E is tested;
- to identify areas of non compliance by local authorities;
- to identify reasons for non-compliance by municipalities; and
- to formulate recommendations.

## **1.6 Preliminary literature review**

'Monitoring' and 'evaluation' are often used together and interchangeably as if they have the same meaning. The two are distinct concepts, yet related and complementary terms. The difference between these terms is outlined and their relationship is clarified below.

Shapiro (2008:3) defines 'monitoring' as the "...systematic collection and analysis of information as a project progresses". Fookes' (1996:24) definition of monitoring is similar to that of Shapiro. On the one hand, Fookes (1996:24) characterises monitoring as the collection of data and its analysis to provide information, reporting of the information and provision of feedback and review. Shapiro (2008:3) also indicates that monitoring is a good management tool that enables management to know when things are going right or wrong. Conversely, Shapiro (2008:3) defines evaluation as a "...comparison between the actual project impacts against the agreed strategic plans...". According to Shapiro (2008:3), evaluation identifies what was set out to be done, what is accomplished and how it was accomplished. Mackay (2006:19) states that M&E is utilised to measure the quantity, quality and targeting of goods and services that are provided by government and the outcomes and impacts, which result from these outputs. Holvoet and Rombouts (2008:579) describe the relationship between M&E as follows: "...a monitoring system identifies the faults, while good evaluation information assists in clarifying the realities identified by the monitoring system". Holvoet and Rombouts (2008:579) also state that M&E plays a vital role to fulfil the notion of accountability to funders, taxpayers and citizens, while giving feedback to management and policy makers to correct the mistakes identified by the monitoring system. M&E also plays an essential role in anti-corruption strategies.

According to Mackay (2007:1), developing countries have a high demand for effective government M&E systems in order to ensure proper public sector management. Mackay (2006:1) further states that the culture of evaluation has become a path to enhance government performance; hence, developing countries are working to strengthen their existing M&E systems, while others are developing them from scratch.

Countries such as Chile, Colombia and Australia already have operating M&E systems that differ completely. According to Mackay (2007:23-37), Chile developed its first M&E system in 1974; Colombia in 1991; while Australia developed its formal strategy for evaluations from 1987 to 1991.

According to Mackay (2007:23), Chile, in particular, has an impressive, strong and regimented M&E system that most Latin American countries revere and even desire to replicate. An attempt by other countries to replicate Chile's system without proper scrutiny could be dangerous. On the contrary, the process of comparing one country with another that has a successful system, is highly informative and allows other countries to realise the reason for that success and why replication might or might not work for them. Mackay (2007:3) also indicates that Chile has an impressive M&E system because of the high quality work involved in M&E, and thorough usage of the findings provided by the designed M&E systems. Mackay (2007:3) further notes that even though Chile represents a strong M&E system, it also encompasses specific and rare amalgamation of characteristics that other countries might not possess. Therefore, replication of the system may not work for other countries, as it has for Chile. Mackay (2007:3) continues to highlight the importance of the role of the finance ministry in ensuring proper public sector management, with particular reference to the Chilean government. Mackay (2007:45) points out that Africa has a special case owing to the discrepancies of the past and extreme poverty levels. Mackay (2007:45) reveals that the problem in African countries is that performance information is often of poor quality, whilst officials who are designated to collect performance information are often tired and overworked, but expected to provide information to other officials who rarely give feedback. According to Mackay (2007:45), the key to a successful M&E system is to utilise the collected data correctly.

### **1.6.1 Monitoring framework in South Africa**

Mettler (2000:1) states that "...local government is an autonomous sphere of government and its powers are derived from the Constitution and other legislation". The national and provincial spheres no longer delegate powers to the local government, but the provincial government still has an obligation to supervise, monitor, regulate and support local government. Mettler (2000:1) refers to these relationships as intergovernmental relations. Section 154(1) of the Constitution, 1996 states that "...National government and Provincial governments must support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions...". Section 139(1) of the Constitution, 1996 provides for the intervention of provincial government in the affairs of local government. Section 139(1) of the Constitution, 1996 states that "...when a municipality cannot or does not fulfil an executive obligation, as set out by the constitution or other legislation, the provincial executive may intervene by taking any appropriate steps to ensure fulfilment of that obligation". According to Mettler (2000:2), the

Constitutional Court describes the supervision of local government as a process that consists of a number of successive steps. The steps are: review of local government by provincial executive, identification of fulfilment of executive obligations by the provincial government and intervention by the provincial executive in the functional and institutional terrain of local government.

Section 105(1) of the Municipal Systems Act (MSA), 2000 (32 of 2000) provides for the monitoring of local government by provincial government. The Systems Act states that the Member of the Executive Council (MEC) for local government in a province must establish mechanisms, processes and procedures to:

- monitor municipalities in the province to manage their own affairs, exercise their power and perform their functions;
- monitor the development of local capacity in the province; and
- assess the support needed by municipalities to strengthen their capacity to manage their own affairs, exercise their powers and perform their functions.

According to Section 105(2) of the MSA, 2000 (32 of 2000), MECs for local government are required to exercise their functions by relying on annual reports and information, which are submitted by municipalities. The MEC may also request additional information from municipalities after taking into account the administrative burden to furnish the information, costs involved and existing performance monitoring systems, mechanisms and processes. Section 106 of the Systems Act also provides for intervention by the relevant MEC of local government when under-performance and maladministration occur in municipalities. Section 106(l) of the MSA, 2000 (32 of 2000) further states that if an MEC has reason to believe that a municipality is not fulfilling its statutory obligation or that corruption, fraud and maladministration have occurred, the MEC in terms of a notice, must request the municipal council or manager to provide information and designate a person to investigate, if necessary.

## **1.7 Research questions**

The research raises the following questions, which provide a specific focus for the study. The questions formulated below provide a clear understanding of what the study seeks to uncover:

- Do local municipalities have systems which monitor services that are provided?
- What is the quality of monitoring information that is provided by the municipalities?

- What is the exact role of the COGTA in monitoring municipalities?
- How is this role performed?
- What is the nature of problems that municipalities face when serving their communities?
- What does the ECDLGTA do with results that are obtained from monitoring the municipalities?
- Are remedies identified and implemented?

## **1.8 Research design and methodology**

According to Kumar (2005:8), research can be classified into three perspectives. Namely:

- application of the research study (pure or applied research);
- objectives in undertaking the research (descriptive, correlational, explanatory or exploratory); and
- inquiry mode (qualitative or quantitative).

The study may be considered as applied research. According to Terre Blanche, Durheim and Painter (2006:45), the aim of applied research is to contribute towards practical issues of problem solving; decision making; policy analysis and community development. Terre Blanche *et al.* (2006:44) emphasise the importance of the researcher's aims and objectives, as this will assist in determining whether the research is explanatory, exploratory or descriptive.

### **1.8.1 Type of research**

Terre Blanche *et al.* (2006:44) indicate that explanatory, exploratory, and descriptive research focus on the goals and aims of the research. The research can be classified as exploratory and descriptive research. Descriptive research as explained by Kumar (2005:10), attempts to systematically describe a situation, problem, phenomenon, service or programme. Terre Blanche *et al.* (2006:44) state that descriptive studies aim to describe a phenomenon through the use of narrative type descriptions, classifications or measuring relationships. According to Kumar (2005:10), exploratory research seeks to explore an area where little or nothing is known. Terre Blanche *et al.* (2006:44) state that exploratory studies make use of an open, flexible and inductive approach, as it aims to look for new insights into a phenomenon. The research is also a case study type. According to De Vos *et al.* (2006:272), a case study may be referred to as an exploration or in-depth analysis of a single case or multiple cases over a period of time.

### **1.8.1.1 Qualitative inquiry mode**

A qualitative methodology is suitable for the proposed study. The qualitative mode is supported by De Vos (1998:240) who states that qualitative research aims to understand and interpret meanings and intentions that underlie everyday human action. According to De Vos (1998:242), qualitative researchers aim to understand reality by discovering the meanings that people in a specific setting attach to it. Qualitative researchers also believe that behaviour is intentional and creative and can be explained, and not predicted. Terre Blanche *et al.* (2006:48) state that "... qualitative research is more commonly used to inductively explore phenomena and provide thick descriptions of phenomena".

### **1.8.2 Data collection methods**

This research collected data via interviews and focus groups. Niewenhuis (2007:87) refers to interviews as a two-way conversation in which the researcher seeks answers from the participants by asking them questions about the phenomenon under investigation (for example, the participants' beliefs, ideas, views, opinions, and behaviours). Niewenhuis (2007:87) states that "...the aim of qualitative interviews is to see the world through the eyes of the participants". Interviews consist of three types, namely structured, semi-structured and unstructured interviews. Unstructured or open-ended interviews usually take place in the form of a conversation where the intention is to explore with the participant their ideas, beliefs and attitudes about a certain phenomenon.

According to Niewenhuis (2007:87), structured interviews are questions that are detailed and developed in advance before the interview date. Sarantakos (1998:247) states that these types of interviews are conducted in a strict manner, which is not different from a questionnaire. Interviews are, in fact, questionnaires that are read out by an interviewer. Niewenhuis (2007:87) states that semi-structured interviews are used to determine data, which emerges from other data resources. According to Niewenhuis (2007:90), focus groups are also interviews, but their strategy is based on the assumption that group interaction will be productive to widen the range of responses, activate forgotten details of experience, and release inhibitions that may otherwise discourage participants from disclosing information. Discussions in the focus group are focused on a particular topic, whereby debate and conflict are encouraged to assist with data collection.

### **1.8.3 Research population**

The population for this research comprised selected officials who are employed in the MSMS unit, that is responsible for the monitoring and evaluation of municipalities within the EC Provincial government, and the official who is responsible for municipal performance of the selected district municipality namely, Cacadu, which serves as the case-study.

### **1.8.4 Data analysis**

The data was analysed qualitatively. Qualitative research is an ongoing process. This means that data collection, processing, analysis and reporting are thus intertwined. Nieuwenhuis (2007:100) provides a model of analysis, which was developed by Siedel (1998). Siedel's model (1998) consists of three elements: noticing, collecting and reflecting. According to Nieuwenhuis (2007:100), when analysing qualitative data, the goal is to summarise what was observed or heard in terms of words, phrases, themes, or patterns that would provide further understanding and interpretation of the emerging data. The data was analysed by using content analysis. This method of analysis can be used in qualitative responses to open-ended questions on surveys, interviews and focus groups. Nieuwenhuis (2007:101) further describes content analysis as "... a process of looking at data from different angles with a view to identifying keys in the text that will help us understand and interpret the raw data."

## **1.9 Delineation of the research**

The research was conducted in the EC Province, within the Department of Local Government and Traditional Affairs and focused specifically on the MSMS unit within the department.

## **1.10 Significance of the research**

The significance of this research is to influence ECDLGTA to promote the importance of successful M&E systems in order to improve municipal performance and assist municipalities to perform their constitutional mandates more effectively through:

- giving a clear overview of the legislative framework of the role of provincial government to monitor and evaluate local government; and
- analysing the performance of the Cacadu District Municipality in the EC.



### **1.11 Expected outcomes, results and contributions of the research**

The proposed study is expected to establish a link between monitoring within provincial government and effective service delivery at a municipal level. In addition, it will underline the importance of M&E and advocate the revamping of M&E units within provincial government. The research should also serve as a body of knowledge to guide provincial governments.

Furthermore, insight into the level of involvement of the ECDLGTA to monitor, should be gained. The primary causes of poor service delivery advanced by the ECDLGTA should become clear. The research should make a contribution to the availability of relevant up-to-date information and fill a gap in available knowledge.

### **1.12 Ethical consideration**

Rights of the participating organisation are detailed and explained below:

- The rights of the institution under investigation were safeguarded by obtaining a letter of consent from the relevant authorities, which permitted the researcher to conduct the research. The researcher also ensured that:
- Appointments with participating employees or officials were set around a time that suited them and did not disrupt their work.
- Confidentiality of information was maintained at all times.
- The end results of the research will be made available to the institution upon completion of the study.

### **1.13 Summary**

Outbreaks of service delivery protests are apparent evidence that local governments in South Africa do not meet citizens' needs and expectations. Although the EC is not faced with such protests, its municipalities are identified as the poorest performing municipalities in South Africa. The proposed research clearly identified the problem of the EC municipalities' low levels of performance with regard to the five KPAs. Furthermore, the proposed research outlines the legislative framework that guides provincial governments in intergovernmental relations and cooperative governance, and elevates the need for monitoring, support and intervention of municipalities by the provincial sphere of government in order to improve municipal performance. The research study is qualitative. Document study and semi-structured interviews

were used as instruments to collect data. The research was conducted in the EC Province, within the ECDLGTA.

## **CHAPTER 2: CURRENT SOCIO-ECONOMIC STATUS OF THE EASTERN CAPE PROVINCE**

### **2.1 Introduction**

A brief description of the EC's provincial demographics and socio-economic status is provided here. The chapter further presents a brief overview of the Cacadu district municipality, which serves as the case study, while factors that affect provincial and municipal performance, are also presented.

### **2.2 Socio economic status of the Eastern Cape**

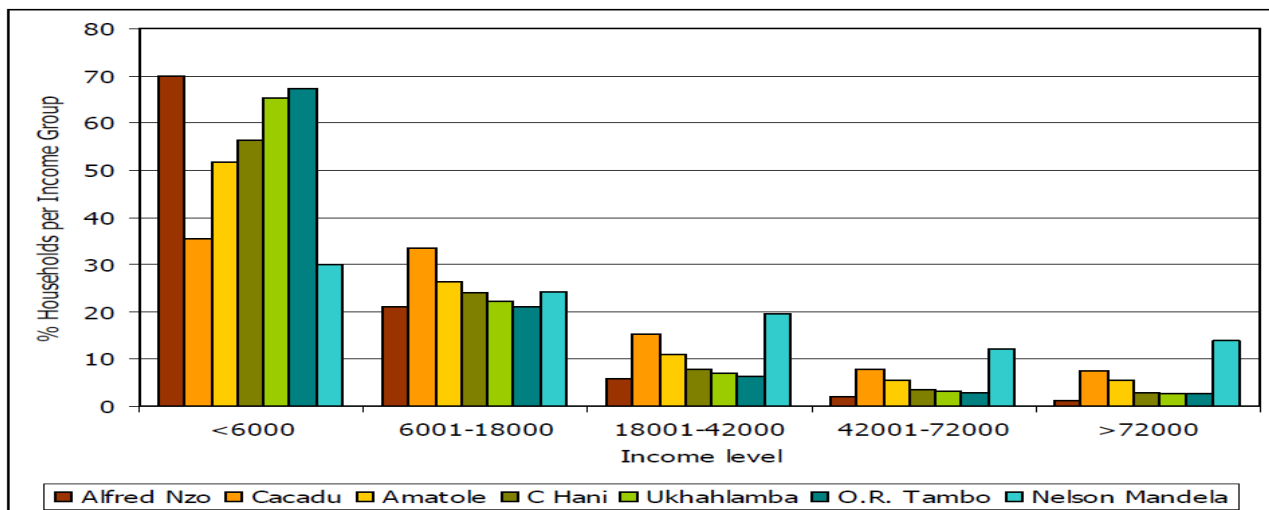
The EC province is located in the south eastern part of SA. A total of 1 251 840 households are presumed to occupy all six districts, of which 32 percent is urbanised and 67.3 percent live in rural areas (Eastern Cape, 2005:3). According to ECSECC (2011:1), the province was ranked highest in areas, such as net migration; unsafe water for drinking; inadequate sanitation; poor school facilities; and reliance on grants as a major source of income. The area is associated with extreme poverty and is naturally rural.

Household income is one of the major factors that make the EC's economic status visible. Social grants to EC communities do not only serve as a means to address the welfare of the communities, but also as a source of income. Moller and Ferreira as cited in Bank and Meyer (2006:136), state that old age pensions are also a major factor, if not the most important source of income in the Eastern Cape, owing to evidence that collective households in Black communities earned four times more from pensions than from wage earnings.

In 2003 most households earned less than R6000 a year = R500 per month (South Africa. Department of Economic Affairs, Environment and Tourism, 2004:119). The Nelson Mandela metropolitan municipality at least has a higher annual income than the district municipalities, as illustrated in Figure 1. It also shows R72000 per annum = R6000 per month as the maximum income, which is earned by a small population, whilst Alfred Nzo district that holds the province's largest population, earns the lowest salary per month. The rapid assessment report shows improvement from 2003 to 2006. The report showed that households in the EC earned at least R1 756.45 after deductions such as medical aid, income tax, and pension. The lowest income per month was in Alfred Nzo at R 1 240.07; O.R. Tambo at R 1 448.83; Ukahlamba at R 1

558.71; and the highest was in the farming area of ECDMA10 at R 2 648.53, Nelson Mandela - R 2 438.17; and Cacadu at R 1 980.73.

**Figure 1:** Annual household income in the Eastern Cape Province

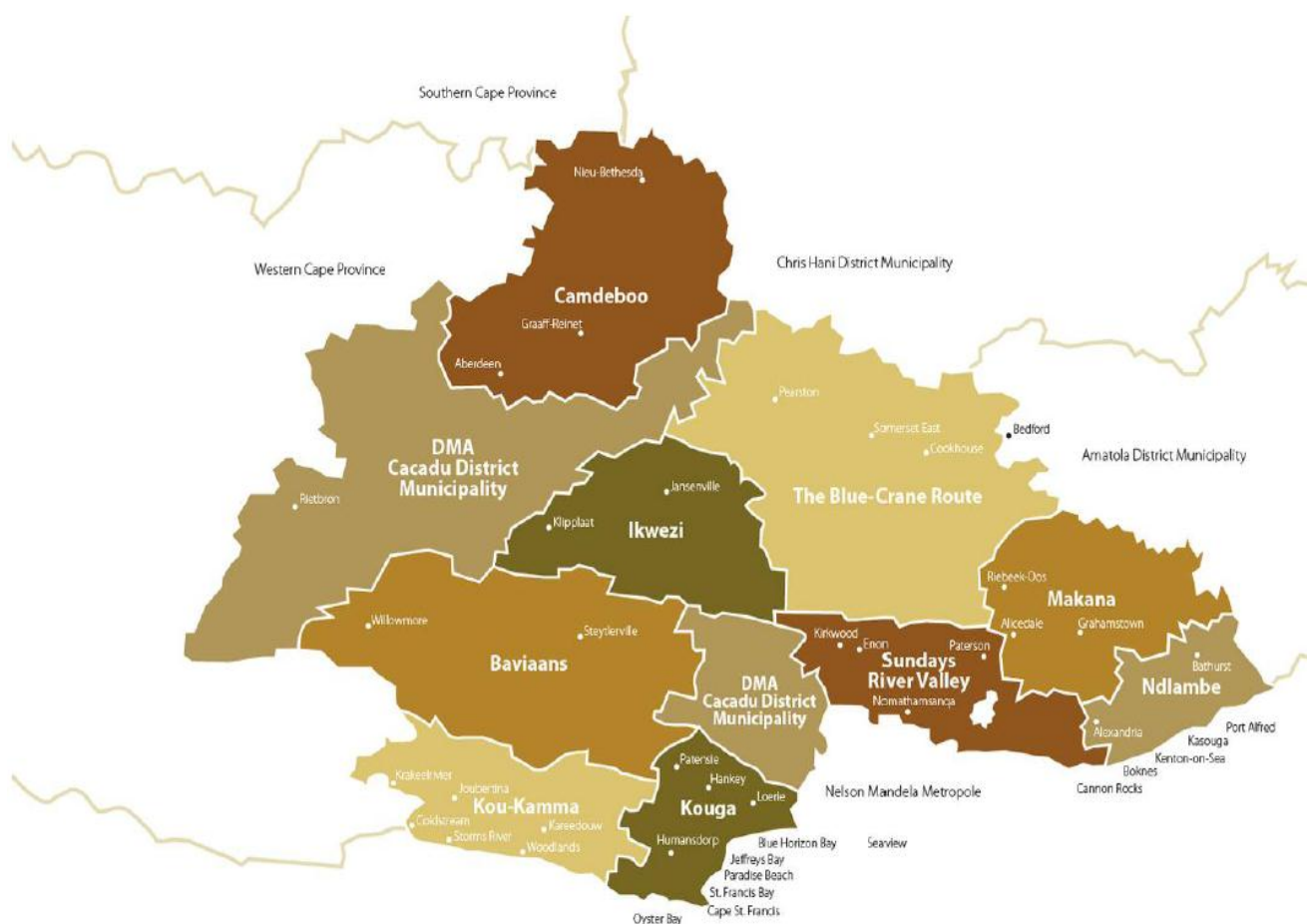


(Adapted from: ECSECC,2003 in South Africa. Department of Economic Affairs, Environment and Tourism, 2004:120)

### 2.3 Cacadu District Municipality (Case study)

This district municipality is the largest of all six district municipalities and the largest Category B municipality in the country (Cacadu District Municipality Annual Report, 2011:3). The district municipality is situated in the western portion of the province, bordering the Western and Northern Cape and the Chris Hani and Amathole district municipalities, as illustrated on the map in Figure 2 (South Africa. Cacadu District Municipality, 2008:1). The district municipality includes nine other local municipalities and major towns. These municipalities and towns are listed in Table 1 (South Africa. Cacadu District Municipality, 2008:1).

**Figure 2:** Map showing the geographical area of Cacadu District Municipality



(Adapted from:Cacadu District Municipality Annual report 2011:4)

**Table 1: Cacadu Local Municipalities**

<b>Code</b>	<b>Municipality</b>	<b>Major towns</b>
EC 101	Camdeboo	Graaff-Reinet, Aberdeen, Nieu-Bethesda
EC 102	Blue Crane Route	Somerset-East, Cookhouse, Pearston
EC 103	Ikwezi	Jansenville, Klipplaat, Waterford
EC 104	Makana	Grahamstown, Alicedale, Riebeeck-East
EC 105	Ndlambe	Port Alfred, Kenton-on-Sea, Bushmans River, Alexandria
EC 106	Sundays River Valley	Kirkwood, Addo, Paterson
EC 107	Baviaans	Willowmore, Stytlerville
EC 108	Kouga	Jeffreys Bay, Humansdorp, Hankey, Patensie
EC 109	Kou-Kamma	Joubertina, Kareedouw, Louterwater
DC 10	Cacadu DMA	Rietbron,Wowefontein, Vondeling, Glenconner

(Adapted from: South Africa. Cacadu District Municipality Annual Report 2008)

The district municipality is under the leadership of the Executive Mayor (EM) who is responsible for political guidance, and the Speaker responsible for the legislative arm of the municipality; whilst the Municipal Manager (MM) is the administrative head of the municipality, and is also responsible for integrating the municipality's different components in strategic and operational plans. Approved posts in the district municipality since June 2011 totalled 104, of which 88 have been filled, while 16 remained vacant (Cacadu District Annual Report, 2011:22). Annexure 7 details the Cacadu organogram, and shows the structures of the municipality. The district municipality is responsible for energy reticulation supply to the DM, whilst ESKOM is the service provider. The local municipalities are water service authorities and providers in the district. Cacadu is also responsible for sanitation (Cacadu Integrated Development Plan, 2007-2012:2).

Cacadu district is entirely dependent on government grants and subsidies for funding of its operations, projects and programmes. The municipality also attempts to increase its income with contributions from its accumulated surplus and interest earnings. The financing method is clearly incongruous and untenable, owing to the socio-economic pressures in the municipality's local areas, at the moment this seems to be the only method that is utilised at present (Cacadu District Annual Report, 2011:11).

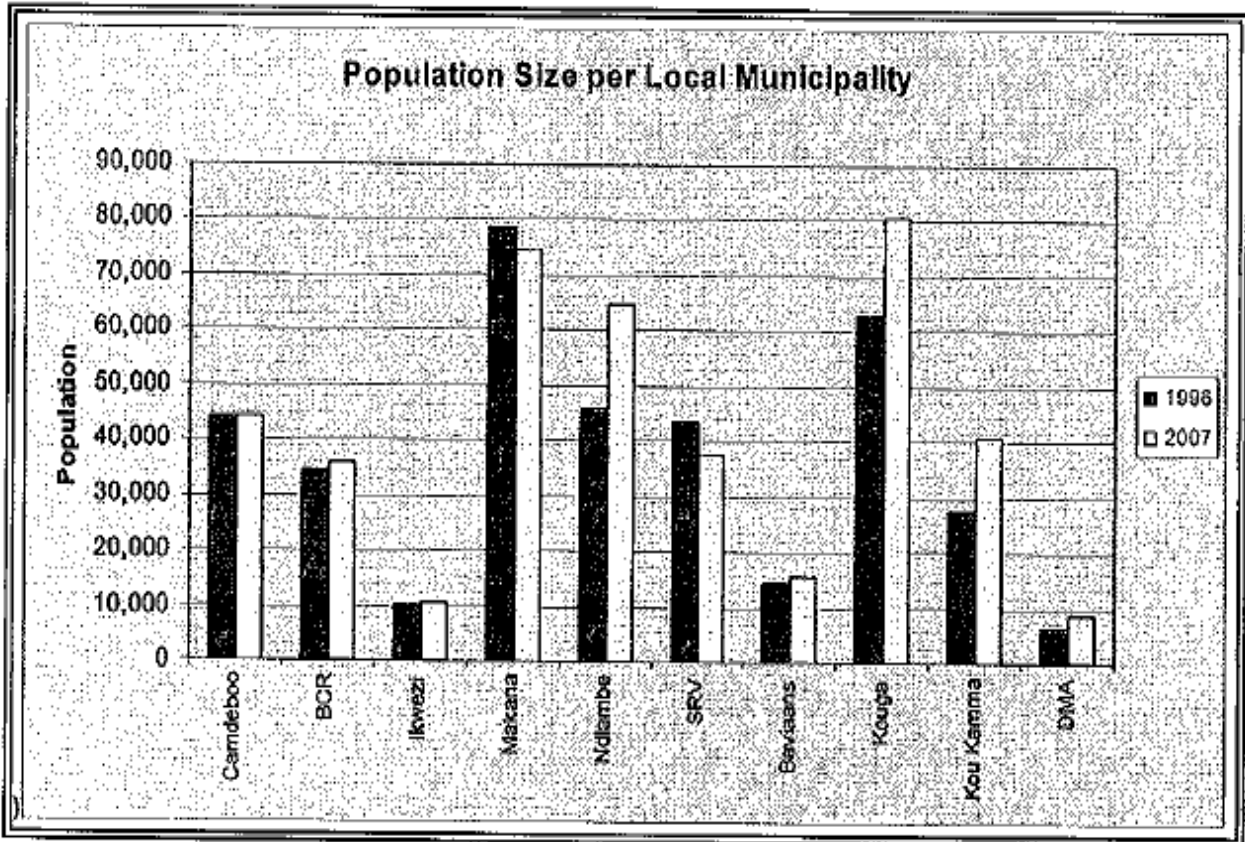
Figure 3 shows the population size per local municipality from the year 1996 to 2007. Figure 3 also shows that whilst Camdeboo and Ikwezi's population sizes are stagnant and have shown no fluctuation over the years, Ndlambe, Bavianaans, Kouga, Kou Kamma and DMA's population have increased over the ten-year period (Integrated Development Plan, 2007-2012: 24). Figure 4 further identifies that the number of people who live in poverty has increased over the ten-year period, with the Cacadu district municipality increasing from 39.6% in 1996 to 42.0% in 2007 (Cacadu Integrated Development Plan, 2007-2012:25).

The Cacadu Annual Report of 2011 outlined the following challenges:

- Employee dissatisfaction with implementation of the 2006 job evaluation results;
- Threats of provincial and national strikes/protests by municipal employees in respect of local government non service delivery;
- The interpretation by local shop stewards of the collective agreement concluded at a provincial level;

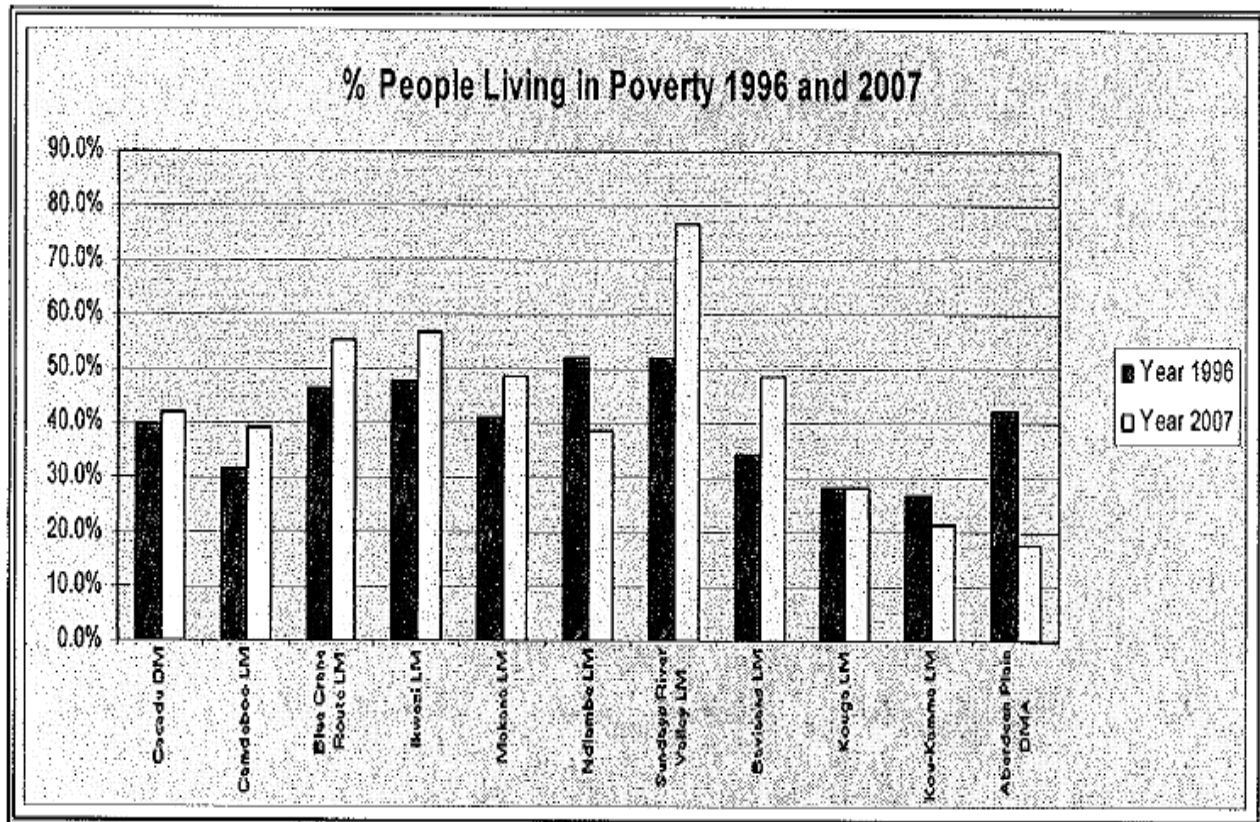
- Internal protests where employees demanded the results of the internal job evaluating process;
- Delays in finalising reviews of human resource policies owing to labour requesting extended time to interrogate content with their constituencies;
- Staff issues relating to provincialisation of primary health care services;
- The involvement of labour on issues of candidate lists during municipal elections created delays in decision making regarding employee related matters; and
- The high labour turnover statistics within the last quarter of the year under review

**Figure 3:** Population size per local municipality



(Adapted from: Global insight 2008 in IDP, 2007-2012:25)

**Figure 4:** Percentage of people living in poverty



(Adapted from: Global insight 2008 in IDP, 2007-2012:25)

## 2.4 Municipal performance from 2006-2008

The ECDLTA measures municipal performance by using six key performance areas, namely municipal transformation; basic service delivery; LED; municipal financial viability; and management; as well as good governance. The performance results that are discussed below were derived from the Consolidated Report on Municipal Performance 2006/2007 and 2007/2008 financial years. Due to the non-availability of a more recent report, only two reports that were available during the research period are presented in terms of each of the five KPA's.

### 2.4.1 KPA 1- Municipal transformation and organisational transformation

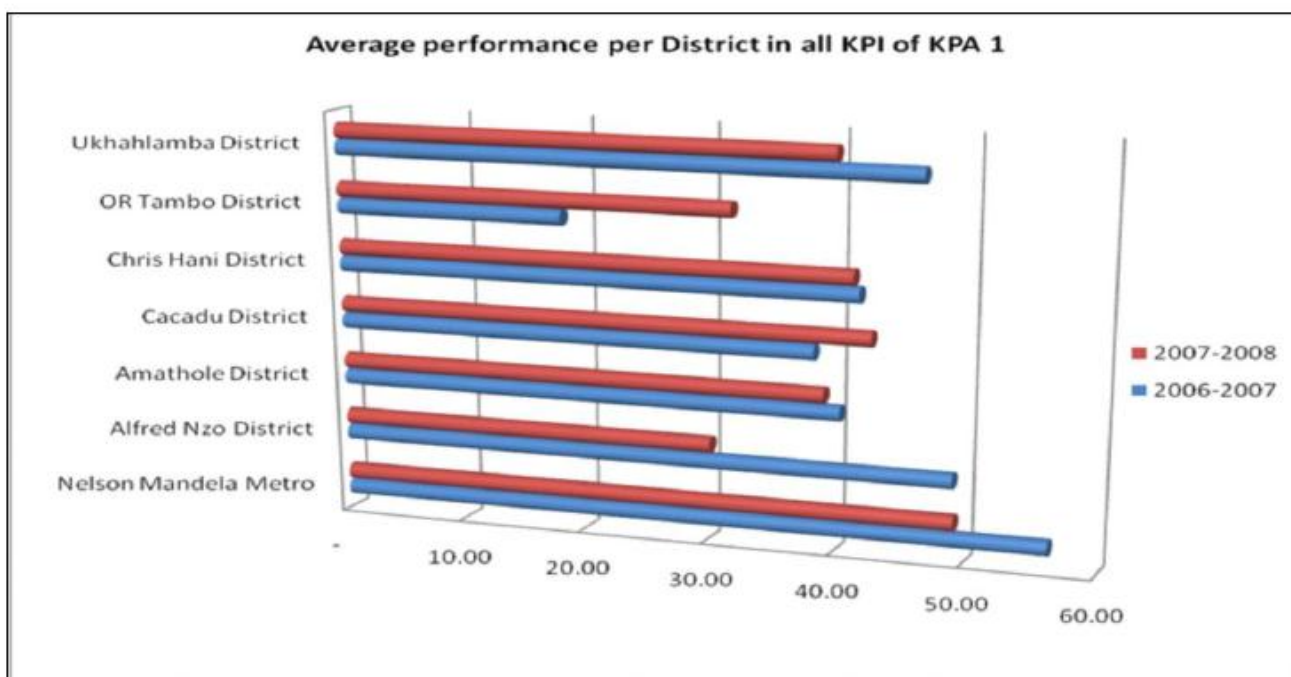
KPA 1 aims to reflect how the organisational structures and employment patterns of municipalities contribute to municipal transformation and institutional development. Municipal performance with regard to meeting their IDP targets depends on municipalities' capacity to transform themselves, as well as making proper use of available resources. The department utilises thirteen key performance indicators (KPIs) to measure municipal performance in KPA 1,



but the results that were published in the consolidated reports only reflect four of the thirteen KPIs. The KPIs are: vacancy rate in respect of all approved posts; filling of section 57 positions; employment equity; and performance management systems.

Figure 5 below illustrates the overall performance of all district municipalities in the EC province in terms of the mentioned KPIs in KPA 1. Figure 5 shows a fluctuation in municipal performances in the 2006/2007 and 2007/2008 financial years. All the district municipalities performed below fifty percent (50%). There was a decrease in the performance of other municipalities such as Ukhahlamba, Amathole, Alfred Nzo and Nelson Mandela Metro, and there was little improvement in O.R Tambo and Cacadu during the 2007/2008 financial year.

**Figure 5:** Average performance per district in all KPI's of KPA 1



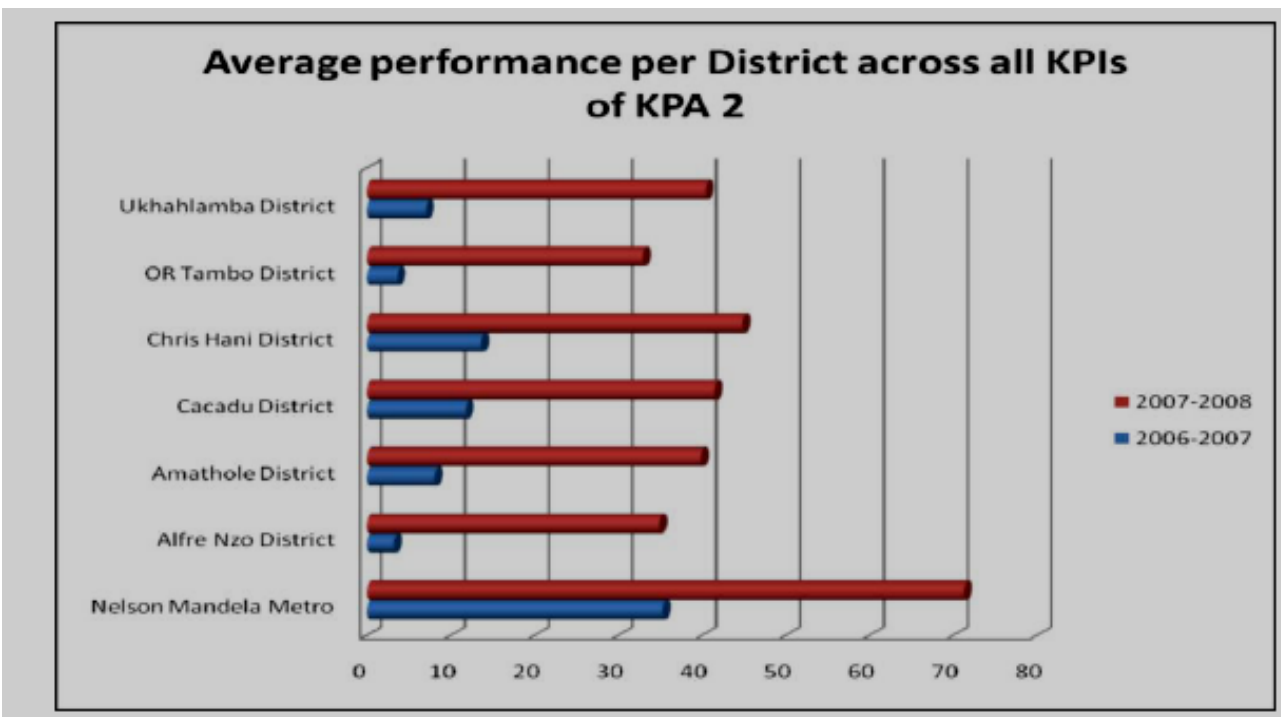
(Adapted from: South Africa. Eastern Cape Department of Local Government and Traditional Affairs 2008:22).

#### 2.4.2 KPA 2 - Basic service delivery

Provision for basic service delivery is a core mandate of municipalities. The ECDLGTA used three KPIs to report on this KPA. The KPIs included: access to free basic services (water, sanitation and electricity); bucket system eradication; and indigent policy implementation. Figure 6 below presents the average performance of all districts in KPA 2. It also shows that municipalities improved immensely during the 200007/2008, period as opposed to a relatively

low performance in the 2006/2007 financial year. Acknowledging the improvement is vital, however, the level of performance is still not satisfactory, since all municipalities performed below fifty percent with the Nelson Mandela Metro leading with seventy percent.

**Figure 6:** Average performance per district across all KPIs of KPA 2



Adapted from: South Africa. Eastern Cape Department of Local Government and Traditional Affairs (2008:28).

### 2.4.3 KPA 3 - Local economic development (LED)

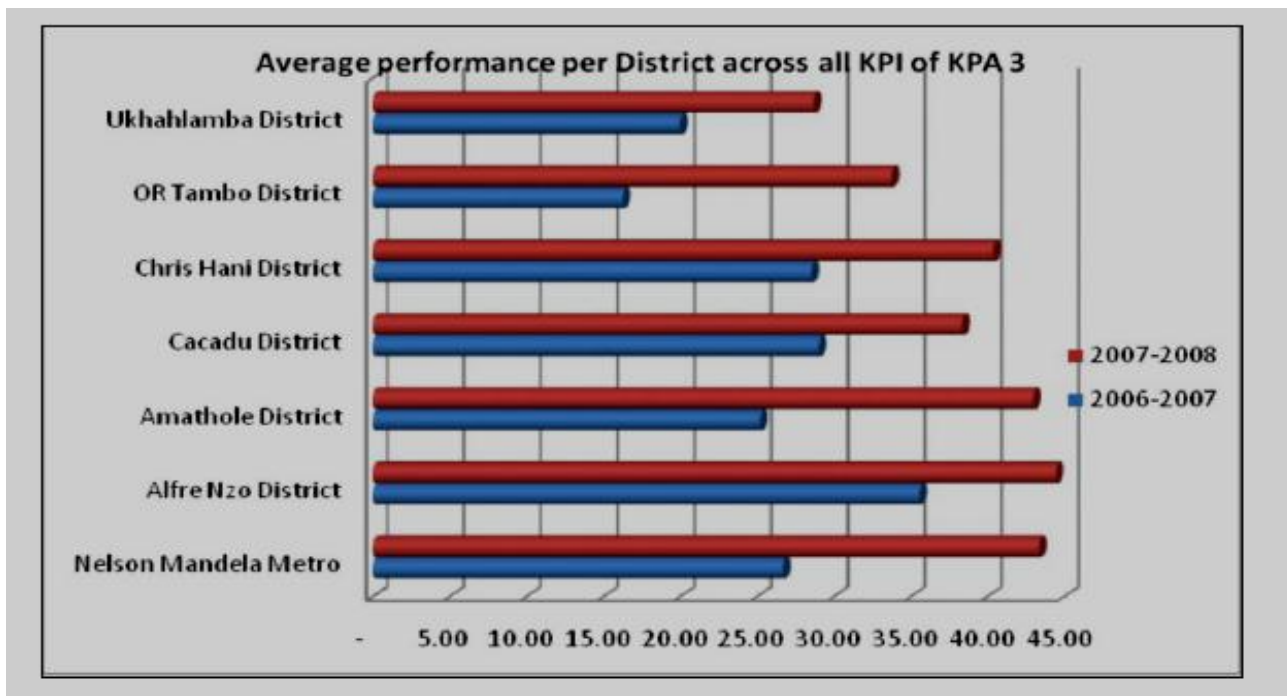
Municipalities use the implementation of LED to ensure growth in the local economy; to promote the social economy; and to ensure socio- economic development. The ECDLTA used only three KPIs to report on this KPA. The KPIs included the following:

- number of jobs created through infrastructure capital projects of the Extended Public Works Programme (EPWP) and Private Public Partnerships (PPP);
- Development and implementation of LED strategies and plans; and
- Capacity to implement LED in municipalities.

Overall performance in this KPA remains unsatisfactory, irrespective of the progress made in 2007/2008, as depicted in Figure 7. The figure also shows that none of the municipalities

performed beyond forty five percent (45%). Alfred Nzo and Nelson Mandela Metro are the highest performing municipalities with between 40 and 45 percent.

**Figure 7:** Average performance per district across all KPIs of KPA 2



Adapted from: South Africa. Eastern Cape Department of Local Government and Traditional Affairs (2008:28).

#### 2.4.4 KPA 4 - Municipal viability and management

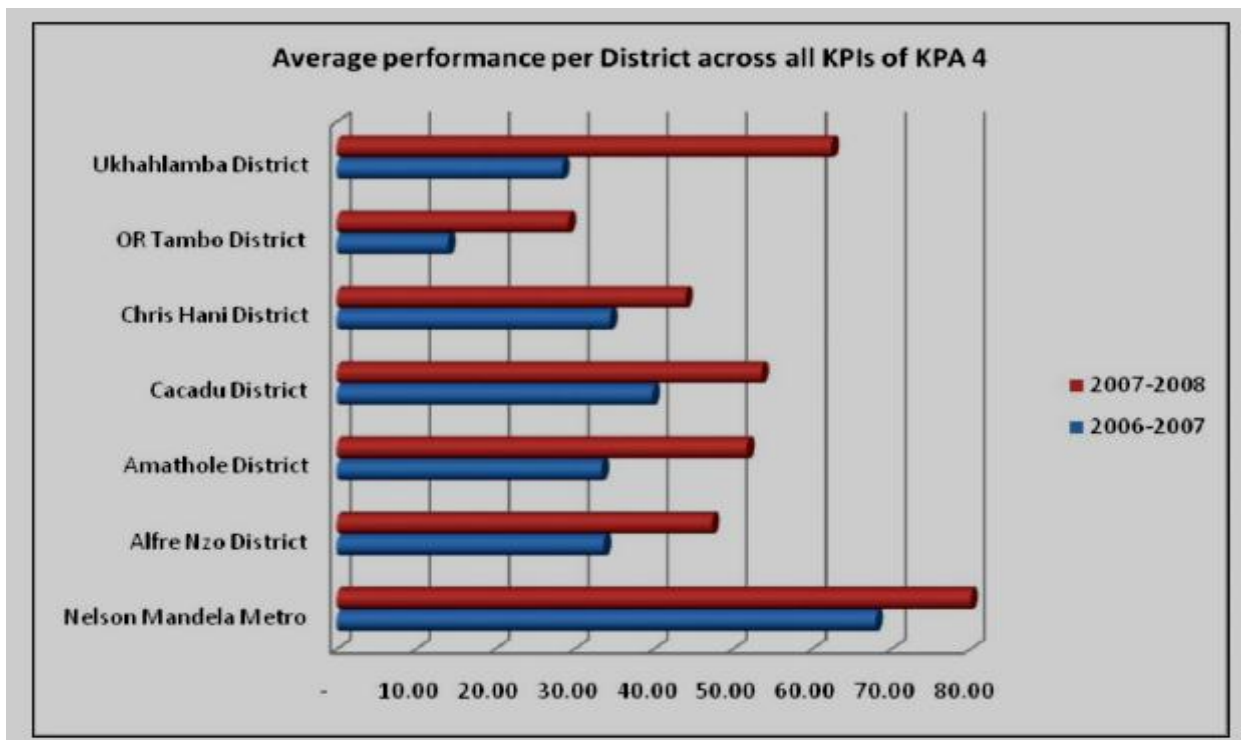
This KPA was derived from the Municipal Financial Management Act, 2003 (56 of 2003) (MFMA). The MFMA was introduced in 2004 to provide municipalities with guidelines for effective systems to maximize their revenue potential, and to enable them to manage municipal finances effectively and transparently. This KPA aims to ensure that municipalities are accountable and financially stable. The Department used the following KPIs to measure this KPA:

- financial viability;
- capital expenditure;
- budget expenditure and revenue sources; and
- compliance with the MFMA.

Overall performance regarding this KPA has improved since the 2006/2007 financial year. Figure 8 shows that the Nelson Mandela Metropolitan Municipality performed better than all the other districts with an overall performance rate of almost 80%, followed by Ukahlamba district

with 62%. O.R Tambo and Chris Hani districts were the worst performing municipalities with the rate of 28% and 44%, respectively.

**Figure 8:** Average performance per district across all KPIs of KPA 4



(Adapted from South Africa. Eastern Cape Department of Local Government and Traditional Affairs consolidated report on municipal performance 2007/2008 (2008:52)

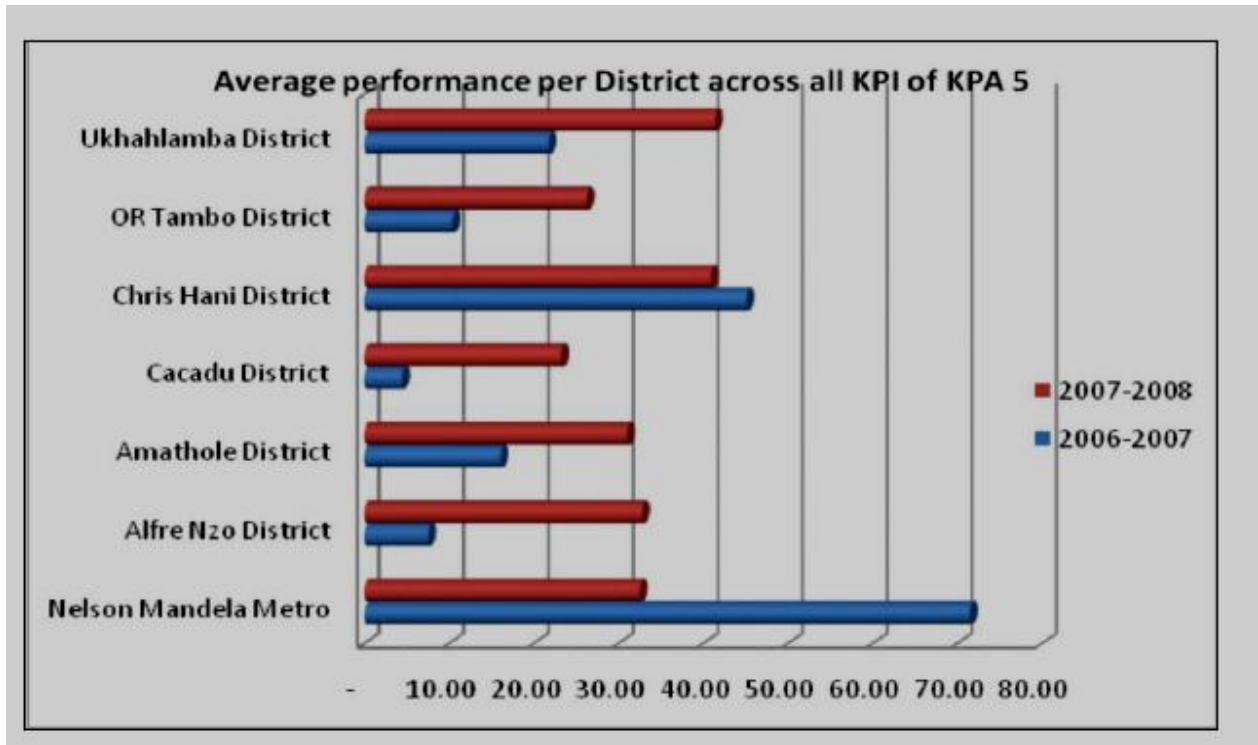
#### 2.4.5 KPA 5 - Good governance and public participation

The KPA aims at promoting seamless, open, ethical, professional and accountable system of governance. This KPA serves as a basis to ensure that there is maximum public participation in government through ward committees, community development workers (CDW's), presidential imbizos, as well as the house of traditional affairs. The ECDLGTA Consolidated Report on Municipal Performance (2008:52) used the following KPIs to measure performance in this KPA:

- Functionality of ward committees;
- Effective monitoring of CDW's; and
- Implementation of IGR.

Figure 9 below shows that some municipalities' performances improved, whilst others such as Alfred Nzo, Chris Hani, and Nelson Mandela's performances decreased during the 2007/2008 financial year. The rest of the municipalities all performed below 50% rate.

**Figure 9:** Average performance per district across all KPIs of KPA 5



(Adapted from: South Africa. Eastern Cape Department of Local Government and Traditional Affairs Consolidated Report on Municipal Performance 2007/2008, 2008:59).

## 2.5 Summary

The chapter explored the current socio economic status of the EC province to-date. The province is one of the largest in the country, where a majority of its residents are poor and live below the poverty line. Hence, there is a need for effective and efficient delivery of services in the province. The chapter further analysed the five key performance areas that the provincial government utilises to measure municipal performance for the province. The key performance areas revealed that some municipalities' performances have improved, while others' performances have deteriorated over the years.

## **CHAPTER 3: MONITORING AND EVALUATION AS IT RELATES TO COOPERATIVE GOVERNANCE**

### **3.1 Introduction**

This chapter describes the evolution of intergovernmental relations and cooperative governance, since the 19<sup>th</sup> century, as cooperative governance forms the basis for monitoring and evaluation. The chapter also provides a detailed explanation of the chain of government spheres and the role that each plays in reaching the common good of cooperative governance by ensuring that municipalities fulfil their constitutional mandate. The chapter continues to investigate and explore the concept of accountability in the culture of cooperative governance, whilst taking into account the autonomy of municipalities or local government as a sphere.

### **3.2 Background of intergovernmental relations in South Africa**

According to Levy and Tapscott (2001:2-3), intergovernmental relations in South Africa dates back to the 19<sup>th</sup> century system of government, where the British colonies of the Cape and Natal were based on the Westminster model, which comprised central and local government under a governor who was appointed by the British government in London. Levy and Tapscott (2001:3) also state that the Boer Republics of the Transvaal and the Orange Free State were unitary states with less structured forms of local government. In 1910 the South African Constitution Act of 1909 (Constitution, 1909) came into effect and served to unite the Republics and the British colonies into one sovereign state. The Constitution (1909) also set out legislation that effectively excluded Blacks from legislative processes and concluded with the racial separation of the system of Apartheid. The amalgamation of the British and the Boers resulted in the two tiered Westminster system being disposed of, while a tier of provincial government was introduced between national and local government (Levy and Tapscott, 2001:3).

The provinces' legislative power was derived from the then Constitution, 1909 and was subordinate to national legislation. Levy and Tapscott (2001:3) further state that the provincial councils also possessed powers to promulgate laws and ordinances, but their power was basically vested in the office of the administrator as the chief executive of the province who could only be appointed and dismissed by the Minister/State President. The Provincial Act 69, 1986 assisted by improving relations between provincial and central government, as it provided for extensive power and influence by provincial administrators over the provincial councils and administration. Little tension between central and provincial government existed and

intergovernmental relations were established between the two, as there was coordination of activities and integration of concurrent responsibilities such as health, education roads and so on (Levy & Tapscott, 2001:3). A constant conflict existed between the provincial and local tiers of government.

The reason for this conflict, as clearly described by Levy and Tapscott (2001:4), emanated from the fact that municipal powers were derived from the provincial ordinances, which meant that municipalities had no original powers. Municipalities were not allowed to carry out any activity that was not defined by central and provincial authorities. The provincial administrators had so much power over the local authorities, that they could revoke any regulation, which was passed by municipalities, as well as call for municipal elections and enforce by-laws and other legislation.

Post 1994, provincial governments bore the responsibility of establishing municipalities, as well as promoting their capacity to perform their functions and manage their own affairs as mandated by the Constitution of the Republic of South Africa, Act 106 of 1996. This resulted in the need for cooperation among the three spheres of government.

### **3.3 Establishment and functions of municipalities**

According to Van Niekerk, Van der Walt and Jonker (2001:77), local government is often referred to as the “grass-roots government” owing to its proximity and intimate relationship with communities. Van Niekerk *et al.* (2001:77) describe the local sphere of government as “... an autonomous body, which in the limits of legislation, by the central and relevant provincial governments, has the powers and authority to provide services and amenities to residents in its area of jurisdiction, in an attempt to promote their well-being...”. Section 151(1) of the Constitution, 1996 states that the local sphere of government consists of municipalities, which must be established for the whole of the territory of the Republic. Section(151) 3 continues to state that a municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

Section 152 (1) Constitution, 1996 also outlines the following objects of local government:

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a suitable manner;

- to promote social and economic development;
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in matters of local government.

Local government is the key element of reconstruction and development in South Africa to help right the wrongs, which were brought about by Apartheid. The aims of democratising society and growing the economy inclusively can only be reached by way of a responsive, accountable, effective and efficient local government system that is part of a developmental state. According to the Turnaround Strategy, as issued by the South Africa. Department of Cooperative Governance and Traditional Affairs (2009:5), an ideal municipality should be able to:

- Provide democratic and accountable government for local municipalities;
- Be responsive to the needs of society;
- Ensure the provision of services to communities in an appropriate manner;
- Promote social and economic development;
- Ensure a safe and healthy environment;
- Encourage the involvement of communities and community organisations in matters of local government;
- Promote social and economic development;
- Assign clear responsibilities for the management and coordination of the administrative units and mechanisms; and
- Facilitate the culture of public service and accountability amongst its staff.

Although the preceding paragraph purports what and how an effective and efficient municipality encompasses, South African municipalities do not come close to possessing the same attributes. Instead, South Africa is ambushed by service delivery protests that have been created by unsatisfied communities. The protests are a result of a lack of improved service delivery in municipalities across all nine provinces. The EC may not experience service delivery protests as often as other provinces, but the reason behind this is not because their service delivery has improved. As explained by Kgafela (2009:3), the EC is the poorest province in South Africa, but does not experience service delivery protests as often as other provinces do due to the fact that municipalities in the EC are mostly characterised by poor and rural communities, hence there is less inequality as people are equally poor; communities are traditionally led in addition to political leadership, therefore concerns of the communities are dealt with traditionally following a set



protocol; and communities are less vulnerable to evictions, as they still live in relatively decent houses unlike in informal settlements.

Table 2 depicts the performance of South African municipalities. The Western Cape performs better than other provinces in the four categories, namely access to electricity; access to piped water; access to full and intermediate sanitation; and access to refuse removal services. The EC and Limpopo still hold the last positions in all categories and in some instances the two provinces both performed below 45% (Local Government Turnaround strategy, 2009:7-8).

Table 2: Percentage access to household services

Access to electricity and lighting	Access to piped water	Access to full and intermediate sanitation	Access to refuse removal service
W Cape (94.0%)	W Cape (98.9%)	W Cape (93.4%)	W Cape (91.1%)
N Cape (87.3%)	Gauteng (97.9%)	Gauteng (87.8%)	Gauteng (86.2%)
F State (86.6%)	F State (97.5%)	N West (81.6%)	F State (76.1%)
Gauteng (83.5%)	N Cape (94.8%)	F State (69.4%)	N Cape (72.1%)
N West (83.2%)	N West (89.9%)	S. Africa (67.6%)	S. Africa (61.6%)
Mpum (81.7%)	Mpum (91.3%)	KZN (63.9%)	N West (54.8%)
Limpopo (81.0%)	S. Africa (88.6%)	N Cape (54.5%)	KZN (51.9%)
S. Africa (80.0%)	Limpopo (83.6%)	Mpum (53.9%)	Mpum (41.5 %)
KZN (71.5%)	KZN (79.4%)	E Cape (48.9%)	E Cape (40.0 %)
E Cape (65.5%)	E Cape (70.4%)	Limpopo (30.8%)	Limpopo (18.7%)

Source: Community survey (2007) in DCGTA- Local Government Turnaround strategy (2009:7-8)

### 3.4 Causes of ineffective service delivery in local government

The Local Government turnaround strategy (2009:3) established the following factors as root causes for service delivery ineffectiveness in municipalities across the country:

- Policy and legislative factors;
- Weakness in the accountability chain;
- Capacity and skills constraints;
- Weak intergovernmental support and oversight;
- Issues associated with the intergovernmental fiscal system; and

- Systematic factors.

### **3.5 Role of provincial government in local government**

The provincial sphere of government plays numerous roles in local government, as outlined in Chapters 6 and 7 of the Constitution, 1996 and other legislation that assist in facilitating cooperative governance. Smith (2002:8) identifies seven key roles that provinces play within local government, and these are presented below.

#### **3.5.1 Monitoring and support role**

Section 155(6)(a) of the Constitution, 1996 states that "... each provincial government must establish municipalities in its province in a manner consistent with the legislation enacted in terms of subsections (2) and (3), and by legislative or other measures must provide for the monitoring and support of local government." According to Smith (2002:11), the objective of monitoring should be to assess the support needed by municipalities in order to strengthen their capacity. The Municipal Systems Act (32 of 2000) (MSA) guides provinces in monitoring local government. Section 105(1) of the MSA, 2000 requires the MEC for local government to establish mechanisms, processes and procedures to monitor municipalities to manage their own affairs, exercise their power and perform their duties; monitor their development capacity; and assess the support needed by municipalities to strengthen their capacity to perform their duties and fulfil their functions. Section 105(2) MSA, 2000 authorises the MEC by notice in the Provincial Gazette to request that municipalities should submit any type of information to a specified organ of state at regular intervals or within a certain period of time.

Monitoring involves eight key issues, which are listed below:

- Receive and scrutinize annual reports;
- Interrogate annual reports;
- Compile consolidated report for the province;
- Identify municipalities that have underperformed;
- Propose remedial action;
- Receive the national Minister's consolidated report on performance around general KPIs;
- Consult with organized local government on the general outcomes of the annual reports; and
- Develop a provincial monitoring regime in line with the dictates the Systems Act.

(South Africa. Provincial Department of provincial and Local Government, 2003:11).

### **3.5.2 Developmental role**

Provinces play an important role in terms of development of its own province. Since this responsibility also lies with local government, it is important for provincial and local spheres of government to work together. According to the WPLG, 1998 the provincial sphere, through its Provincial Growth and Development Strategy, should set a framework for local government in order to guide them in preparation of Integrated Development Plans (IDP's). Smith (2002:9) mentions that checks and balances should be established to ensure that local government gives priority to the basic needs of the community and promotes social and economic development of the community.

### **3.5.3 Fiscal role**

Smith (2002:11) states that provinces also play a vital role in monitoring municipalities' financial management. This task/responsibility is given to the provincial sphere by the Municipal Finance Management Act (56 of 2004) MFMA. According to Section (5)(4) of the MFMA, 2004 the province may monitor the financial status of local government by assisting municipalities in preparing their budgets, monitoring the monthly outcomes of those budgets and the submission of reports by municipalities in the province. Section 8 of the MFMA, 2004 states that a Provincial Treasury must submit all information that is submitted to it by municipalities, and to National Treasury on a quarterly basis or whenever requested to do so.

### **3.5.4 Regulatory role**

Section 155(7) of the Constitution, 1996 states that the national and provincial governments have the legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters that are listed in Schedules 4 and 5 by regulating the exercise by municipalities of their executive authority, which is referred to in section 156(1) of the Constitution, 1996.

### **3.5.5 Intervention role**

The Constitution, 1996 provides for provincial governments' intervention in local government. Section 139 of the Constitution, 1996 specifically allows provinces to intervene in municipal matters when a municipality cannot or does not fulfill an executive obligation. The province may

intervene by taking proper steps to ensure that such an obligation is fulfilled. These steps include:

- issuing the municipal council a description of the extent of the failure to fulfill its obligation and stating any steps required to meet them;
- assuming responsibility for the relevant obligation; and
- dissolving the municipal council and appointing an administrator until a newly-elected Municipal Council has been declared elected.

Smith (2002:13) identifies the importance of understanding the two operative words in intervention, namely “cannot” and “does not”. Smith (2002:13) defines “cannot” as a situation of incompetence or inability and “does not” as a situation where a municipality has the capability to perform a function, but does not do it. Section 106(i) of the MSA (Act 32 of 2000) provides the MEC for local government with the right to intervene when he/she has reason to believe that a municipality cannot or does not fulfill its obligation owing to maladministration, fraud, corruption or for any other malpractice. De Visser *et al.* (2000:6) clearly state that provinces may only intervene in municipal affairs when the instruments of monitoring and support failed to assist municipalities in fulfilling their constitutional functions. De Visser *et al.* (2000:6) explain further that provincial government should respect local government’s institutional integrity as an independent sphere of government. De Visser *et al.* (2000:6) also describe the aim of the intervention as not only a fulfillment of an obligation failed by a municipality, but also as certification that the obligation will be fulfilled in future.

### **3.5.6 Intergovernmental role**

According to the WPLG, 1998 the provincial government has an intergovernmental role to play in local government. The provincial government should establish forums and processes that will assist local government to be part of decision making processes in matters that affect it. The WPLG,1998 also states that provincial governments may also promote coordination between municipalities in their provinces.

### **3.5.7 Institutional development and capacity-building role**

Provinces are empowered by the Constitution, 1996 to establish municipalities. Section 155(6)(b) delegates provinces the responsibility to promote the development of local government capacity to enable municipalities to function and manage their own affairs. The WPLG,1998 states that these responsibilities provide provincial government with a role in the institutional

development of municipalities, which is important to ensure success in local government systems. The WPLG, 1998 further provides a number of interventions, which provinces may perform in order to build municipal capacity. These involve:

- facilitating or funding programmes;
- providing technical assistance and mentorship;
- arranging exchange programmes;
- providing assistance with municipal IDPs; and
- facilitating shared learning between municipalities and secondment of staff, where appropriate.

### **3.5.8 Provincial support**

The above roles are mandates from the Constitution, 1996; WPLG, 1998; MSA, 2000; and the MFMA, 2004. The South African government in the Report on Local Government Turnaround Strategy (2009:20), as issued by the Department of Cooperative Governance and Traditional Affairs suggested that the provincial government should implement the following in order to ensure effective service delivery:

- Review policies and legislation;
- Create a clean house for policy impacting on local government;
- Establish a single window and entry point for the coordination of local government support and monitoring in COGTA;
- Address the “one size fits all” approach by enabling municipalities to focus on functions that are suitable to their different sizes and capacity;
- Mobilise greater state involvement in rural development and address socio-economic and institutional vulnerability of relevant municipalities;
- Ensure a more enabling environment for service delivery including a funding strategy for municipal infrastructure provision, operation and maintenance;
- Improve spatial prioritisation of budgets and investments, and delivery of national functions and inter-sectoral alignment in municipalities;
- Facilitate an intergovernmental agreement with a targeted set of municipalities and direct relevant conditional grants to incentives and fast-track upgrade of informal settlement;
- Organised participation in the IDP process;
- Allocate more resources towards the local government function; and
- Improve performance and accountability, including better communication and involvement of municipalities and communities in the planning and execution of provincial functions.

### **3.6 Cooperative governance**

According to South Africa. The Presidency (2003:12), the establishment of a democratic government in South Africa introduced changes and was faced with an enormous task of transforming a country that was built on racial segregation. The segregation resulted in high levels of inequality in income and development. During the Apartheid era, local authorities were racially separated irrespective of the economic integrity of the area (Levy & Tapscott, 2001:7). Black people in the rural areas were excluded from the system of local government; which explains the large number of backlogs in rural areas. Layman (2003:10) states that success in delivering government to the nation requires a holistic approach. The approach refers to government spheres working together to reach the common good of the country, hence the establishment of cooperative governance as a tool to facilitate the relationship between government spheres.

Layman (2003:10) emphasizes the four requirements of cooperative governance as described in section 41(1)(c) of the Constitution, 1996, namely:

- Effective government - cooperative government must entail the effective and efficient use of resources, not wastage and duplication but the unlocking of synergy of collective effort;
- Transparent government - co-operative government should not be an entangled web of committee and consultations, which make it difficult to determine who is responsible for what task;
- Coherent - government should be rational, informed by the best information with due regard to consultation between spheres of government. Contradictory or overlapping policies should not arise by oversight, absence of consultation or poorly informed decisions; and
- Accountable - the system and processes of cooperative governance should not impede holding executives who are accountable for their decisions and actions.

Chapter Three of the Constitution, 1996 provides for cooperative governance and intergovernmental relations. Section 40(1) of the Constitution, 1996 states that "... in the republic, government is constituted as national, provincial and local spheres of government, which are distinctive, interdependent and interrelated".

According to Smith (2002:6-7) distinctive, interdependent and interrelated concepts refer to concepts that are outlined below.

Distinctive refers to the degree of legislative and executive competencies and autonomy entrenched in the Constitution, 1996 with reference to Schedule 5. Interdependent refers to the level of dependence that a sphere has on the other in order to ensure that their constitutional functions and obligations are fulfilled. This can be related to the local sphere's constitutional right to seek assistance from the provincial and national spheres of government, as outlined in Section 154(1) of the Constitution, 1996 which states that the national and provincial governments must support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions. Interrelated refers to the duty of each sphere to cooperate with others in good faith for the greater good of the entire country. The provincial sphere should act in good faith when dealing with local government and must be upfront with them at all times with regard to possible or emerging problems.

The notion of cooperative governance is guided by the following principles, as summarised by Layman (2003:9):

- *Firstly, the common loyalty to society. This means that all spheres are committed to securing the wellbeing of all the people in the country and must provide effective, transparent, accountable and coherent government for the Republic as a whole.*
- *Secondly, the distinctiveness of each sphere must be safeguarded. This entails the following: the constitutional status, institutions, powers and functions of each sphere must be respected; a sphere must remain within its constitutional powers; and when exercising those powers, a sphere must not do so in a manner that encroaches on the geographical, functional or institutional integrity of another sphere.*
- *Thirdly, spheres of government must take concrete steps to realise cooperative governance by: fostering friendly relations; assisting and supporting each other; informing and consulting each other about matters of common interest; coordinating their actions and legislation with one another; adhering to agreed procedures; and avoiding legal proceedings against one another.*

The system of intergovernmental relations referred to in Chapter Three of the Constitution, 1996 was developed to move from the concept of hierarchy in government, and rather to establish cooperation between the spheres of government (South Africa. Department of Provincial and Local Government, 2003:13). Municipalities and province had to exercise their autonomy via a system of cooperative governance that entails coordination and cooperation between a province and municipalities as equal partners. The concept of Integrated Development Planning (IDP)

served as an important instrument of co-ordination between provincial and local government, since service delivery by all spheres converge to co-ordination and alignment at local government level.

### **3.6.1 Integrated development planning**

An IDP is a five-year plan for development that aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the lives of people in that area. The plan is drawn every time new councillors come into office; they can either adopt the existing IDP or develop a new one, taking into consideration the existing IDP (Education and Training Unit, n.d). The executive committee and the mayor are responsible for managing the IDP, but can also delegate the responsibility to the municipal manager (South Africa. Department of Provincial and Local Government, 2003:12).

The importance of developing an IDP in a municipality is to ensure effective use of scarce resources; help speed up delivery; promote co-ordination between local, provincial and national government; strengthen democracy; help overcome the legacy of Apartheid and attract additional funds (Education and Training Unit, n.d). Prior to developing an IDP, a municipality has to draw up a process plan in order to outline how the municipality will go about developing its IDP. Section 29(1)(b) of the MSA, 2000 states that the plans must be checked in order to ensure that there are sufficient mechanisms for consultation by the municipality with provincial government in formulating the IDP.

The key issues for provincial government in the IDP process plans are to: examine IDP process plans for consultation; scrutinise process plans and district frameworks for provincial and national requirements; assist in drafting, adopting and reviewing IDPs; and facilitate the alignment with national and provincial programmes (South Africa: Department of Provincial and Local Government, 2003:14).

### **3.6.2 Submission of IDPs to the MEC**

Section 32 of the MSA, 2000 facilitates the process of submissions of IDPs to the MEC for local government. Section 32(1) of the MSA, 2000 states that the municipal manager must submit a copy of the IDP to the MEC for local government within ten days of adoption or amendment of the plan. According to Section 32(2) of the MSA, 2000 the MEC, within 30 days of receiving the



IDP, can ask a municipality to adjust its IDP in accordance with the MEC's proposal if the plan does not comply with the relevant Act, or is in conflict with the development plans and strategies of other affected municipalities or organs of state.

### **3.7 Chain of accountability in IGR and cooperative governance**

Cooperative governance and intergovernmental relations are the foundation for monitoring and support in government. The system of government is like a chain, as it is distinct, interrelated and interdependent (Constitution, 1996). The notion of accountability is questioned. Monitoring does not prevail only amongst provincial and local government, but through government as a whole. Since the local sphere of government is referred to as an implementing institution for government plans and policies, it is vital to establish the notion of accountability within IGR and cooperative governance. It is argued that all spheres of government are responsible or accountable for ensuring that local government fulfils its mandate or obligations. According to Layman (2003:10), "... success in delivering government to the nation requires a whole of government approach." This refers to executive authorities of all spheres coming together to align their plans, and to combine their efforts to deliver services to South African communities.

On the one hand, Layman (2003:8) states that although the provincial sphere of government is distinctive, its powers and tasks are exercised and performed within the regulatory framework set by the national government, which is also responsible for monitoring compliance with the framework and, if necessary, intervening when constitutional obligations are not fulfilled. Conversely, Layman (2003:8) also indicates that municipalities are subjected to both national and provincial regulatory and supervisory powers, and this is where the context of government interrelationships are visible.

Venter (2001:185) defines accountability as "the obligation of members of the executive to describe to the legislature their performance and delivery of public services within their competency". Van Niekerk *et al.* (2001:125) state that accountability should focus on compliance with rules and ethical principles, and on achievement of results. Van Niekerk *et al.* (2001:125) further state that accountability refers to politicians and public servants being accountable for their actions to their constituencies, superiors and the public. The question that comes to mind is: "*who is accountable in ensuring that the local sphere of government achieves results?*"

Section 154 (1) of the Constitution, 1996 clearly provides both national and provincial spheres with the duty to support and strengthen the capacity of municipalities to exercise their powers, and to perform their functions. The provincial sphere plays a more active role in monitoring and supporting local government. This is evident in the seven key roles that provinces play in municipalities, as discussed earlier in the dissertation, as well as in the local government's IDPs. Provinces cannot be solely responsible or accountable for local government. Section 151 (2) of the Constitution, 1996 clearly states that municipalities' executive and legislative authority is vested in its municipal council, and Section 152 (1) (a) states that local government should provide a democratic and accountable government to local communities.

Therefore, municipal councils are responsible for the day-to-day operations of municipalities, and may also be held accountable for service delivery. The national sphere also has an obligation to overlook and ensure that provinces fulfil its obligation. Therefore, it would be inadequate to only hold province and municipal councils accountable for service delivery, as Section 125 (3) of the Constitution, 1996 legislates national government to assist provincial governments to develop the administrative capacity, which is required for effective exercise of their powers and performance.

### **3.8 Summary**

The concept of IGR and cooperative governance has evolved gradually in South Africa over the years. Since the 19<sup>th</sup> century government operated in a hierarchical manner, which has now evolved into a cooperative approach. The chapter discussed the different roles played by the distinct spheres of government in improving the culture of cooperative governance and IGR. It is clear in the discussion of this chapter that the provincial sphere of government is more involved in municipalities than the national sphere. It is essential to take into consideration that the Constitution, 1996 together with other forms of legislation serve as guidelines and facilitate the relationship between the spheres. The laws clearly show that provinces should monitor and support local government and ensure that they reach their IDP goals. After taking all the different literature into consideration and realising that province is mandated to be involved in the performance of the municipalities in terms of regulation; fiscal operations developmental issues; monitoring and providing support to municipalities, as well as intervening when necessary, it can be concluded that when a municipality does not perform qualitatively, the province should be the

first sphere to be aware of this, communicate with the municipal council, and provide mechanisms on how to improve municipal performance.

## CHAPTER 4: MONITORING AND EVALUATION

### 4.1 Introduction

This chapter commences with describing what M&E is and what it is not. The chapter explains the importance and benefits of governments that have successful M&E systems. Since other countries have already successfully developed M&E, it is vital for South Africa to explore how those countries managed to reach success, and not copy them, as each country has its own set of unique circumstances. The chapter further presents success factors of two selected countries that have introduced successful M&E systems.

### 4.2 Explanation of monitoring and evaluation

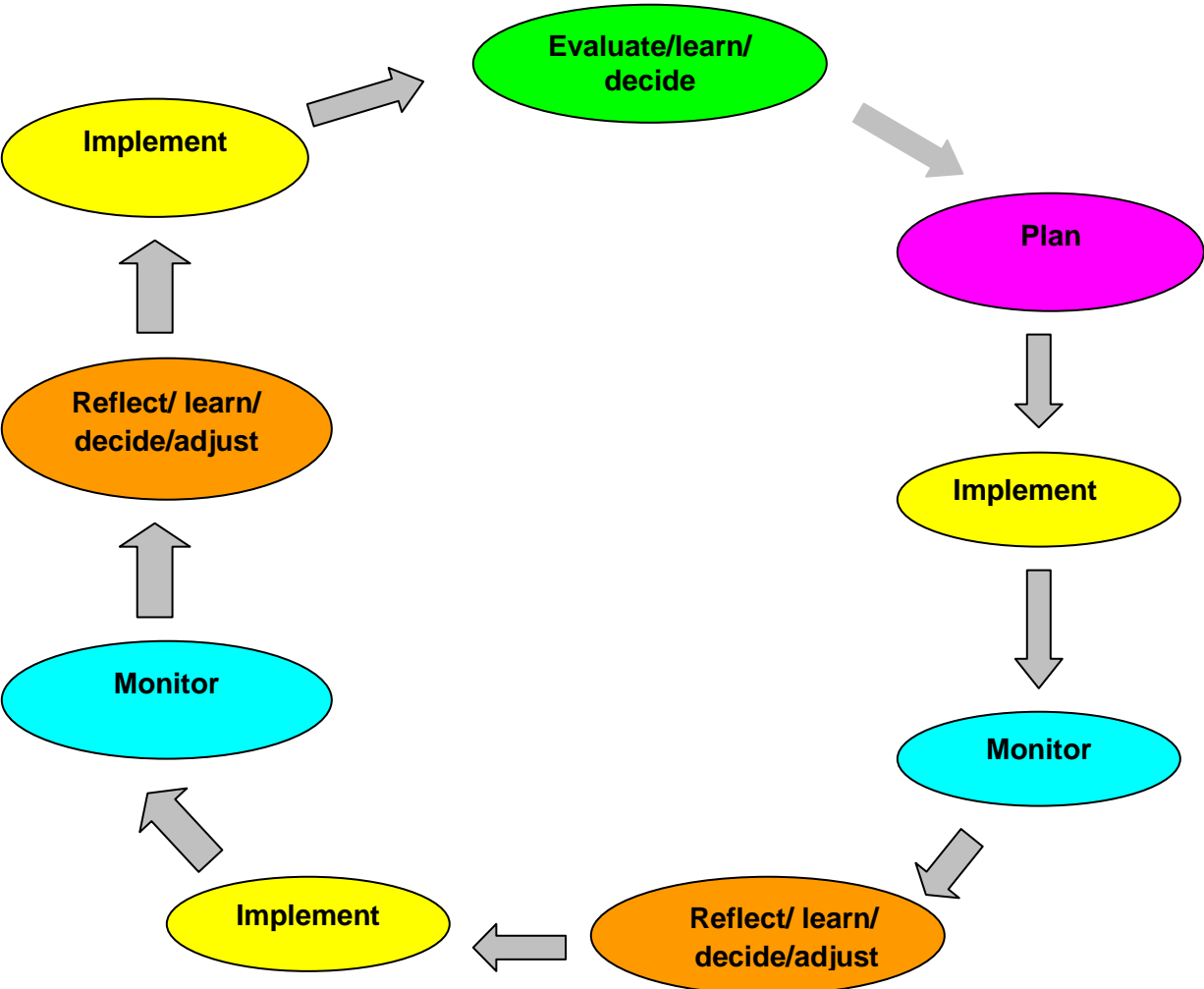
Monitoring and evaluation cannot be referred to interchangeably, which was shown in Chapter One. Although the two are not the same, they do have one thing in common. Shapiro (2008:3) states that both 'monitoring' and 'evaluation' can assist an organisation/ government to learn from what is being done and how it is being done by focusing on:

- Efficiency – assist in informing that input (for example, money, time, staff, equipment and other resources) is appropriate in terms of the output;
- Effectiveness – helps measure the extent to which a development programme achieved the objectives that were set; and
- Impact – identifies whether the programme made a difference to the problem that needed to be addressed.

According to Shapiro (2008:5), M&E can help organisations identify whether or not they are making a difference, because by way of M&E, an organisation can review progress; identify problems in planning or implementation; and make adjustments when necessary. Shapiro (2008:5) further states that M&E is not a “quick fix mechanism” that can make problems disappear without any hard work that is put in to it, nor are they a solution to a problem. According to Shapiro (2008:5), M&E are in fact “...valuable tools that can help an organisation identify problems and their causes; suggest possible solutions to problems; raise questions about assumptions and strategy; push organisations to reflect on where they are going, and how they will get there; provide organisations with relevant information and insight; and increase the likelihood of a positive development difference.”

Shapiro (2008:5) further states that the process of M&E is an on-going cycle that commences with the evaluation of an existing project/programme. The process, as depicted in Figure 10 involves reflecting, learning and adjusting. Figure 10 below, also describes the repetitive nature of constant implementing, monitoring and reflecting.

**Figure 10:** Monitoring and evaluation cycle



Source: Shapiro (2008:6)

M&E also contributes to sound governance, which was proven to be accurate by countries such as Colombia, Chile and Australia, as mentioned in Chapter One. Mackay (2007:9) points out that M&E has an ability to provide information about government performance in terms of policies, programmes and projects, individual ministries, agencies, managers and their staff. M&E also

provides a vital feature by informing government about effectiveness and ineffectiveness, as well as reasons for ineffectiveness.

According to Mackay (2007:9-10), M&E information can be useful for governments in different ways:

- To support policy making, especially budget decision-making, performance budgeting and national planning;
- To help government ministries in their policy development and analysis work, as well as programme development;
- To help government ministries and agencies to manage activities at sector, programme and project levels (including government service delivery and management of staff); and
- To enhance transparency and support accountability relationships between government and parliament, civil society, sector ministries and donors with regard to revealing the extent to which government has achieved its desired objectives.

### **4.3 International best practices: Chile and Colombia**

Chile and Colombia are rated as the best in-terms of successful M&E systems in the world. The distinct characteristics of successful M&E systems, which were implemented in Chile and Colombia are explained in the following section.

#### **4.3.1 Chile**

According to Burdescu, Villar, Mackay, Rojas and Saavedra (2005:1), Chile's M&E system is one of the strongest government M&E systems in the world solely owing to its location in the Ministerio de Hacienda (Ministry of Finance). Mackay, in Burdescu *et al.* (2005:1) states that "... Hacienda has succeeded in creating an evaluation factory, which includes a well-developed process for planning, commissioning, managing, reporting and using a range of types of evaluation". Chile's M&E system consists of six components, according to Mackay (2006a:25-26), which involve the following:

- Ex ante cost-benefit analysis of all investment projects;
- Performance indicators;
- Comprehensive management reports;
- Evaluations of government programmes;
- Rigorous impact evaluations; and

- Comprehensive spending reviews

The strengths and weaknesses of the Chile systems are presented in Table 3 below:

Table 3: Chile's strengths and weaknesses

<b>Strengths</b>	<b>Weaknesses</b>
Graduated approach to M&E	Unevenness exists in the quality of evaluations conducted; this is probably caused by cost and time constraints imposed by the Ministry of Finance (MOF).
Evaluations are conducted in a fully transparent process, and are considered highly credible by other ministries and the congress.	Chile is probably not spending enough on evaluations.
All M&E information is reported publicly and sent to the congress.	There is a low level of utilisation- because of low ownership of evaluation findings by sector ministries.
The M&E system is closely linked to the information needs of the Minister of Finance, especially for the budget process. There is high utilisation of M&E information in the budget.	There is an apparent absence of incentives for ministries and agencies to conduct their own evaluations.
Performance information is used to set performance targets for ministries and agencies; these are highly met.	
The MOF uses evaluation findings to impose management changes on ministries and agencies.	
The MOF closely monitors the extent of utilisation of its evaluation findings.	

Adapted from: Mackay (2006a:4-6)

#### **4.3.2 Colombia**

Burdescu *et al.* (2005:2) state that SINERGIA (Colombia's M&E system) has been in operation to track and measure public sector performances since 1994. According to Mackay (2006a:31), SINERGIA places more emphasis on monitoring information than evaluation, which resulted in possible abolition of the system.

The strengths and weaknesses of the Colombia systems are presented in Table 4 below:

Table 4: Colombia's strengths and weaknesses

<b>Strengths</b>	<b>Weaknesses</b>
Very high level of utilisation of monitoring subsystem by the president and his office.	Low-level utilisation of M&E information by the budget and planning directorates of the planning ministry and by the finance ministry.
Performance information used to set performance targets for ministers and their ministries and agencies. Public reporting of the extent to which performance targets are achieved; where they are not achieved, managers have to provide public explanations.	Concerns about the reliability of monitoring data supplied by sector ministries and agencies.
Evaluations are conducted externally in a transparent process and considered highly credible by other ministries and congress.	Excessive reliance on donor funding of the evaluation agenda.
Evaluations are planned and conducted in a collaborative approach involving the planning department and sector ministries and agencies.	
All M&E information is reported publicly and sent to congress.	

Source: Mackay (2006a:7-9)

#### **4.4 Establishment of monitoring and evaluation in South Africa**

Before 1994, M&E activities were developed to provide information on security purposes only. The then established systems were designed for control purposes and did not yield accurate and reliable information that would assist to enhance the well-being of society. A small fragment in the system concentrated on measuring outputs, results outcomes and the developmental goals of the government (South Africa. The Presidency, 2006:9). The initial efforts for a proper functioning M&E system surfaced after 1994 to ensure that there was effective monitoring of human resources within the public sector.

In 2004 talks about a proper M&E system for government began to surface. Former President, Thabo Mbeki, in a State of The Nation Address (South African Government information, 2004) stated that "... government is also in the process of monitoring and evaluation to improve the performance of our system of governance and the quality of our outputs, providing an early

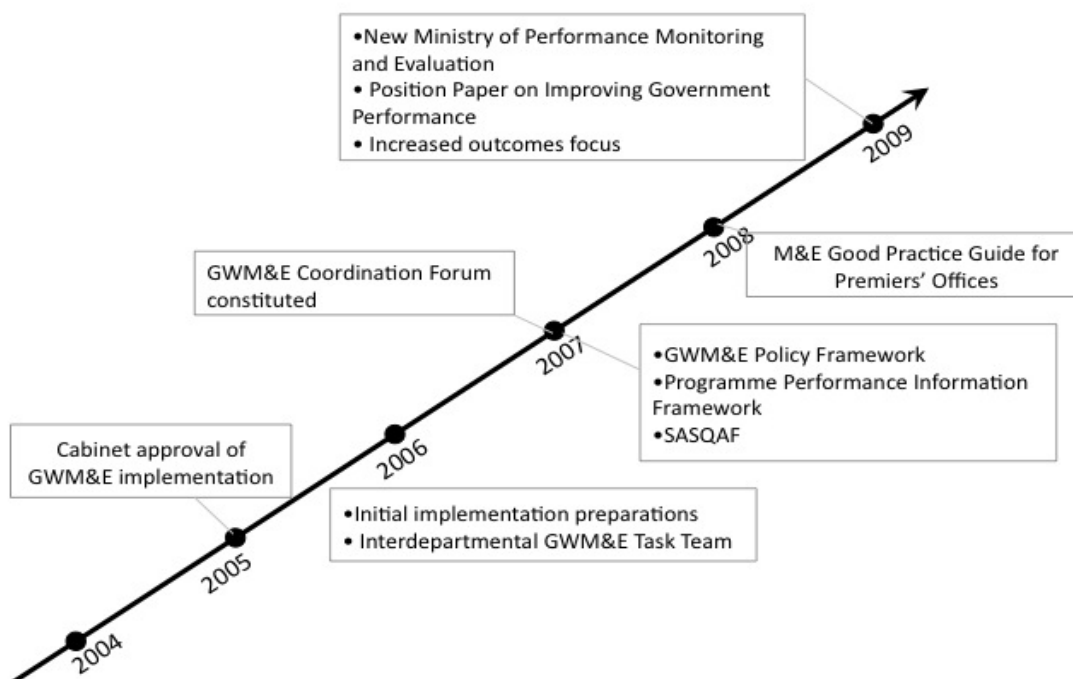


warning system and a mechanism to respond speedily to problems as they arise.” (South African Government Information, 2004). Only in 2005 did cabinet approve the implementation plan to develop the Government Wide Monitoring and Evaluation System (GWM&ES). According to Engela and Ajam (2010:2), the system included functions such as monitoring, evaluation, early warning, data verification and collection, analysis and reporting. The implementation plan also outlined the dates for phased implementation and an interdepartmental task team in the following work stream:

- Principles and practices – led by the President’s Office;
- Reporting and databases – led by the Department of Public Service and Administration (DPSA); and
- Capacity building - led by the Public Administration, Leadership and Management Academy (PALAMA).

Engela and Ajam (2010:3) further indicate that after all the planning and enthusiasm of the GWM&ES, the initiative lost impetus for almost a year, because of the enormous time and energy that was spent on clarifying roles and developing terms of reference for the various working groups. After the one year break, the President’s Office stepped in and revitalised interest in the GWM&E initiative. The administration’s Policy Unit took the leading role of the departmental task team, which resulted in two of the three working groups completing their tasks by the end of 2007. The new M&E ministry was established in the Presidency in 2009 (Hirschowitz & Orkin, 2009:2). Figure 11 illustrates the timeline and activities that followed in the process of implementing GWM&E in South Africa from 2004 to date.

**Figure 11:** Key milestones in implementing Government Wide Monitoring and Evaluation System in South Africa

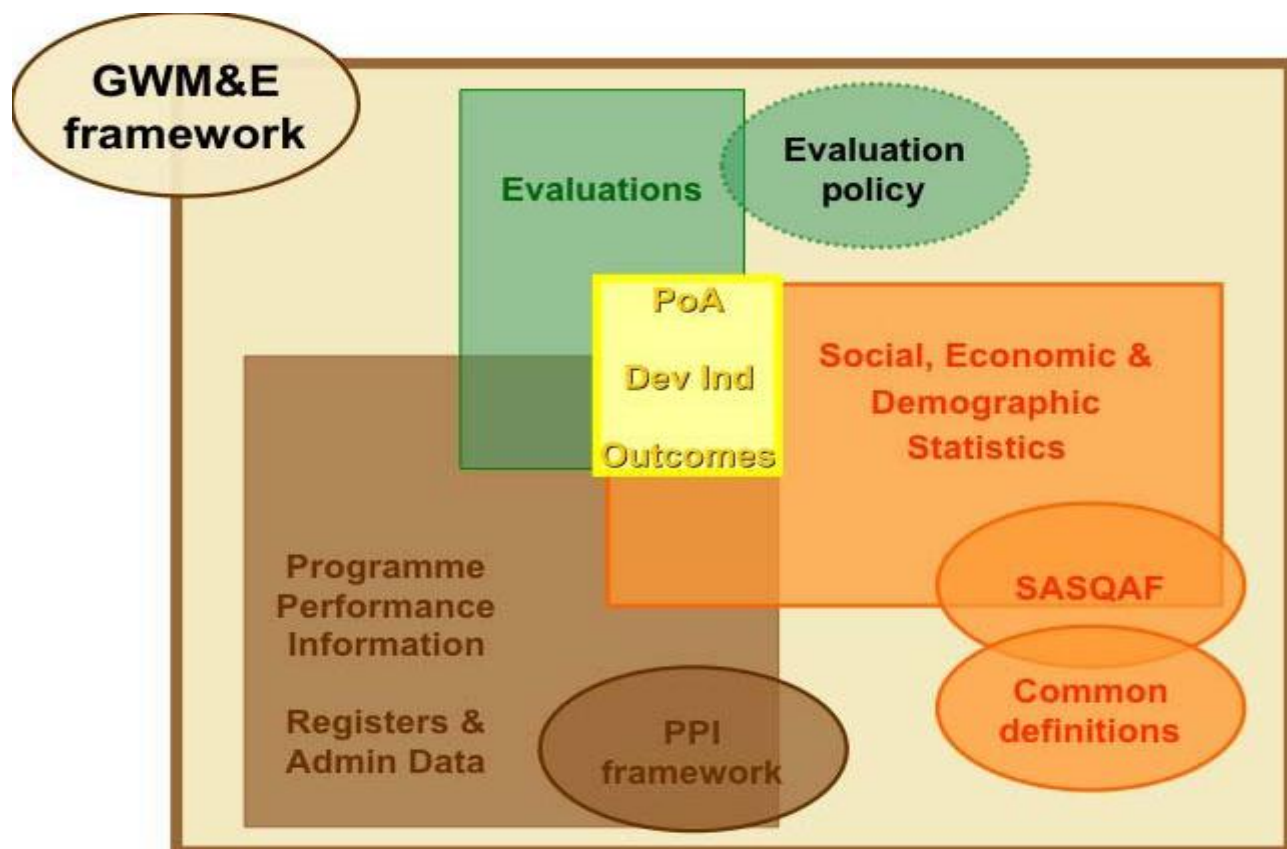


Source: Engela & Ajam (2010:6)

Engela and Ajam (2010:6) state that the interdepartmental Task Team identified three main areas of work that would contribute to M&E in government, as illustrated in Figure 12. These areas included:

- Programme Performance – derived from, amongst others, departmental registers and administrative datasets, and strongly linked to departmental budget structures;
- Social, Economic and Demographic Statistics - derived mainly from Statistical Agency of South Africa (StatsSA), census and surveys, as well as departmental surveys; and
- Evaluation - which mostly makes use of researchers outside of government and tends to occur on an ad-hoc basis.

**Figure 12:** Components of the South African government-wide monitoring and evaluation system



Source: Engela & Ajam (2010:6)

#### **4.5 What is the government wide monitoring and evaluation system?**

Masiteng (2004:2) defines monitoring in the GWM&E context as “... a set of activities and milestone tracing techniques, all of which measure some aspect of government performance, including measurement of the current status and change over time in any of the initiatives”. Monitoring also helps to track changes in services that are provided and the expected outcomes, thereby providing a basis for accountability with regard to the utilisation of resources (Masiteng, 2004:2). Hirschowitz and Orkin (2009:3) describe evaluation as “...an assessment of the design, implementation and results of completed or ongoing projects, programmes or systems of working at a specified point in time to help to improve them in the future”.

Hirschowitz and Orkin (2009:3) further state that monitoring leads to and forms the basis for evaluation, whilst the findings from monitoring may be used as part of evaluation. In terms of statutory requirements, accounting officers and chief executive officers in the public sector must establish M&E systems for their institutions. The prime users of M&E systems utilise these

systems to refine their planning and implementation processes. Stakeholders in the GWM&ES make use of information, which is produced by prime users to create an overall picture of the performance of all three spheres of government (South Africa. The Presidency, 2007:4).

GWM&ES aims to “ ...provide an integrated, encompassing framework of M&E principles, practices and standards to be used throughout government, and function as an apex-level information system, which draws from the component systems in the framework to deliver useful M&E products for its users...” (South Africa. The Presidency, 2007:5). According to Cloete (2009:293), the establishment of GWM&ES is to develop a uniform system of M&E across all spheres of government, as well as include business and voluntary sectors of South African society. Levin (2005:5) emphasises that the GWM&E system was built on ethical (rights-based, transparent and accountable), managerial (efficiency, effectiveness, economy and service delivery orientated) and technical principles (indicator-based, participatory, people centred, developmental and inclusive).

#### **4.6 Models applied in the government wide monitoring and evaluation system**

GWM&ES has three models, which Masiteng (2004: 8) describes as follows:

- High level tertiary model – this model can be informed by the State of the Nation address, Cabinet decisions and cluster priorities;
- Government level M&E – this model measures progress, which is made by all three spheres of government with regard to addressing the objectives and implementation of priority programmes; and
- Departmental M&E – this model addresses progress, which is made by diverse departments in implementing those programmes that are in line with government priorities.

#### **4.7 Role players in government wide monitoring and evaluation system**

The South African government has certain role players/drivers that are responsible for ensuring that the implementation of GWM&ES is successful. The role players include: the Office of the Public Service Commission (OPSC); The Presidency; National Treasury; Department of Public Service Administration (DPSA); The Provincial Offices of the Premier (OOP); and The Department of Provincial and Local Government (DPLG)/ Department of Cooperative Governance and Traditional Affairs (COGTA). The role of each is discussed in the following section.

#### **4.7.1 Office of the Public Service Commission**

Section 196 (4)(b) of the Constitution, 1996 states that one of the functions and powers of the OPSC is to investigate, monitor and evaluate the organisation, administration and personnel practices of the public service. The OPSC is also mandated to evaluate the success or otherwise of government programmes; and is obligated to promote measures that ensure effective and efficient performance within the public service, as well as promote values and principles of public administration throughout the Public Service (South Africa: The Presidency, 2007:18-19). Engela and Ajam (2010:12) state that the OPSC utilises the Annual State Report as one of its key governance M&E instruments. The report assesses whether National and Provincial departments adhere to the principles of public administration, as outlined in the Constitution of South Africa, 1996.

#### **4.7.2 The Presidency**

Section 85(1) of the Constitution, 1996 states that the executive authority of the country is vested in the President of the country. Section 85(2) of the Constitution, 1996 further states that that the President, together with the members of the cabinet, should exercise executive authority through the development and implementation of national policy and legislation, and coordinate the functions of state departments and administration. The Presidency also plays a vital role regarding coordinating, monitoring, evaluating, and communicating government policies and programmes, as well as accelerating integrated service delivery. Evaluation of the implementation of government strategy and its impact, as measured against desired outcomes, is also one of the essential aims of the Presidency (South Africa. The Presidency, 2007:17).

The GWM&ES should be able to provide the Presidency with accurate and reliable information that allows it to assess the impact achieved by departments and organisations, as well as encourage and promote policy revisions where necessary (South Africa. The Presidency, 2005). The system should also be able to provide information about the performance of agencies implementing the Programme of Action and the impact of long-term efforts to improve economic performance and alleviate poverty (South Africa. The Presidency, 2005:11).

#### **4.7.3 National Treasury**

Section 215(1) of the Constitution, 1996 states that national, provincial and municipal budgets and budgetary processes should promote transparency, accountability and effective financial

management of the economy, debt and public sector. The role of the Treasury in GWM&E is to ensure that information about inputs, activities, outputs and outcomes underpins planning and budgeting, including implementation management and accountability reporting to promote economy, efficiency, effectiveness equity, transparency and expenditure (South Africa. The Presidency, 2007:17). Therefore, it is essential that the GWM&E system should provide the National Treasury with data that allows it to assess that value for money is being practised by government, as mandated by the *Batho-Pele* principles (South Africa: The Presidency, 2005:11).

#### **4.7.4 Department of Public Service and Administration**

The department is responsible for ensuring improved governance and effective public service. The department also acts as a curator of public management frameworks, performance, knowledge, management and to improve service delivery. A connection between this department and the GWM&E exists as the department co-chairs the Governance and Administration cluster and the GWM&E Working Group (South Africa: The Presidency, 2007:18). The GWM&ES should be able to provide the particular department with information that it needs to assess whether human resources are being well used, managed and developed.

#### **4.7.5 Provincial Offices of the Premier and the Department of Cooperative Governance and Traditional Affairs (COGTA)**

The Provincial Office of the Premier plays an essential role in the development and implementation of provincial and national policies and Provincial Growth and Development Plans (PGDP), and the coordination of provincial departments (South Africa. The Presidency, 2007:19). The Premier's Office, in support of provincial and national priorities and plans, provides consistent strategic leadership and coordination in policy formulation and review, planning and overseeing the planning and implementation of service delivery (South Africa. The Presidency, 2008:2).

Conversely, COGTA strives to develop national policies and legislation with regard to provincial and local government, monitor the implementation of these policies and support them in executing their constitutional and legal mandate (South Africa. The Presidency, 2007:18). Therefore, M&E systems should provide this department with information that allows it to assess how well provinces and local authorities are working towards fulfilling their mandates (South Africa. The Presidency, 2005:11). COGTA plays an essential role in determining the final

architecture of South African GWM&ES (Geyer & Olivier, 2007:4). According to Engela and Ajam (2010:12), COGTA is the champion of the local government five-year reform agenda, which consists of three main priorities, namely: (a) mainstreaming hands-on support for improving municipal governance, performance, and accountability in both crosscutting issues and five key performance areas; (b) addressing structural governance and public participation; and (c) focusing on strengthening policy, regulatory, and fiscal environment and enforcement measures.

All provincial governments should be accountable, since their tasks do not only include aligning provincial policies and planning frameworks to national plans, but to ensure that Local Government Integrated Development Plans (IDPs) are also in line with provincial and national growth and development strategies (South Africa. The Presidency, 2008:2). The Office of the Premier has a responsibility to monitor the provision of basic municipal service delivery to ensure progressive realisation of the socio-economic rights of citizens in the province (South Africa. The Presidency. 2008:23).

A proper functioning M&E system assists provincial governments to identify early signs of potential municipal service delivery breakdowns and financial crises, and becomes an instrument for effective municipal monitoring, supervision, support and rapid intervention by provincial governments when needed (Policy framework for the government wide M&E system, 2007). According to Masiteng (2004:18), GWM&ES should to be functional under the understanding that each province will have to take responsibility for its own M&E processes and apply them to its local governments, thus the importance of the role of the Premier's Office and COGTA. It is important that there is close cooperation between Provincial Treasury, provincial COGTA and the Office of the Premier in order to ensure a coordinated, effective and efficient monitoring system and process for municipalities. This cooperation will prevent duplication of information and clearly outline the role of each of the three departments in M&E (South Africa. The Presidency, 2008:40).

#### **4.8 The Eastern Cape Provincial Government and the GWM&ES**

Each province has a responsibility to ensure a proper operational M&E system for better results. This means that the Eastern Cape has a responsibility to ensure that its municipalities perform well with an established unit of M&E.

In 2008, as depicted in the questionnaire, which was administered to the office of the Premier (annexure 3), the EC province showed positive feedback in setting up a basis for M&E. Annexure 4 further shows that EC was the leading province to create thirty three and fill twenty seven of those thirty three posts with officials to operate the unit. The EC was identified as the only province to have appointed M&E personnel at a district level. It also has specific engagements with municipalities in order to ensure that their IDPs are in line with the Provincial Growth and Development Strategy, as well as the Local Government 5-year Strategic Agenda (South Africa. The Presidency, 2008:50).

With all the positive feedback of M&E progress in the EC, municipal performance is still not progressing up to standard. The vacant posts may be filled and personnel at district level may be appointed, but these questions still arises owing to the low levels of municipal performance: *“are those staff members that filled the posts performing up to standard? Are they meeting the M&E objectives? Has there been any change in municipal performance since their appointment?”*

#### **4.9 Assessment of the Government Wide Monitoring and Evaluation System (GWM&ES)**

Cloete (2009: 22) provides the following assessment of the GWM&ES since its establishment:

- The GWM&ES does not have a formal hierarchical structure;
- The system operates as a loose network of autonomous agencies that periodically interact with each other;
- There is no clear line of authority in the system;
- Frequent turf battles cause confusion and conflict among stakeholders and role players in the system;
- Learning lessons in a self-regulatory manner illustrates the complex nature of the system, which justifies the decentralised implementation approach;
- The system operates further from the equilibrium;
- The stakeholders in the system interact with each other in a dynamic, rich historically determined and non-linear manner;
- The system has an inherent survival capability; and
- There is also a need for coherent and feasible, integrated and holistic national vision to guide the M&E activities.



#### **4.10 Government wide monitoring and evaluation system improvement strategies**

The preceding paragraph is an assessment of the GWM&ES by Cloete. Cloete (2009:23) further provides a few improvement strategies that government may consider in order to achieve a successful system that will improve service delivery across the country. The strategies provided by Cloete (2009:23) are:

- There is a need for coherent and feasible, integrated and holistic national vision to guide M&E activities;
- environmental and sustainability indicators should be integrated into mid-term development indicators, as well as distinguishing output from outcome and impact indicators;
- Fast track roll-out of systems to provincial and local government levels;
- There is a need for an M&E coordinating unit in the presidency;
- Intergovernmental communication and marketing for GWM&ES should be improved; reduction of internal territory battles and overlapping M&E mandates among the main stakeholders; and
- Most importantly, the government should build an organisational culture of network co-operation rather than hierarchical competition.

#### **4.11 Performance monitoring and evaluation**

Cloete's (2009:22) assessment of the GWM&ES concludes that the system has several loopholes and should be reassessed by government in order for it to be mended. Because of the ineffectiveness of the GWM&ES, the government realised the importance of monitoring and evaluation of government institutions, which resulted in the establishment of the Ministry of Strategic Planning, as well as the Ministry of Performance Monitoring and Evaluation in the Presidency in 2009. The two ministries elucidate that planning coordination and performance management are interrelated (South Africa. The Presidency, 2009:2). The Ministry of Strategic planning seeks to provide a coherent vision and strategic outcomes around which policies and programmes should be developed, enhanced to achieve the intended objectives, whilst the Ministry of Performance, Monitoring and Evaluation involves setting expectations of improved outcomes in all three spheres of government, and drive a results-orientated approach. The Ministry of Performance further focuses on:

- The management of outcomes through ministerial accountability to improve delivery performance;
- Institutionalising the GWM&ES; and
- Unblocking service delivery

(South Africa. The Presidency, 2009:19)

COGTA established a Performance Management System (PMS) functionality assessment tool that provinces and municipalities may follow to assess the functionality of their PMS. An example of the assessment tool is included in Annexure 6. The assessment tool consists of the following:

- Planning;
- Performance management system policy framework;
- Link between organisational and employee performance management;
- Components of PMS;
- Linking the IDP, Service Delivery budget and implementation plan (SDBIP) and reporting;
- Internal audit reports;
- Performance audit committees report;
- Auditor general report; and
- Annual performance reporting.

The Presidency (2010:13) established 12 outcomes based on the election manifesto and Medium Term Strategic Framework. The outcomes were developed through extensive consultation with the ministerial and administrative levels. Each outcome is linked to the measurable outputs and key activities to achieve the outputs:

- Improved quality of basic education;
- A long and healthy life for all South Africans;
- All people of SA are and feel safe;
- Decent employment through economic growth;
- A skilled and capable workforce to support an inclusive growth path;
- An efficient, competitive and responsive economic infrastructure network;
- Vibrant, equitable and sustainable rural communities with food securities for all;
- Sustainable human settlements and improved quality household life;
- A responsive, accountable effective and efficient local government;
- Environmental assets and natural resources that are well protected and continually enhanced;
- Create a better South Africa and contribute to a better and safe Africa world; and
- Efficient, effective and development oriented public services and an empowered, fair and inclusive citizenship.

Local government is basically responsible for outcome 9, which states: “a responsive, accountable effective and efficient local government”. Once the outcomes have been stated, delivery agreements are compiled for each of the twelve outcomes. Delivery Agreements are collective agreements that involve all spheres of government. When the Delivery Agreement is produced, all key partners should be in the same room to agree on the key activities (who needs to do what, by when and with what resources). Annexure 5 is an example of what a delivery agreement is and what it entails.

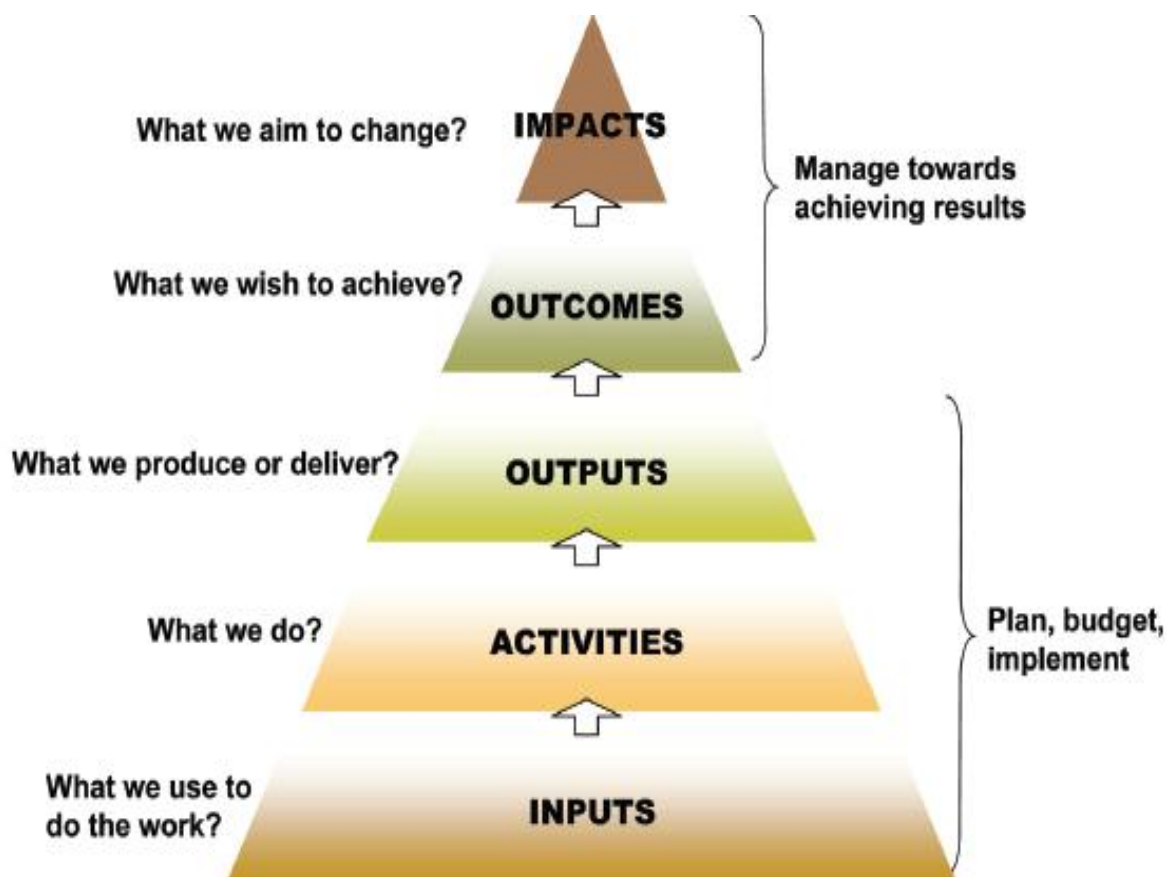
The Minister for Performance Monitoring, Evaluations and Administration at the 2012 African monitoring and evaluation workshop in the opening speech stated that implementation forums have been established for each outcome in order to bring together stakeholders to drive the outcomes. The Minister further outlined that although some the forums may be effective, some are failing owing to implementation problems that are sometimes avoided instead of being attended (South Africa. The Presidency. 2012:3).

In describing how and what government institutions do to measure performance, the National Treasury (2007:6) provided the following key concepts that are clearly illustrated in Figure 13 below.

- Inputs – are all the resources needed by government to deliver the outputs. These include resources such as finances, personnel, equipment and buildings;
- Activities - are the processes that use the inputs to produce the desired outcomes;
- Outputs – are the final products, goods and services produced for delivery;
- Outcomes – are medium term results for specific beneficiaries, due to the achievement of particular outputs; and
- Impacts – the results of achieving specific outcomes.

The model in Figure 13 depicts a hierarchical relationship between the key concepts and is used by the Ministry of Performance, Monitoring and Evaluation to measure government institutions’ performance. The concepts utilised in the model also serve as performance indicators that measure economy, efficiency, effectiveness and equity. The inputs, activities and outputs are utilised to measure efficiency and economy; whilst outputs, outcomes and impact measure equity and efficiency.

**Figure 13:** Key performance information concepts



Source: South Africa. National treasury (2007:6).

#### **4.11.1 Challenges that face developing countries in performance monitoring and evaluation**

Kusek and Rist (2001:17-19) provide common challenges that developing countries experience when developing M&E systems:

- Government's failure to link performance to a public expenditure framework or strategy;
- Government being loosely interconnected with a lack of strong administrative cultures, as well as functioning without the discipline of transparent financial systems; and
- Developed countries that usually undertake a medium-term plan to guide their government priorities. Developing countries experience difficulties in doing the same owing to a lack in political will, a weak central agency and a lack of capacity in planning and analysis.

#### **4.12 Ten steps towards building a performance based M&E system**

Kusek and Rist (2001:17) further suggest ten steps that government can follow in order to build a performance-based M&E system, which are presented below

➤ **Step one- Conducting a readiness assessment**

Conducting a readiness assessment refers to assessing the capacity and willingness of government and its development partners to construct a performance based system. By conducting the assessment, government can address matters of whether champions are present or absent in government, the barriers to building the system, as well as owners and resisters of the M&E system.

➤ **Step two- Agreeing on performance outcomes to monitor and evaluate**

Step 2 requires government to develop strategic outcomes and goals that will focus and drive the resource allocation and activities of the government and its development partners.

➤ **Step three- Developing key indicators to monitor outcomes**

Here government should assess the degree to which the outcomes and goals are being achieved. The political and methodological factors involved in creating credible and appropriate indicators should not be underestimated.

➤ **Step four- Gathering baseline data on indicators**

This step involves the measurement of progress or non-thereof towards goals identified in step 1 and starts with the description and measurement of initial conditions that are addressed by the goals.

➤ **Step five- Planning for improvements - setting realistic targets**

Step 5 deals with the establishment of interim targets that specify how much progress towards a goal should be achieved; in what time; and with what level of resource allocation. This is mainly done owing to the fact that most government goals are long-term and complex.

➤ **Step six- Building a monitoring system**

Building a monitoring system is an administrative and institutional task of establishing data collection, analysis and reporting guidelines; designating who will be responsible for which activities; establishing means of quality control; establishing timelines and costs; working

through the roles and responsibilities of the government, development partners, and civil society; and establishing guidelines for the transparency and dissemination of information and analysis.

➤ **Step seven- Analysing and reporting findings**

This step is crucial as it refers to determining, which findings should be reported to whom; in which format; and at what intervals. The purpose of this step in the process is to address the existing capacity for producing such information.

➤ **Step eight- Collecting and providing evaluative information**

When analysing a performance-based M&E system, the government should to employ the following five strategies:

- analysis of programme theory;
- evaluation assessments;
- process evaluations;
- outcome and impact evaluations; and
- evaluation syntheses.

➤ **Step nine- Utilising the findings**

Step 9 emphasises that performance based monitoring does not only involve generating large volumes of information, but also involves getting the information to the appropriate users in the system on time so that they can take it into account in the management of government. The information should be utilised to strengthen accountability; transparency and resource allocation procedures to development partners and civil society.

➤ **Step ten- Sustaining the M&E system**

Sustainability of the system involves five key criteria, namely: demand; structure; trustworthy and credible information; accountability and capacity.

#### **4.13 Success factors to build country monitoring and evaluation systems**

Mackay (2006b:1) states that there is a growing market for country efforts to strengthen M&E systems, although in developing countries the efforts may be sceptical owing to financially over stressed governments. Mackay (2006b:5) outlines eight lessons for governments in the process of strengthening government M&E systems.

#### **4.13.1 Substantive government prerequisite for successful institutionalisation**

Mackay (2006b:5) starts by describing the term institutionalisation as the "...creation of an M&E system, which produces monitoring information and evaluation findings, which are judged valuable by key stakeholders, which are used in the pursuit of good governance, and where there is sufficient demand for the M&E function to ensure its funding and its sustainability for the foreseeable future...." Mackay (2006b:5) also indicates that achieving substantive demand for M&E is a difficult task, while a lack of knowledge about what M&E entails may be a barrier to demand. This leads to a lack of government demand for M&E owing to a lack of understanding of it and what it can provide.

#### **4.13.2 Role of incentives**

Incentives play an important role in ensuring that M&E is properly implemented and the information achieved from monitoring as well as evaluation findings are utilised. However, Mackay (2006b:6) reiterates that available M&E information does not necessarily guarantee that line managers, budget officers, congress or parliament responsible for accountability, will make use of the information in their respective departments or day-to-day job activities.

#### **4.13.3 Key role of a powerful champion**

A powerful champion serves as a success factor in M&E. A powerful champion refers to a powerful minister, or senior official who has the ability to drive to institutionalise M&E, convince colleagues about its importance and the need to allocate significant resources to create a whole government M&E (Mackay, 2006b:6).

#### **4.13.4 Build reliable ministry data system**

Mackay (2006b:8) states that a reliable ministry data system is essential in providing raw data on which M&E systems depend. Furthermore, Mackay (2006b:8) emphasises that African countries are often faced with a problem where sector ministries collect performance information and the data is of poor quality. The reason for this may be that the task of data collection is given to over-worked officials at a facility level who are tasked with providing data for other officials in district and capital offices, but hardly ever receive any feedback on how the data is being utilised (Mackay, 2006b:8).

#### **4.13.5 Danger of over-engineering the M&E system**

Over-engineering often occurs in performance indicators. Mackay (2006b:7) provides Colombia's system (SINERGIA) as an example of over-engineering, where the system accumulated 940 performance indicators by 2002. The Colombian government declared this number unmanageable for its accountability uses of the information and the number was reduced to three hundred (Mackay, 2006b:7).

#### **4.13.6 Utilisation as a measure of success**

According to Mackay (2006b:8) government M&E system does not aim to produce large volumes of performance information or a large number of high quality evaluations per se. The objective is to achieve rigorous utilisation of any existing M&E findings, in order to ensure that M&E is cost effective. It is important to note that utilisation of whatever information, is provided through M&E is vital in achieving successful M&E (Mackay, 2006:8).

#### **4.13.7 Role of structural arrangements to ensure M&E objectivity and quality**

The structural arrangements of an M&E system are important from a number of perspectives. One of these perspectives, as described by Mackay (2006b:8), is the need to ensure the objectivity, credibility and rigor of the information that the M&E system produces. Mackay (2006b:8) also states that with regard data, Chile relies on external audit committees, while Canada uses the national audit office. On the evaluation side, Chile contracts out evaluations to external bodies such as academic institutions and consulting firms. The downside of outsourcing is the lack of ownership of the evaluation findings by the sector ministries (Mackay, 2006b:8).

#### **4.13.8 A long haul effort, requiring patience**

Countries with existing, running and successful M&E systems have proven that to achieve this, a long process that requires patience and persistence is required. It is time consuming to "...create or strengthen data systems; train or recruit qualified staff; plan, manage and conduct evaluations; to build systems for sharing M&E information in their day to day work..." (Mackay, 2006b:9). It took Australia and Chile four to five years to build their M&E system, while it took Colombia ten years (Mackay, 2006b:9). This does not mean that a slow and measured approach to building an M&E system is apposite, what it means is that governments should work in a



focused, purposeful and intense manner in order to build various components of the M&E system.

#### **4.13.9 Centrally driven by a capable ministry**

According to Mackay (2006b:7), it is vital that M&E is driven by a capable ministry that is close to the centre of government or budget process such as the President's office. Other developed and upper middle income countries such as Chile, Australia and Canada targeted the Finance ministries in their government.

#### **4.14 Summary**

This chapter mainly covered the notion of M&E in government, in general. The chapter discussed the importance of M&E in government, M&E in SA, as well as countries with successful M&E systems. South Africa might not be on the same level as countries such as Colombia and Chile in established M&E systems. The chapter also described in detail how these successful systems work, as well as their strengths and weaknesses. South Africa's GWM&E system was also discussed, and although the system is not yet operational, it is an initiative taken by government to introduce the culture of M&E in government. The chapter further provided the different role players in GWM&ES, as well as how the system has progressed in other provinces of the country since its establishment. One of the authors does mention that no country should duplicate another's system and apply it to their country, because all countries have different backgrounds, economic and social status, therefore, what works in one country may not necessarily work in another country. But it is important to look at other countries' systems for lessons of experiences research. The chapter also provides a number of success factors for building M&E systems.

## CHAPTER 5: RESEARCH DESIGN AND METHODOLOGY

### 5.1 Introduction

This chapter explains the research design and methodology, which was employed during the research. The chapter also explains and provides the extent and rationale for the research methods that were employed within the qualitative paradigm. Furthermore, the research is exploratory and descriptive by nature, while qualitative data collection methods were employed.

### 5.2 Research design

According to Terre Blanche, Durrheim and Painter (2006:48), a research design should provide a precise plan of action in a manner that clearly describes the techniques that will be employed when executing the research. Terre Blanche *et al.* (2006:48) also state that the research design should provide an extensive description of information with regard to sampling, data collection and data analysis techniques.

### 5.3 Types of research

Terre Blanche *et al.* (2006:44) describe three types of research, namely exploratory, descriptive and explanatory. This research may be classified as exploratory and descriptive research, since according to Terre Blanche *et al.* (2006:44) exploratory studies is utilised to "... make preliminary investigations into relatively unknown studies...", whilst descriptive research aims to describe phenomena through the use of narrative type description, classification and measuring relationships. Terre Blanche *et al.* (2006:44) continues by stating that exploratory research employs an open, flexible and inductive approach, since it attempts to find new insights in certain phenomena. This research is also a case study type. De Vos *et al.* (2006:272) state that a case study may be referred to as an exploration or in-depth analysis of a single or multiple cases over a period of time.

According to De Vos *et al.* (2006:272), the criterion for selecting a case for a case study method is an opportunity to learn. Since case studies are both exploratory and descriptive, they make use of in-depth or qualitative data collection methods such as interviews, documents, observations and archival records. Mark, in De Vos *et al.* (2006:272) describes three types of case studies:

- Intrinsic- focuses on gaining a better understanding of an individual case;

- Instrumental- used to gain better understanding of a social issue; and
- Collective- involves multiple cases in order to draw a comparison amongst the chosen cases to extend and validate theories.

Cacadu District Municipality was selected to participate in the case study, as it constitutes the highest population in the EC, with an increasing number of people living in poor rural conditions who are poverty stricken, while there is also an increasingly high rate of unemployment.

#### **5.4 Qualitative research inquiry**

Ivankova, Creswell and Clark, in Maree, (2007:257), describe qualitative inquiry as a process of understanding where a researcher develops a complex, holistic picture, analyses words, reports detailed views of informants and conducts the study in a natural setting. According to Terre Blanche *et al.* (2006:44), descriptive and exploratory research is mostly achieved through qualitative research, for it is commonly used to inductively explore phenomena and to provide detailed descriptions of the phenomena. Bless, Higson-Smith and Kagee (2006:47) state that when conducting exploratory and descriptive research, the researcher has two alternate data collection methods such as case studies and surveys.

#### **5.5 Methods of data collection**

The following two selected data collection methods are explained below, namely:

- interviews;
- document studying.

##### **5.5.1 Interviews**

According to Terre Blanche *et al.* (2006:287), interviewing is the predominant mode of data collection in qualitative research. Rubin and Rubin (2005:4) define interviewing as conversations in which the researcher guides the respondent to an extended discussion about the research topic by following up on answers that are given by the respondent during the conversation. Kvale, in Terre Blanche *et al.* (2006:287), states that "... qualitative interviews are attempts to understand the world from the participant's point of view to unfold the meaning of peoples' experiences and to uncover their lived world prior to scientific expectations." The three types of interviews are also explained below:

- unstructured;
- semi-structured; and
- structured interviews.

### **Unstructured interviews**

De Vos *et al* (2005:292) state that unstructured interviews are also referred to as in depth interviews. Royce, Bruce and Singleton (2005:222) state that in an unstructured interview, individual questions are developed spontaneously during the course of the interview, since the objectives are general and the discussion may be wide ranging. Royce *et al.* (2005:222) continue by stating that the interviewer is free to adapt the interview to capitalize on the special knowledge, experience and insights of respondents. According to De Vos *et al.* (2005:292-293), the purpose of an in-depth interview is not to get answers to questions, nor is it to test hypotheses or evaluate. The in-depth interview concentrates more on understanding the experiences of other people and the meaning that they make from that experience. De Vos *et al.* (2005:293) state that the in-depth interview is perceived as lacking objective data, but it is still the type of interview that allows the researcher to extract data in order to gain more understanding of the participant's point of view. De Vos *et al.* (2005:293) also advise the researcher to engage in the interview, as this shows the researcher's willingness to understand the participant's response to a question in the wider context of the interview as a whole, instead of being objective and detached.

### **Semi structured interviews**

Semi-structured interviews are interviews where the researcher already has predetermined questions on an interview schedule, and will be guided by that schedule and not dictated by it (De Vos *et al.*, 2005:296). According to Niewenhuis in Maree (2007:87), when conducting a semi-structured interview, the researcher is required to be attentive to the participants' responses in order to identify new emerging lines of inquiry that are directly related to the phenomenon that is studied and to explore them.

### **Structured interviews**

Niewenhuis, in Maree (2007:87), describes structured interviews as interviews that are detailed and developed in advance. Niewenhuis, in Maree (2007:87), also warns the researcher that such interviews may hamper the act of investigation when overly structured.

For the purpose of this study, the researcher employed the semi-structured interview, since it acts as a guide for the researcher to extract more information from the participants.

### **5.5.2 Document study as an information collection method**

De Vos *et al.* (2005:317) provide four sources of documents for review and analysis purposes, namely:

- Personal documents ( letters and diaries);
- Official documents (government documents, reports);
- Mass media (newspapers, magazines, journals, television, radio, films and books); and
- Archival material (documents and data preserved in archives for research purposes).

The researcher reviewed official documents such as the EC Consolidated Reports on Municipal Performance for 2007/2008-2009/2010. The 2011 report had not been released to the public during the data collection period.

### **5.6 Population and sample**

According to Fox and Bayat (2007:51), population is "...a full set of cases from which samples are drawn from." Fox and Bayat (2007:51) also state that the population is the object of the research and it may comprise of individuals, groups, organizations, human products and events. It is important for the researcher to be clear of his/ her population or units of analysis that the questions apply to when conducting research (Fox & Bayat, 2007:51). Even so, Goddard and Mellvile (2001:34-35) reiterate that it is almost impossible for a researcher to study an entire population and which is why one has to draw a sample that is representative of the population that is studied.

De Vos *et al* (2005:194) describe a sample as a subset of measurements, which is drawn from a population that the researcher is interested in, in order to understand that particular population. De Vos *et al.* (2005:328) also state that in a qualitative inquiry there are no rules for sample size. Instead, the sample size depends on what the researcher wants to know; the purpose of the inquiry; what is at stake; what will be useful; what will have credibility; and what can be done with the available resources and time. Sampling in qualitative research is relatively limited based on saturation, not representative and size is not statistically determined, therefore, qualitative research uses non-probability sampling (De Vos *et al.*, 2005:328). Terre Blanche *et al.*

(2006:139) describe non-probability sampling is a type of sampling where the selection of elements is not determined by the statistical principle of randomness. According to De Vos *et al.* (2005:201), the odds of selecting a particular individual are unknown because the researcher does not know the population size or the members of the population. De Vos *et al.* (2005:201) continue to name the different types of non probability sampling as:

- purposive sampling;
- accidental;
- quota;
- dimensional;
- target;
- snowball; and
- spatial planning.

Purposive sampling was utilised, according to De Vos *et al.* (328-329), in purposive sampling, where the sample is composed of elements that contain the most characteristics and representative attributes of the population.

The sample for the research was drawn from the ECDLGTA, as shown in Figure 14. Figure 14 shows the structure of the ECDLGTA. The Developmental Local Government Directorate consists of seven chief directorates, namely municipal support and monitoring services; municipal governance; spatial planning and land development administration; municipal integrated development strategy; municipal infrastructure management and free basic services; rapid response; and quality assurance. The sample was specifically drawn from the Provincial Municipal Support and Monitoring Services Directorate, as it contained the most characteristics and representative attributes of the population.

Cacadu Municipality participated in the case study as well and an interview was conducted with the Senior Performance Manager of the municipality. The Senior Performance Manager was selected to represent the view of the municipality with regard to M&E, since his role in the municipality also deals with M&E.

## **5.7 Research procedure**

The research consisted of two separate groups of participants. The one group included representatives from the ECDLGTA, whilst the other set of respondents were drawn from the EC Cacadu District Municipality the case study. The reason for selecting two sets of participants was that the researcher could test the effectiveness of the monitoring. Both sets of surveys for the municipality and the ECDLGTA were semi-structured. After analysing reports on the performance of municipalities, the researcher then developed preliminary questions for the ECDLGTA based on the current performance on municipalities in order to explore why the municipalities were in the state that they were in. The survey for Cacadu District Municipality was also designed based on the roles that the Provincial Government is supposed to play in municipalities, as instructed by the Constitution, 1996; and the ECDLGTA's response.

Permission was requested to conduct the research and to collect data from the municipality and the ECDLGTA by writing letters of consent, which were addressed to them (Annexure 1). Once permission was granted, appointments were made telephonically. Face-to-face interviews were conducted with representatives from the department of ECDLGTA, specifically the directorate that deals with local government monitoring and support. The interviews included three respondents who dealt directly with the monitoring and evaluation of municipalities in the EC. The functions of the directorate includes: overall coordination, facilitation, support and monitoring of municipal programmes and projects; co-ordinate departmental support initiative in municipalities; co-ordinate and strengthen the compilation of municipal annual performance reports; and compilation of a provincial annual report on the performance of municipalities.

The interview was conducted in Xhosa and English and took place at the ECDLGTA offices in Bisho (EC). An interpreter was employed to ensure that the interviewees understood the questions which were posed in English. A recorder was also utilised to record the interview. According to Flick (2007:93), 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.

A telephonic in-depth semi-structured interview was conducted with the Senior Performance Manager of the Cacadu District Municipality.

## **5.8 Data analysis**

The data were analysed qualitatively. Qualitative research is an ongoing process. This means that data collection, processing, analysis and reporting are thus intertwined. Nieuwenhuis (2007:100) provides a model of analysis, which was developed by Siedel (1998). Siedel's (1998)'s model consists of three elements: noticing, collecting and reflecting. According to Nieuwenhuis (2007:100), when analysing qualitative data, the goal is to summarise what was observed or heard in terms of words, phrases, themes, or patterns that would give further understanding and interpretation of the emerging data. The data was analysed by using content analysis. This method of analysis can be used in qualitative responses to open-ended questions on surveys, interviews and focus groups. Nieuwenhuis (2007:101) further describes content analysis as "... a processes of looking at data from different angles with a view to identifying keys in the text that will help us understand and interpret the raw data."



**Figure 14:** Organisational chart of the Eastern Cape Department of Local Government and Traditional Affairs



Adapted from: <http://eclgta.ecprov.gov.za/images/stories/organochart.jpg>

## **5.9 Limitations of the study**

The study consisted of the following limitations:

- The respondents from the ECDLGTA took at least a year to grant the researcher a letter that allowed the researcher to conduct research in their department; this hindered the research because CPUT would not approve the research proposal without ethical clearance;
- The ECDLGTA also took another year to grant the researcher an interview with the officials;
- The participants from the EC District Municipality took 2 years to grant the researcher the interviews;
- The respondents were in the EC province, which required the researcher to travel extensively;
- The respondents were mostly Xhosa speaking, which created a language barrier, since the researcher does not speak the same language; and
- The cost involved in calling the respondents back and forth and travelling to EC was also excessive.

## **5.10 Summary**

The chapter mainly discussed types of research that the researcher followed and how the research was conducted. In the chapter, the researcher discussed why the research employed qualitative methods of data collection, whilst the research type was exploratory and descriptive by nature. Exploratory and descriptive researches often employ qualitative methods of data collection owing to their ability to explore phenomena profoundly, and to lead the researcher to new topics within the topic that is explored. When conducting research, especially human research, it is only natural to come across constraints that hinder the outcome of the research. In this research study, the researcher had to deal with government officials who have busy schedules; the chapter also mentions how this impacted on the study.

## CHAPTER 6: RESULTS

### 6.1 Introduction

The chapter presents the semi-structured interviews that took place with the ECDLGTA and representative from the Cacadu district municipality. The chapter, the results are presented verbatim from the participants, and no alterations or analysis was made. Results collected from the ECDLGTA semi-structured interviews and the results obtained from the Cacadu District Municipality telephonic semi-structured interview are presented below.

### 6.2 Section A: Results from the semi-structured interview held with the Provincial Department of ECDLGTA

Each question with their accompanying responses are presented under separate headings:

**The Constitution requires the relevant provincial department to monitor and support municipalities to fulfil their mandates. How does the Eastern Cape Department of Local Government perform this duty?**

Responses:

- The province has 45 municipalities that vary in terms of their financial status, geographic location and capacity.
- The department is structured in a way that it is able to respond to municipalities needs. The department is divided in to three sections namely: cooperate services, local government and traditional affairs. The Local government section is responsible for municipalities. There are six chief directorates, namely: Municipal support and monitoring services; Municipal governance; Spatial planning and land development administration; Municipal integrated development strategy; Municipal infrastructure, disaster management and free basic services; rapid response; and Quality assurance.
- Ad hoc visits by the department. This is when representatives from the department visit municipalities to find out how municipalities are doing and which issues they are facing and how they are performing.
- The department responds to requests from municipalities.
- Municipalities are required to submit annual reports. The department analyses and assesses the report in terms of the five key performance areas and how municipalities responded to all key performance areas. Out of that report, the

province develops a section 47 report which is the consolidated report on municipal performance, and this report will reveal how the municipalities performed, the challenges, the excellent or poor performance of the municipalities as well as the remedies that municipalities should implement.

- After developing section 47 (consolidated report on municipal performance), the department gives the feedback to the municipalities by calling on all district municipalities to present to them their report and how all the municipalities performed individually. This report assists the department in identifying which municipal areas need attention from the department and what type of help do the municipalities require.
- Province also developed indicators that guide municipalities what to respond to throughout the year
- The department also realised that the province is vast and the municipalities are scattered. It becomes a problem to respond to municipalities efficiently due to the fact that the municipalities are further from the provincial department. The department established district offices that will be managed by senior managers, and the municipalities will be able to access the provincial department of local government office constituted in their different districts anytime and the department will only deal with policy issues.
- The department decided that the technical department should also be at a district level in order to offer support for municipalities at all times in terms of floods, fires, power cuts or any other disasters that may occur.
- The department is currently trying to evoke section 105 of the Municipal Systems Act 32 of 2000, which states that the MEC for local government may request information from municipalities at regular intervals. The department wants the municipalities to start submitting quarterly reports to them as well, because currently municipalities are submitting quarterly reports to the Provincial Treasury which looks only at the budget and financial information of the municipalities. Through quarterly reports, the department seeks to establish the relationship between municipal spending and the actual work being done.

**In line with the requirements and implementation of the Government-Wide Monitoring and Evaluation System (GWM&ES) that was established in 2004, how has the progress been?**

Response:

- GWM&ES was introduced by the premier's office, where the premier was supposed to have championed it, but it is not off the ground yet.

**Has implementation of the GWM&ES brought about any improvements with regard to the provincial monitoring of municipalities?**

Response:

- No, because it is not off the ground yet. GWM&ES requires municipalities to establish their own M&E units. Establishing such units required resources, especially financial resources that municipalities stated that they did not have therefore such units were never established.

**What problems does the department encounter in its endeavours and attempts to monitor and support municipalities?**

Responses:

- Non-cooperation of municipalities.
- Municipalities do not want to report or to be monitored.
- Municipalities do not hire employees according to the needs of their municipalities.
- Municipalities view monitoring by province as interference rather than a tool to assist .and work together in achieving effective service delivery.
- Municipalities often hide vital information or refuse to divulge information.
- There is a disjuncture between municipal reports and IDP's. IDP's reflect the plans of the municipalities for a period of time, but when you look at the planning and the report submitted by the municipalities at the end of that financial year, there is no correspondence. It seems as if municipalities implemented something else than that they had planned and promised to do, hence the municipality fails to meet the needs of the people.

- Municipalities do fail to consult their IDP from time to time in order to see how far they are with their yearly plans.
- When developing an IDP, municipalities are required to have a situational analysis, which will show them where and what the current situation is in their individual areas. Municipalities use service providers who are clueless of their distinct areas to do the situational analysis for them. As the province we have come to realise this problem because when looking at the situational analysis information of all municipalities, it seems like a cut and paste job from one municipality to the other. Municipalities do not even check this information before submitting because if they did they would come to realise that some information is irrelevant to their particular municipality. Therefore, the IDP will start on the wrong information already.
- Municipalities fail to do ward based planning when developing their IDP's, in order to listen to the needs of the people which will help in prioritising which of the people's needs should be attended to first.
- Municipalities often hire people on an acting capacity, and it is difficult to hold an acting person accountable for municipal ineffectiveness.
- Municipalities fail to report according to the indicators that the department created for them, therefore, making it difficult for the department to analyse and assess the reports that municipalities submit to them.

**What happens to the information that is provided by the M&E system?**

Response:

- Information is assessed and analysed, then used for planning to improve municipal performance.

**What common problems affect municipal performance with regard to the five key performance indicators? How has the department dealt with these issues?**

The responses to each key performance area are presented under separate headings:

## **Municipal transformation and organisational development (KPA-1)**

### Challenges

Most of the municipalities are experiencing a high rate of vacancy. This means that most municipalities especially those in rural areas are have difficulties in attracting and retaining competent staff.

Municipalities fail to prioritise employing youth. Municipalities are not reporting on this issue and therefore making it difficult for the department to determine the true extent of the problem and propose solutions.

### Support

The department has engaged the services of the Department of Cooperative Governance and Traditional affairs to conduct workshops in municipalities on employment contracts and performance agreements for section 57 managers. The Department of Local government and traditional affairs also transferred the sum of R 3600 000 to the six district municipalities for the development of and implementation of performance management system within their area of jurisdiction.

## **Local economic development (KPA-2)**

### Challenges

In this KPA, there are three main areas where there are challenges. Firstly, there has been observation that many municipalities are inconsistent in creating a dedicated unit with LED professionals to drive the LED activities. Secondly, municipalities do not provide information on the number of jobs created through the Extended Public Works Programme (EPWP) and Private Public Partnerships (PPPs) though they mention LED projects that generate jobs within the municipality, therefore making it difficult to assess the number of jobs created through their LED initiatives. Thirdly, municipalities are struggling to produce comprehensive LED strategies although many municipalities are proceeding with LED activities and projects, this proves that many municipalities do not plan and budget properly for LED projects.

## Support

- Five district municipalities were granted R2 332 000 funding to appoint LED experts.
- Three District municipalities were granted funding that amounted to R1 110 000 to develop or review their LED strategies.
- R1000 000 from integrated sustainable rural development programme supported knowledge management in the OR Tambo district.
- R264 000 from Urban Renewal programme supported the reduction of crime in King Sibata Dalindyebo.
- R1 425 0000 from urban Renewal Programme supported economic mainstreaming in the Nelson Mandela Metro.
- R1 000 000 from the Integrated Sustainable Rural development Programme supported forestry development in Chris Hani District Municipality.

## **Basic service delivery (KPA 3)**

### Challenges

A major challenge that has been encountered when analysing municipalities' annual reports, is that municipalities failed to supply the relevant information. Municipalities fail to supply information on the provision of services for which they are not responsible for. For example, municipalities that are not water service providers or water service authorities not reporting on provision for free basic water and sanitation, and those that do not distribute electricity were silent on the provision for free basic electricity. This hinders the attempts to paint a true picture of the state of basic service delivery in the province. Another factor is that municipalities failed to disclose information on backlogs with regard to all basic services and this hinders proper planning.

### Support

The department of Local government and traditional affairs provided a total sum of R22 751 000 as funding to assist municipalities with the provision and development of infrastructure.



## **What action has the department taken in order to deal with these problems?**

### Responses:

- One of the actions taken by the department in order to deal with these problems was the conducting of performance audits in municipalities where the department wanted to find out the issues that municipalities face (provided PMS audit report).
- The establishment of district coordinators are also one of the measures taken by the province to deal with municipal problems and be close to.
- Province also constantly engage municipalities in workshops i.e. the department has organised a workshop that will take place in the near future, where the department will take municipalities through the amended Systems Act and regulations of 2006 as well as the roles and responsibilities of municipal councillors.
- Province also assists municipalities on issues of alignment, by assisting them in developing organograms that are aligned to their IDP's.

## **Municipal financial management and viability (KPA 4)**

### Challenges

- Debt management.
- Weaknesses in internal control.
- Poor asset management.
- Non-compliance with various laws and regulations.
- Poor supply chain management.
- Low level of expenditure of capital budget.
- Low level of expenditure of MIG and MSIG.

### Support

- The department supported Cacadu, Amathole, Chris Hani, Ukahlamba and OR tambo district municipalities with an amount of R13 535 000 for capacity building projects such as ICT, update books and accounts, compilation of AFS, mentorship, internal controls, audit based risk plan, policies and asset registers.

## **Good governance and public participation (KPA 5)**

### Challenges

- Poor functionality of ward committees.
- Poor monitoring of CDWs.
- Poor implementation of IGR policy.

### Support

- The department attempted to assist municipalities in improving performance in this area by: deploying 252 CDWs across all the districts; provided R15 000 funding for purposes of public participation per ward annum; assisted municipalities with the disestablishment and establishment of ward committees; Facilitated accredited training courses for ward committee members and CDWs; monitored the functionality of ward committees and CDWs; assisted in the creation of sound relations between ward councillors, ward committees, CDW's and traditional healers; funding voting stations infrastructure; and supported municipalities in handling of petitions. The department also helped municipalities by providing fraud prevention activities. These activities included fifteen investigations of service related concerns and corruption allegations at various municipalities. Three of the investigations were referred to the auditor general for investigation; one was referred to the special investigating unit for further action whilst the rest of the eleven investigations were handled by the department.

## **Does the department have the necessary resources to fulfil their duty to monitor municipalities?**

### Response:

- The department currently does not have qualified senior management to run the district offices thoroughly, therefore, the district offices are not running properly, but the department is working on making the district offices function properly. The district offices are still a new concept.

**Do municipalities submit the required information on time?**

Response:

- Some municipalities do submit on time and even submit drafts earlier, while others don't submit on time. Some municipalities have to be prodded, in some instances province has to send someone to drive to those municipalities to fetch those reports and the EC is vast so it becomes an issue to go all around the Eastern Cape to collect the reports. E.g. Municipalities know that section 71 reports are suppose to be submitted quarterly and on a half yearly basis, whilst section 47 reports are supposed to be submitted by the end of March, but there are always late submissions.

**Is the information that is provided by municipalities of good quality?**

Response

- It varies; some municipalities do submit quality information, whilst others don't. Municipalities use service providers, and the information provided by these service providers is mostly incorrect, and the municipalities themselves do not even check the information provided by the service providers. They just send it through to province as it is.

**Seeing that the Province has realised the use of service providers as an issue, what have they done to correct this?**

Responses:

- Municipalities are very selective when it comes to advice given to them by province. The only use advice that they want or like and if they don't like certain information, then they simply don't use it and the province cannot force them to do so.
- Municipalities usually respond to the province by saying that they are an independent sphere and do not answer to province, and therefore will not be told what or what not to do.

**If this is the case, then is there a problem in terms of the relationship between province and municipalities, because municipalities do not want to take advice that will assist them to operate their municipalities effectively and deliver services effectively?**

Response:

- Yes, there is a problem, for example, municipalities will call a provincial representative to sit in at an interview for a certain post that needs to be filled. As a province representative, you will observe throughout the interview and make your recommendation of the best candidate, only to find that the municipality ignores the recommendation and appoint the worst candidate or sometimes the candidate with no qualifications.

**If this is the case, why does the province not do something about this and move from monitoring and supporting to section 139 of the Constitution, namely of intervention?**

Response:

- When province intervenes, municipalities will challenge us. Because before intervention, support has to be given, and the province must justify which actions they have taken before and that led to intervention.

**Does this mean that there is nothing that the province can do to make sure that municipalities implement remedies that are provided by the province, since the current problem is that municipalities do not implement provincial remedies?**

Response:

- Municipalities will start applying the remedies now due to the recent resolution taken by government that "if you don't deliver then you are out". On the 12<sup>th</sup> of September 2011, province will have a session with municipalities, where the municipal manager, corporate service manager and the CFO will pledge to support the mayor. The reason for targeting these managers is because they are the strategic structures of the municipality. So they will do everything in their power to ensure that the municipality runs accordingly since their jobs are at stake. Change will take place because the Mayors and the MEC's have also signed a service delivery agreement that ties them up to delivering what they promised. Province is currently in communication with SALGA to ensure that the lower level employees are also committed to the delivery of services through signing something similar to that of the managers. Because the managers feel that as much as they are accountable or

responsible for any failure or success, those at the bottom are the actual implementers, therefore it is only fair that they are all held accountable.

**Do municipalities comply with the provisions contained in the relevant legislation?**

Response:

- The legislation is not punitive to municipalities. Legislation only outlines the date that municipalities are supposed to submit, but there are no punitive measures for municipalities that do not submit on time or submit incorrect information. Legislation is failing to address the issue of compliance, but government recently announced that there is going to be a review of the local government legislation, because municipalities do not care whether they submit or not.

**After receiving the information from municipalities and analysing it, does the province provide municipalities with remedies to improve municipal performance?**

Responses:

- Yes, the province does give remedies, but cannot force municipalities to implement the remedies.
- The province performed a capacity assessment last year whilst compiling a performance report, where province tried to measure between capacity assessment and performance of municipalities because they thought that municipal performance was low due to low capacity. But the assessment revealed that some municipalities have a high capacity but still fail to perform effectively. Province went back to municipalities to report their findings. The report revealed that all municipalities performed badly under service delivery.

**Does province follow-up on the remedies that are provided to municipalities to ensure that these remedies are implemented?**

Response:

- Yes we do. While compiling the section 47 consolidated report on municipal performance. The department develops a session with a panel that consists of assessors (the people assisting or supporting municipalities on the five key performances). After the development of the report it becomes clear to every

assessor where the problem lies in his/her area of support. But the problem that arises is when the assessor reveals that he/she had advised the municipality to follow a certain route in fixing a certain problem but the municipality did not implement and now two years later the same problem prevails and this becomes a bad reflection to the province that they do not help municipalities.

**After providing remedies to municipalities, does the province follow-up to see if the remedies that are provided, are effective or not?**

Remedies

- Yes, follow up is done. For instance when province realises potential in a certain municipality that does not have resources, province will employ and deploy people to go to that municipality and stay there to help until the municipality is running accordingly.

### **6.3 Section B :Cacadu District Municipality Results**

Interviewee: Senior manager (Performance management)

➤ **Question 1.**

Monitoring and evaluation systems are relatively new concepts in the South African government. Irrespective of this, the Constitution and other forms of legislation created a basis for the provincial government to be involved in local government in the following areas:

➤ **Question 1.1**

Monitoring and support – Section 155 (6) of the Constitution, 1996 regulates provincial government to provide for the monitoring and support of local government in order to assess support, which is needed by municipalities in order to strengthen their capacity.

- a) Would you say that the support given to your municipality by the provincial government is adequate?
- b) Within the period that you have been working for this municipality, has the province been actively involved in assisting the municipality to manage its own affairs?

**Answers:**

- No, it is not adequate
- Support is given through grant funding. Because that is the only means of acquiring finance, it becomes inadequate for the municipality to effectively run projects and programmes.

➤ **Question 1.2**

Developmental role- the WPLG, 1998 states that the provincial government must use its Provincial Growth and Development Strategy as a framework for municipalities in order to guide them in preparation for their IDP's.

- Is the framework provided by the Provincial Growth and Development Strategy, one that municipalities can work within?
- Does the strategy also take into account the relevant problems that the communities encounter? May I have a copy of the IDP?

**Answers:**

- Yes, it is, although the resources to implement the plans are limited e.g staff, experts, and monetary funds.
- Yes (a copy was provided, but could not be included as an annexure because the document is too big).

➤ **Question 1.3**

Fiscal Role – According to Section (5)(4) of the MFMA, 2000, the province may monitor the financial status of local government through assisting municipalities to prepare their budgets, monitor the monthly outcomes of those budgets, as well as the submission of reports municipalities in the province.

- a) Does the province actively help municipalities to prepare their budgets?
- b) Does the province monitor the monthly outcomes of the prepared budgets by municipalities?

**Answers:**

- No, they do not. The municipality is solely responsible for putting together their municipal budget.

- No, the provincial government does not monitor the monthly outcomes of the budgets as required by the MFMA, but the municipality is required to send their budgets to the national and provincial treasury. There is no “hands on” monitoring when budgets are in preparation.

➤ **Question 1.4**

Intervention role - Section 139 of the Constitution, 1996 specifically allows provinces to intervene in municipal matters when a municipality cannot or does not fulfill an executive obligation.

- a) Does the province intervene when the municipality cannot fulfill its role?

**Answer:**

- There is provincial intervention, but the intervention is usually late. The province intervenes too late when the situation is incorrigible. Late intervention then leads to unsatisfied communities and later escalates to service delivery protests

➤ **Question 1.5**

Intergovernmental role - The WPLG, 1998 states that the province must establish forums and processes that will assist local government in becoming part of decision making processes in matters that affect it.

- a) Are there forums that have been established by the province in order to make local government part of decision making processes in matters that affect them?
- a) Name the forums.

**Answers:**

- Yes, there are forums in place.
- Forums such as (Ministers and Members Of Executive Council) MINMECS.



➤ **Question 2**

The provincial government makes use of municipal performance reports to monitor municipal performance after submission of the reports:

- a) Does the provincial government provide the municipality with feedback that identifies how the municipality performed?
- b) Does the feedback include remedies on how to improve municipal performance?
- c) Are the remedies viable or achievable?
- d) Does the province assist the municipality to implement those remedies?

**Answers:**

- Yes, feedback is given and it does identify how the municipality performed and rated in the score card.
- No, no remedies are included. The feedback only identifies how the municipality performed and rated in the score card, but there are no remedies provided on how to improve municipal performance. The municipality is solely responsible for coming up with ideas on how to improve the poor performance.
- N/A.
- N/A.

➤ **Question 3**

Monitoring municipalities is not a responsibility for provinces alone. It is more of a relationship between province and local government, for example, municipalities are required to submit reports such as midyear budgets and performance assessments for the mayor, national and provincial treasury by no later than the 25<sup>th</sup> of January.

- a) Does the accounting officer do this on time?
- b) May I have a copy of the recent report?

**Answer:**

- Yes, the accounting officer does submit the required documents on time.
- A copy of the report was provided and may be downloaded from [www.cacadu.co.za](http://www.cacadu.co.za)

➤ **Question 4**

Does the Municipal Manager, as required by section 127 (5) of the MFMA, 2004 make the annual report public and invite the local community to submit representations.

- a) Does the MM fulfill this mandate?

**Answer:**

- Yes the MM does make the report public. The report can be downloaded on the municipality's website by anyone at anytime. Those that do not have access to the internet can come to the municipality and ask for a copy. The website also gives communities a chance to post questions or write letters and emails to express their views to the MM s office with regards to the annual report.

➤ **Question 5**

The MM is required to submit the annual report to the auditor general, provincial treasury, and the provincial department of local government in the province.

- a) Does the MM fulfill this obligation?  
b) May I have a copy of the recent annual report?

**Answer:**

- Yes, but thus far we have not had any difficulties in implementing policies.

➤ **Question 6**

Does the accounting officer inform the provincial treasury of any failure to adopt or implement budget related policy or supply chain management policy, as required by section 73 of the MFMA?

**Answer:**

- Yes, he does.

➤ **Question 7**

Does the municipality view the involvement of provincial government in municipalities more as controlling and interfering rather than helping?

**Answer:**

- No, because the province give municipality total control.

➤ **Question 8**

- a) Should the provincial government need to do more in order to assist municipalities to fulfill their duties?
- b) If so, please name those areas of improvements

**Answers:**

- Yes.
- The municipality has difficulty in generating funds to implement projects and programmes effectively. Although the provincial government assists the municipality through funding, the funds are not adequate. So yes the province will be of great assistance if they would increase funding, capacity and skills transfer.

**6.4 Summary**

Chapter 6 described the results that were extracted from the semi-structured interviews that were conducted with the ECDLGTA and the representative from the Cacadu District Municipality. The results consisted of two sections; section A stated each question that was asked to the ECDGLTA group and their responses, whilst the section B consisted of all the questions that were asked to the Cacadu District Municipality representative. The semi-structured interviews were more of a conversation between the interviewer and the interviewees, as the questions that were prepared increased, based on the answers given by the interviewee.

## **CHAPTER 7: ANALYSIS AND INTERPRETATION**

### **7.1 Introduction**

This chapter presents an analysis of the findings and interpretation of the research results. Data was analysed qualitatively. After thoroughly reading all the data that was collected, the researcher then commenced by developing themes from the raw data before coding the data according to emerged themes and later the findings were interpreted.

### **7.2 Analysis and interpretation**

Analysis and interpretation of the findings are presented below.

#### **7.2.1 No cooperation from municipalities towards legislation**

Municipalities view monitoring by the province as interference rather than a tool to assist and work together to achieve effective service delivery and, therefore, sometimes refuse to divulge information to the provincial department. Municipalities also fail to: a) report according to the indicators that the department created for them, therefore which makes it difficult for the department to analyse and assess the reports; b) submit the reports on time; and c) supply relevant information that can help the provincial department to identify where municipalities need assistance.

The available legislation is not punitive for municipalities. Legislation only outlines the date that municipalities are supposed to submit, but there are no punitive measures for municipalities that do not submit on time or that submit incorrect information. Legislation is failing to address the issue of municipal compliance. Legislation only outlines what should be done, and not what to do when certain obligations are not met.

#### **7.2.2 High staff turnover and ineffective recruiting and selection**

Municipalities in the EC experience a high rate of vacancies, especially in the rural areas. Municipalities do not hire employees according to the needs of their municipalities. The problem emanates from municipalities' difficulties to attract and retain competent staff. Municipalities also often hire people in an acting capacity, which makes it difficult to hold an acting official accountable for any failure of delivery. The municipalities do not prioritise employing youth. With all these issues, municipalities fail to report these issues to the provincial department, which

makes it difficult for the provincial department to determine the true extent of the problem so that a solution may be proposed.

### **7.2.3 IDP not developed properly and disjuncture between the municipal reports and IDP**

One of the most important elements when developing IDP's is the need to communicate with the communities. Municipalities fail to do ward-based planning in order to listen to the needs of the communities, and to help municipalities prioritise the needs that should be attended to first. Municipalities also fail to consult their IDP from time to time in order to see how far they are with their yearly plans. The Provincial Department reveals that there is a disjuncture between municipal reports and IDP's. IDP's are supposed to reflect the plans of the municipalities for a period of time, but the IDP and the report submitted by the municipalities at the end of the financial year do not correspond. It appears as if municipalities implemented something other than that, which they had initially planned and promised to deliver, hence the municipality fails to meet the needs of the people.

### **7.2.4 Use of service providers**

When developing IDP's, municipalities are required to conduct a situational analysis, which will assist them to unveil what the current situation in their respective areas are. Instead of municipalities conducting the analysis themselves, they prefer making use of service providers. The service providers usually appear inaccurate, because of the little knowledge that they have of the municipalities. One may find that the situational analysis of one municipality is identical to that of another, which already is an error, because municipal needs differ from one another. Therefore, municipal IDP's will already be developed on the wrong or irrelevant information.

### **7.2.5 Inadequate resources in the provincial department to fulfill monitoring duties**

The Department realised that the province is vast and the municipalities are scattered. It becomes a problem to respond to municipalities efficiently due to the fact that the municipalities are further from the provincial department. The department established district offices in each district in order for municipalities to access the provincial department easier and more rapidly. Due to a lack of qualified staff, the district offices do not operate effectively.

### **7.2.6 Non-implementation of remedies proposed by the province**

While compiling the Consolidated Report on Municipal Performance, the department develops a session with a panel that consists of assessors (the people assisting or supporting municipalities on the five key performances). After the development of the report it becomes clear to every assessor where the problem lies in his/her area of support. But a problem arises when the assessor reveals that he/she had advised the municipality to follow a certain route in fixing a certain problem but the municipality did not implement, and now, two years later, the same problem prevails, which becomes a bad reflection for the province that they do not help municipalities.

### **7.2.7 No remedies proposed by the ECDLGTA for municipalities**

The provincial government does in actual fact give municipalities feedback. The feedback only identifies how the municipality performed and is rated in the score card, but does not assist municipalities with plans and strategies on how to salvage the problems that they have, nor do they give municipalities remedies on how to improve services.

### **7.2.8 Intervention by provincial sphere in municipalities not on time**

Cacadu District Municipality stated that although the provincial government does intervene when necessary, they do not intervene on time. The provincial government leaves matters to escalate and only at the last minute do they try to assist the municipalities and at this stage, too much damage already have occurred.

## **7.3 Findings**

- The study revealed that whilst the Constitution, 1996 provides for monitoring of local government by provincial government, there is a conflict between the two spheres, which results in municipalities not following through advice, which is given by the provincial government and with-holding vital M&E information.
- Municipalities are unclear of what the duties of provincial government in municipalities.
- Legislation has no punitive measures for administrative non-compliance by municipalities.

- The EC provincial government does not have adequate and skilled staff to monitor municipalities effectively.
- Due to the EC's past and rural nature, it is difficult for municipalities to attract and retain young and skilled staff.
- The EC provincial government does not have a specific M&E system in place to monitor municipalities, but they do have measures that assist them to fulfil their monitoring mandate, as outlined in the Constitution, 1996 one of which is the outcomes-based system, which was developed by the Ministry of Performance, Monitoring and Evaluation in the Presidency.
- The GWM&ES has not been implemented in provincial and local government.
- The EC provincial government finds it difficult to attend to municipal needs efficiently owing to its scattered municipalities.
- There are no monitoring and evaluation systems in municipalities to help them to monitor municipal programmes. Municipalities only have performance monitoring of staff, and not of its programmes.
- Municipal reports and IDPs do not correlate, which in turn hinders effective monitoring
- The EC provincial government does have monitoring measures in place for municipalities, but there are no means or systems for evaluations of neither municipalities, nor their programmes.

#### **7.4 Summary**

Chapter 7 analysed the findings and interpreted the results derived from chapter 6 of the research. The chapter went in to detail and discusses the findings which stated that municipalities are not cooperative towards legislation; excessive utilisation of service providers; Inadequate resources in the provincial department to fulfill monitoring duties; IDP not developed properly and the disjuncture between the municipal reports and IDP; high staff turnover and

ineffective recruiting and selection; non-implementation of remedies proposed by the province; no remedies proposed by the ECDLGTA for municipalities as well as intervention by provincial sphere in municipalities not on time. The chapter also stated the findings of the research.



## CHAPTER 8: CONCLUSIONS AND RECOMMENDATIONS

### 8.1 Introduction

South Africa is not entirely oblivious to the notion of M&E in government and its importance. Although the system is not fully developed and operating yet, South Africa has already established an M&E system called the GWM&ES. The system has a number of shortcomings as already explained in Chapter Four.

The M&E system includes three models, which were discussed in Chapter Four. These models form the basis for a possible successful M&E system already, but the frequent turf battles clearly show that there is a definite need for a formal hierarchical structure and a clear vision of which stakeholders are responsible for which activities. The research concentrates on that part of the model that includes government level M&E, which involves measuring progress made by all spheres of government with regard to addressing the objectives and implementation of priority programmes. In the midst of an ineffective M&E system, the government established the Ministry of Strategic Planning, complemented by the Ministry of Performance Monitoring and Evaluation in 2009, as mentioned in Chapter Four. Through the establishment of the two ministries, government developed the outcomes-based system that is currently used to monitor performance in government institutions. The system is fairly new.

The research findings that were presented in this thesis were based on investigating in particular the effectiveness of the ECDLGTA in monitoring and evaluating the performance of the municipalities (Cacadu District municipality as a case study). The research objectives were clearly stated in Chapter One, and they included exploring the concept of M&E in government; investigating the relationship between provincial and local government; and examining which M&E system COGTA has in place for the EC municipalities. Whist the research questions sought to find the following:

- Do local municipalities have systems to monitor services that are provided?
- What is the quality of information that is provided by the municipalities?
- What is the exact role of the ECDLGTA in monitoring municipalities?
- How is this role performed?
- What is the nature of problems that municipalities when serving their communities?

- What does the COGTA do with the results that were obtained from monitoring the municipalities?
- Are the remedies identified and implemented?

The research questions and objectives were explored through surveys and literature review. Chapter Two of the dissertation provides evidence that the level of performance of the EC municipalities is low and has not shown any drastic improvement over the years, especially in service delivery. All the district municipalities performed below 50% with regard to service delivery and financial viability. This clearly shows that municipal finance is not up to standard, and that these are factors, which through a proper M&E system and auditing, the provincial government would have been able to identify and then instil better financial management remedies to ensure that service delivery is effective.

The research interviews revealed factors that legislative non-compliance; corruption; incompetence; lack of capacity; and poor financial management are the key factors that contribute to the poor municipal performance.

## **8.2 Conclusions**

The following are conclusions that were drawn from the research:

- The provincial sphere of government should be more hands on in monitoring all municipal programmes, because according to the Cacadu District Municipality, the province is not as involved in municipal affairs as it should be.
- There is misunderstanding and miscommunication between the provincial and local government, which create the issue of accountability. During the interview, Cacadu District Municipality alleged that the provincial government does not give municipalities adequate support, whilst the provincial government suggests that municipalities do not follow through on advice that is given to them, nor do they implement provincial government's suggestions of performance improvement.
- There is also a notion of not understanding that government spheres should be "interdependent, and interrelated". Interdependent means that the local sphere has the

constitutional right to seek for assistance from the provincial and national spheres of government, whilst national and provincial governments are obligated to support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions. Interrelated refers to the duty of each sphere to cooperate with others in good faith for the greater good of the country. Therefore, the provincial sphere should to act in good faith when dealing with local government and must be upfront with them at all times with regard to possible or emerging problems.

- Lack of financial resources from both the ECDLGTA and municipalities.
- The EC provincial government and the local government (municipalities) should arrange workshops that will educate both provincial and municipal employees on monitoring and evaluation in government; how it affects them, and what it will contribute to effective and efficient service delivery. The workshop should also the legislation that forms the basis for municipal monitoring.
- Government should start to invest more in evaluation mechanisms (feedback), because there is no point in achieving successful monitoring alone, without checking to see if the remedies that are provided after monitoring were implemented and, if so, whether or not they were successful.
- Lack of trained staff to operate the system.
- The EC provincial government should exercise their right to intervene in municipal matters on time, and not leave matters until they are irrecoverable. The municipalities pointed out that the provincial government does not intervene on time.
- Since there is no adequate or skilled staff in the provincial government to conduct proper monitoring of municipalities, the provincial government should send existing staff for training courses that will help them to know more on about how M&E works. The provincial government should also to hire experts to head the district offices for monitoring.

- The provincial government is mandated to be involved in municipal IDP processes and development, and with effective involvement, the provincial government should be able to see any irregularities in municipal IDPs.
- Municipal wide M&E has not been implemented owing to a lack of M&E capacity; lack of financial and human resources; and lack of administrative will to improve governance. The province should support municipalities and make sure that municipal wide M&E is implemented.
- Evaluations of municipalities are also important, because there is no point in collecting performance information and not putting it to good use to improve municipal performance. Chapter Four provided a diagram that illustrates the M&E cycle, which clearly shows the importance of evaluating, planning, implementing, monitoring and reflecting. This means that it is a constant cycle and monitoring alone will not improve performance in government.
- Quality information is not provided to the ECDLGTA by the municipalities.
- A lack of knowledge of the importance of M&E at the local sphere of government.

### **8.3 Recommendations**

Eight recommendations were formulated to facilitate the development of a successful M&E system for the EC Provincial Government:

#### **8.3.1 RECOMMENDATION 1: Key role for a powerful champion**

A powerful champion serves as a success factor in M&E. A powerful champion refers to a powerful minister, or senior official who has the ability to drive to institutionalise M&E, convince colleagues about its importance and the need to allocate significant resources to create a whole government M&E (Mackay, 2006:6).

The GWM&ES is championed by the president's office, much like that of Colombia. The downfall to this is that there might be a low level utilisation of M&E information by the budget and planning directorates of the Planning Ministry and the Finance Ministry. Chile's M&E system is successful owing to its location in the Ministry of Finance. It would be advantageous for South Africa to explore the idea of M&E championed by the Ministry of Finance.

### **8.3.2 RECOMMENDATION 2: Substantive government prerequisite for successful institutionalisation**

Mackay (2006:5) starts by describing the term institutionalisation as the "...creation of an M&E system, which produces monitoring information and evaluation findings, which are judged valuable by key stakeholders, which are used in the pursuit of good governance, and where there is sufficient demand for the M&E function to ensure its funding and its sustainability for the foreseeable future....". Mackay (2006:5) also indicates that achieving substantive demand for M&E is a difficult task, and the lack of knowledge about what M&E entails may be a barrier to demand. This leads to a lack of government demand for M&E owing to a lack of understanding of it and what it can provide.

Research has shown that municipalities do not really understand the notion of M&E properly and this leads to a problem between the municipalities and the provincial department responsible for the monitoring. The ECDLGTA interviewed for this research revealed that municipalities view monitoring by the province as a dictatorship, which results in municipalities refusing to divulge vital information that is needed for performance monitoring. It shows that the local sphere of government has little knowledge of M&E and its importance in effective service delivery and good governance. Workshops should be held in order to divulge information about M&E.

### **8.3.3 RECOMMENDATION 3: Build a reliable ministry data system**

Mackay (2006:8) states that a reliable ministry data system is essential in providing raw data on which M&E systems depend. Furthermore, Mackay (2006:8) emphasises that African countries are often faced with the problem, where sector ministries collect performance information and the data is of poor quality. A reason for this may be that the task of data collection is given to over-worked officials at a facility level who are tasked with providing data for other officials in district and capital offices, but hardly ever receive any feedback on how the data is utilised (Mackay, 2006:8).

South Africa also falls under one of those African countries that experience the problem of receiving performance information that is not of quality. ECDLGTA revealed that the municipalities do not submit quality information owing to the use of service providers instead of gathering the data themselves. Reasons for municipalities outsourcing could be the lack of trained employees, and inadequate employees, costs and time. The local municipalities must

train its employees to do research instead of making use of the service provider. The skills will be permanent and finances will be saved.

#### **8.3.4 RECOMMENDATION 4: Role of incentives**

Incentives play an important role in ensuring that M&E is properly implemented and the information achieved from monitoring, as well as evaluation findings, are utilised. However, Mackay (2006:6) reiterates that M&E information that is available does not necessarily guarantee that line managers, budget officers, congress or parliament that is responsible for accountability, will make use of the information in their respective departments or day-to-day job activities.

#### **8.3.5 RECOMMENDATION 5: Danger of over-engineering the M&E system**

Over-engineering often occurs in performance indicators. Mackay (2006:7) provides Colombia's system (SINERGIA) as an example of over-engineering, where the system accumulated 940 performance indicators by 2002. The Colombian government declared this number unmanageable for its accountability uses of the information, and the number was reduced to three hundred (Mackay, 2006:7).

There has not yet been evidence of over-engineering in the GWM&ES, but this is an important factor to consider since SA is in the process of building an M&E system.

#### **8.3.6 RECOMMENDATION 6: Utilisation is a measure of success**

According to Mackay (2006:8), the government M&E system does not aim to produce large volumes of performance information or a large number of high quality evaluations per se. The objective is to achieve rigorous utilisation of any existing M&E findings in order to ensure that M&E is cost effective. It is important to note that utilisation of whatever information is provided through M&E, is vital to achieve successful M&E (Mackay, 2006:8).

The ECDLGTA should ensure that the relevant information is scrutinised and utilised.

### **8.3.7 RECOMMENDATION 7: Role of structural arrangements to ensure M&E objectivity and quality**

The structural arrangements of an M&E system are important from a number of perspectives. One of these perspectives, as described by Mackay (2006:8), is the need to ensure the objectivity, credibility and rigor of the information the M&E system produces. Mackay (2006:8) also states that with regard to data, Chile relies on external audit committees, while Canada uses the national audit office. On the evaluation side, Chile contracts out evaluations to external bodies such as academic institutions and consulting firms. The downside of outsourcing is the lack of ownership of the evaluation findings by the sector ministries (Mackay, 2006:8).

Since South Africa does not have an adequate workforce for M&E, it may be advisable for government to join Chile and contract out evaluations to academic institutions. Contracting evaluations out may be a temporary solution, whilst the right workforce is being trained.

### **8.3.8 RECOMMENDATION 9: Centrally driven by a capable ministry.**

According to Mackay (2006:7), it is vital that M&E is driven by a capable ministry that is close to the centre of government or budget process such as the President's office. Other developed and upper middle income countries such as Chile, Australia and Canada targeted the Finance Ministries in their government. M&E in South Africa should be championed by a Ministry where planning for national funds takes place.

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## **ANNEXURES**

### **ANNEXURE 1: LETTER TO THE EASTERN CAPE DEPARTMENT OF COGTA**



Department of Public Management  
Faculty of Business  
Cape Peninsula University of Technology  
8000 CAPE TOWN

2010-11-29

Head of Department: Development Local Government  
Private bag X0035  
Eastern Cape  
5605

Dear Sir/Madam

#### **REQUEST FOR PERMISSION TO CONDUCT ACADEMIC RESEARCH**

I hereby wish to apply for permission to conduct research within the Department of Local Government and Traditional Affairs, which will include an interview, survey with identified and selected personnel members within the department.

The concepts of cooperative governance and intergovernmental relations are the focus of the research. The research objective is to evaluate the monitoring and evaluation of municipalities in order to ensure that they fulfil their constitutional mandate. The research also considers the

various roles played by the Department of Cooperative Governance and Traditional Affairs in the affairs of municipalities.

The research objectives have been formulated to provide a broader understanding of:

How the department monitors and evaluates municipalities;

What Monitoring and Evaluation (M&E) systems have the department established for the municipalities?

Are the systems in line with legislation and are they effective?

The adopted research methodology is qualitative. Data will be collected with the use of interviews. Interviews are to be conducted with the officials employed in the unit responsible for the monitoring and evaluation of municipalities.

The following ethical considerations will be complied within in the research:

Appointments with participating employees/ officials are set around a time that suits them and does not disrupt their work;

Confidentiality of information will be maintained at all times; and

The end results of the research will be made available to the institution upon completion of the study.

Favourable considerations of this request will be highly appreciated.

Thank you.

Yours faithfully

Miss O.M. Gopane (Masters Student)



## **ANNEXURE 2: SURVEYS**

### **INTERVIEW GUIDE FOR: CACADU DISTRICT MUNICIPALITY**

#### **➤ Question 1.**

Monitoring and evaluation systems are relatively new concepts in the South African government. Irrespective of this, the constitution and other forms of legislation created the basis for the provincial government to be involved in the local government in the following areas:

#### **➤ Question 1.1**

Monitoring and support – Section 155 (6) of the Constitution regulates provincial government to provide for the monitoring and support of local government in order to assess the support needed by municipalities in order to strengthen their capacity.

- a) Would you say that the support that is given to your municipality by the provincial government is adequate?
- b) During the period that you have been working for this municipality, has the province been actively involved in assisting the municipality to manage its own affairs?

#### **➤ Question 1.2**

Developmental role- the White Paper on Local Government of 1998, states that the provincial government must use its provincial growth and development strategy as a framework for municipalities in order to guide them in preparation of their IDP's.

- a) Is the framework that is provided by the provincial growth and development strategy, one that municipalities can work within?
- b) Does the strategy also take into account the relevant problems that the communities encounter? May I have a copy of the IDP?

#### **➤ Question 1.3**

Fiscal Role – - According to Section (5)(4) of the Municipal Finance Management Act, the province may monitor the financial status of local government through assisting municipalities in preparing their budgets, monitoring the monthly outcomes of those budgets and the submission of reports by the municipalities in the province.

- a) Does the province actively help municipalities to prepare their budgets?

- b) Does the province monitor the monthly outcomes of the prepared budgets by municipalities?

➤ **Question 1.4**

Intervention role - Section 139 of the Constitution specifically allows provinces to intervene in municipal matters when a municipality cannot or does not fulfil an executive obligation.

- a) Does the province intervene when the municipality cannot fulfil its role?

➤ **Question 1.5**

Intergovernmental role - The White Paper on Local Government of 1998 states that the province must establish forums and processes that will assist local government in becoming part of decision making processes in matters that affect it.

- a) Are there forums that have been established by the province in order to make local government part of decision making processes in matters that affect them?
- b) Name these forums.

➤ **Question 2**

The provincial government makes use of municipal performance reports to monitor municipal performance after submission of the reports:

- a) Does the provincial government give the municipality feedback that identifies how the municipality performed?
- b) Does the feedback include remedies on how to improve municipal performance?
- c) Are the remedies viable or achievable?
- d) Does the province assist the municipality to implement those remedies?

➤ **Question 3**

Monitoring municipalities is not a responsibility for the provinces alone. It is more of a relationship between province and local government, for example, municipalities are required to submit reports such as midyear budget and performance assessments to the mayor, national and provincial treasury no later than the 25<sup>th</sup> of January.

- a) Does the accounting officer do this on time?
- b) May I have a copy of the recent report?

➤ **Question 4**

The Municipal Manager, as required by Section 127 (5) of the MFMA should make the annual report public and invite the local community to submit representations.

- a) Does the MM fulfill this mandate?

➤ **Question 5**

The MM is required to submit the annual report to the auditor general, provincial treasury, and the provincial department of local government in the province.

- a) Does the MM fulfill this obligation?
- b) May I have a copy of the recent annual report?

➤ **Question 6**

Does the accounting officer inform the provincial treasury of any failure to adopt or implement budget related policy or supply chain management policy, as required by section 73 of the MFMA?

➤ **Question 7**

Does the municipality view the involvement of provincial government in municipalities more as controlling and interfering than helping?

➤ **Question 8**

- a) Should the provincial government do more in order to assist municipalities to fulfill their duties?
- b) If so, please name those areas of improvements.

Thank you.

## INTERVIEW GUIDE FOR THE PROVINCIAL DEPARTMENT

- 1) The Constitution requires the relevant provincial department to monitor and support municipalities to fulfil their mandates. How does the Eastern Cape department of local government perform this duty?
- 2) In line with the requirements and implementation of the Government-Wide Monitoring and Evaluation system (GWM&ES) that was established in 2004, how has the progress been?
- 3) Has the implementation of GWM&E brought about any improvements with regard to the provincial monitoring of municipalities?
- 4) What problems does the department encounter in its endeavours and attempts to monitor and support municipalities?
- 5) Has the department established monitoring and evaluation systems for municipalities?
- 6) How does the system work?
- 7) What happens to information that is provided by the M&E system?
- 8) What common problems affect municipal performance with regard to the five key performance indicators?
  - a) Municipal transformation and organisational development;
  - b) Local economic development;
  - c) Basic service delivery;

d) Municipal financial management and viability; and

e) Good governance and public participation.

- 9) What action has the department taken in order to deal with these problems?
- 10) Does the department have the necessary resources to fulfil its duties of monitoring municipalities?
- 11) What factors affect the effective implementation of monitoring municipalities?
- 12) Do municipalities submit the required information on time?
- 13) Is the information that is provided by municipalities of a quality standard?
- 14) Do municipalities comply with provisions that are contained in the relevant legislation?
- 15) After receiving the information from municipalities and analysing it, does the province provide municipalities with remedies to improve municipal performance?
- 16) Does the province conduct a follow up on the remedies provided to municipalities to ensure that these remedies are implemented?
- 17) After providing remedies to municipalities, does the province follow up to see if the remedies that were provided were effective or not?

### ANNEXURE 3: QUESTIONNAIRE ADMINISTERED TO THE OFFICE OF THE PREMIER

M&E DIMENSION	Is there a dedicated M&E function in the OoP?	How many provincial depts have dedicated M&E functions	Does the M&E unit use consultants/ external service providers?	Is there a province-wide M&E forum?	Name of forum
EC	Yes	All	Yes	Yes	M&E forum/Planners forum
FS	Yes	1	No	Yes	Provincial MRE forum
GT	Yes	8 have dedicated units, 2 in process of establishing M&E unit, and 2 have functions integrated with strategic planning	Yes	Yes	Provincial M&E forum
KZN	Yes	14 out of 18 departments have M&E units according to a situation analysis. All are less 2 years old. Generally consists of a single official	Yes	Yes	Provincial M&E forum, IDP planning forum
LP	Yes	Not known	Yes	Yes	Provincial M&E forum
MP	Yes	Not known	Yes	Yes	Provincial Planning & M&E forum
NC	No	Not known	No	No	N/A
NW	Yes	8 out of 12 departments with two currently in process. Mainly single individuals	Yes	Yes	Provincial M&E forum, local government and planning forum
WC	Yes	3	Yes	Yes	Provincial M&E forum

M&E DIMENSION	Is there a province-wide M&E framework?	Is an electronic system used in M&E?	Name of electronic system	Is M&E training being provided?	Nature of training
EC	Yes	Yes	StratMaster	Yes	Systems training, planning & M&E training
FS	Yes	Yes	INFORM	Yes	Systems training, planning & M&E training, SAMDI partnership with FT Training & Dev Institute
GT	Yes	Yes	IMS electronic system	Yes	Readiness assessment shows training needed in basics, setting up base-lines, analytical skills and statistical literacy
KZN	Yes - Draft	Yes	PBS, SAS Business intelligence, provincial nerve centre	Yes	Office of the Premier has done training, SAMDI for the basics, will get UNDP to train but budget is a constraint
LP	Yes	No	N/A	No	N/A
MP	Yes - Draft	No	N/A	No	No training but have recent Yes met with SAMDI
NC	No	No	N/A	No	Office of the Premier has attended training but are not providing training to line depts
NW	No	Yes	PORTAL	Yes	Principles of M&E by SAMDI, Progress College
WC	Yes - Draft	No		Yes	Inhouse, SAMDI and Provincial Academy

M&E DIMENSION	Is there a Central data repository?	What are the most important challenges to institutionalising M&E in the province?			
EC	Yes	Staff: posts and mobility	Tineous reporting	Quality of reporting	
FS	Yes	Human resource constraints	Budget constraints		
GT	Yes	Human capacities in terms of posts	Lack of technical skills	Budget constraints	Lack of coordination of evaluation research
KZN	Yes. SAS will be the central repository	Budget	Structure of M&E and lack of authorities	Lack of understanding of the role of M&E	Confusion of Office of the Premier and provincial Treasury's roles
LP	No	Capacity	Lack of uniform understanding of the role of M&E across managers	Insufficient direction and support by Presidency on M&E	
MP	No	Budget	HR insufficient	Rank issue with outside depts - structure issue	Despite cooperation a general resistance to M&E by depts
NC	No	No dedicated unit within Premiers Office	Dept M&E reps have other responsibilities and priorities		
NW	No	Lack of capacity and personnel	Financial/budget constraints	Support from national Treasuries and the Presidencies	
WC	No	Need for quality data	M&E capacity building	Coherence of research projects among provincial depts	



M&E DIMENSION	Is a Social Accounting Matrix used in the province?	What is the engagement with SASQAF?	What are the provinces future plans for M&E?		
EC	Yes	MoU with Stats SA	Take M&E to ward level and public entities	Impact assessment	
FS	Yes	No activities yet.	To ensure alignment with GWM&E	Provincial plan	
GT	Yes	MoU with Stats SA, piloted, want accreditation, statistical training started	Revise province wide M&E to be consistent with GWM&E framework	Extend nerve centre to a virtual centre	Lack of coordination of evaluation research
KZN	Yes	Started engagement but has become dormant, had workshops and have been trained	Finalise provincial M&E framework and passed by EXCO	Continue to produce manually but source an electronic system	Confusion of Office of the Premier and provincial Treasury's roles
LP	No	Signed MoU but other activities unclear at this stage	Restructure M&E unit		
MP	No	No activities yet. No MoU signed with Stats SA.	Finalise provincial framework	Extend structure to municipalities	Despite cooperation a general resistance to M&E by depts
NC	Didn't know	MoU and some training by Stats SA for police managers	Establish a dedicated unit		
NW	Yes	MoU is being signed but activities will only be considered later in this Year	Develop and consolidate provincial M&E framework	Establish a provincial IT system. Link cluster PoS to a web reporting system	
WC	Yes	SASQAF training already taken place	Develop information architecture	Review the Monitoring, Evaluation and Reporting Strategy for the province.	

M&E DIMENSION	Is a Social Accounting Matrix used in the province?	What is the engagement with SASQAF?	What are the provinces future plans for M&E?		
EC	Yes	MoU with Stats SA	Take M&E to ward level and public entities	Impact assessment	
FS	Yes	No activities yet.	To ensure alignment with GWM&E	Provincial plan	
GT	Yes	MoU with Stats SA, pilots lded, want accreditation, statistical training started	Revise province wide M&E to be consistent with GWM&E framework	Extend nerve centre to a virtual centre	Lack of coordination of evaluation research
KZN	Yes	Started engagement but has become dormant, had workshops and have been trained	Finalise provincial M&E framework and passed by EXCO	Continue to produce manually but source an electronic system	Confusion of Office of the Premier and provincial Treasury's roles
LP	No	Signed MoU but other activities unclear at this stage	Restructure M&E unit		
MP	No	No activities yet. No MoU signed with Stats SA.	Finalise provincial framework	Extend structure to municipalities	Despite cooperation a general resistance to M&E by depts
NC	Didn't know	MoU and some training by Stats SA for policYes managers	Establish a dedicated unit		
NW	Yes	MoU is being signed but activities will onlYes be considered later in this Year	Develop and consolidate provincial M&E framework	Establish a provincial IT system. Link cluster PoS to a web reporting system	
WC	Yes	SASQAF training already taken place	Develop information architecture	Review the Monitoring, Evaluation and Reporting Strategy for the province.	

**Source:** The role of the premiers' offices in government wide monitoring and evaluation: a good practice, (2008:14-17).

## ANNEXURE 4 – GOVERNMENT- WIDE MONITORING AND EVALUATION IN THE EASTERN CAPE

Monitoring and Evaluation posts as of May 2008

	<b>Total filled<sup>1</sup></b>	<b>Posts created but not filled</b>	<b>Total filled and unfilled posts</b>
<b>EC</b>	<b>27</b>	<b>6</b>	<b>33</b>
<b>FS</b>	<b>1</b>	<b>7</b>	<b>8</b>
<b>GT</b>	<b>5</b>	<b>1</b>	<b>6</b>
<b>KZN</b>	<b>5</b>	<b>2</b>	<b>7</b>
<b>LP</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>MP</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>NC</b>	<b>5</b>	<b>4</b>	<b>9</b>
<b>NW</b>	<b>2</b>	<b>1</b>	<b>3</b>
<b>WC</b>	<b>7</b>	<b>3</b>	<b>10</b>

**Source:** The role of the premiers' offices in government wide monitoring and evaluation: a good practice, (2008:50).

## ANNEXURE 5 – PLEDGE AND DELIVERY AGREEMENT

# PLEDGE OF COMMITMENT TO SERVICE DELIVERY

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We, the Speakers and Chief Whips of the municipalities in the Province of the Eastern Cape;

**Acknowledging** the service delivery agreements entered into between the **Member of the Executive Council** responsible for **Local Government and Traditional Affairs** in the province of the Eastern Cape and the Executive Mayors and / or Mayors of the municipalities in the province;

**Understanding** that the said service delivery agreement cannot be realised without us responding positively, proactively and practically by discharging our key responsibilities as municipal office bearers;

**Therefore** pledge and commit ourselves as follows:

### **SPEAKERS**

- We pledge and commit ourselves to ensure that we fulfil the administrative responsibilities as Chairpersons of our municipal councils;
- We pledge and commit ourselves to enforce the code of conduct for councillors faithfully by noting any breaches or infringements, advise and assist Council to act against such breaches and infringements;
- We pledge to ensure that each councillor is aware of the provisions of the code and legal implications thereof ;
- We pledge and commit ourselves to ensure that the executive committee is exercising its role and responsibilities to the council as prescribed by local government legislation;
- We pledge and commit ourselves to be the custodians of the development, review and implementation of the legislative process and policy as prescribed by the local government legislation.
- We pledge and commit ourselves to perform and execute the powers delegated by our respective municipal councils in terms of local government legislation.

### **CHIEF WHIPS**

- We pledge and commit ourselves to keep councillors informed about important items on the agendas of Council and Committee meetings.
- We pledge and commit ourselves to supply lists of our respective party members to serve on standing and select committees.
- We pledge and commit ourselves to secure members' attendance for meetings and divisions.
- We pledge and commit ourselves to co-operate with whips of other parties in arranging the Council functioning.
- We pledge and commit ourselves to arrange for members to speak in debates.
- We pledge and commit ourselves to day-to-day management of councillor participation in processes in the Municipal Council.

**CONFIDENTIAL**

**DELIVERY AGREEMENT**

**Department of Local Government and Traditional Affairs  
Province of the Eastern Cape**

**BETWEEN**

**HONOURABLE MLIBO QOBOSHIYANE**

**MEMBER OF THE EXECUTIVE COUNCIL (MEC)**

**LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS**

**AND**

**COUNCILLOR ZUKISWA NCITHA**

**EXECUTIVE MAYOR : BUFFALO CITY METROPOLITAN MUNICIPALITY**

**PERIOD OF AGREEMENT: JULY 2011 – 30 JUNE 2012**

**1.**

The purpose of entering into this agreement is to communicate to the Executive Mayor of Buffalo City Metropolitan Municipality performance expectations of Government in respect of Outcome 9 (**responsive, accountable, effective and efficient local government system**)

The delivery agreement shall be used as the basis for assessing whether the Executive Mayor has met the delivery expectations as contained in this agreement.

#### **DELIVERY AGREEMENT FOR OUTCOME 9 (RESPONSIVE, ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT SYSTEM)**

##### **1. PURPOSE**

The purpose of this agreement is to ensure that all relevant functionaries commit in the new approach towards improving service delivery to our poor communities. It is also an endeavor to ensure that municipalities deliver sustainable services and strengthen communication with their communities. This initiative also seeks to address worrying trends and signs that are undermining the progress and successes that have been achieved so far.

##### **2. INTRODUCTION**

Responding to the service delivery dissatisfaction displays government has agreed on **Outcome Based** approach and has identified **12 Outcomes** as key focus of work between now and **2014**. Each outcome has a number of measurable outputs with targets. Each of the 12 outcomes has a **Delivery Agreement** which in most cases involves all spheres of government and a range of partners outside government. All these agreements reflect government's delivery and implementation plans for the foremost priorities up to 2014. As Local Government we are responsible for **Outcome 9**.

The delivery agreement is a **Negotiated Charter** which reflects the commitment of the key partners involved in the direct delivery process to undertake activities effectively, efficiently and on time to deliver on the mutually agreed upon outputs. These outputs

will contribute in achieving **Outcome 9 (responsive, accountable, effective and efficient local government system)**

The delivery agreement provides detail to the outputs, targets, indicators and key activities to achieve outcome 9, identified inputs and clarifies the roles and responsibilities of various delivery partners. It also spells out who will do what, by when and with what resources. While the delivery agreement may contain longer term outputs and targets, it also includes outputs and associated targets that are realizable in the next 4 years.

This delivery Agreement will be reviewed annually through monitoring and evaluation (M&E) findings

### **3. LINKING OUTPUTS TO OUTCOME 9**

To achieve the vision of a “Responsive, accountable, effective and efficient local government system”, six outputs have been identified. Each corresponds to the six critical issues and is summarized as follows:

**Output 1:** *Implement of a differentiated approach to municipal financing, Planning and support*

**Output 2:** *Improving Access to Basic Services*

**Output 3:** *Implementation of the Community Work Programme*

**Output 4:** *Action supportive of human settlement outcomes*

**Output 5:** *Deepen democracy through a refined Ward Committee Model*

**Output 6:** *Administrative and financial capability*

**Output 7:** *Single window of coordination*

#### **3.1 OUTPUT 1**

##### ***Implement a differentiated approach to municipal financing, planning and support***

As mayors of District Municipalities you have got a responsibility in the context of different capacities of the municipalities under your district to support them in terms of planning and financing. This would entail that while supporting them you will take into consideration their unique circumstances. The support on planning and financing should result in municipalities being able to provide access to water, sanitation, electricity, water management, roads and disaster management.

It is also within your responsibility to ensure that you support the filling of critical posts of **Municipal Manager, Town Planner, Chief Financial Officer, Technical and/or Engineering services, Communication and Corporate Services**

### 3.2 OUTPUT 2

#### ***Improving access to Basic Services***

There is clear and demonstrable progress made by local government in ***accelerating access to basic services*** for the poor. Yet, there is still considerable scope for further improvement in both the quantity and quality of provision considering the size of the services backlog that remains and the demand pressures emanating from population and economic growth.

Two critical obstacles to accelerating basic services are the lack of critical infrastructure in rural areas and the proliferation of informal settlements in urban areas. Both these obstacles are beyond the sole capabilities (institutional and fiscal) of powers and functions of municipalities to confront by themselves. To deliver on these Basic Services consideration must be given to the establishment of a Bulk Infrastructure Fund to unlock delivery of reticulation services, fund bulk infrastructure, procure well located land, align Provincial Infrastructure Grants and Municipal Infrastructure Grants with housing projects and grants and to upgrade and rehabilitate bulk infrastructure (such as Waste Water Treatment Works)

In this regard the following sub-outputs were identified:

- Improve universal access to basic services by 2014 as follows:
  - *Water*                      *from 92% to 100%*
  - *Sanitation*                *from 69% to 100%*
  - *Refuse removal*        *from 64% to 75%*
  - *Electricity*                *from 81% to 92%*
- Consider the establishment of a Bulk Infrastructure Fund to better align and coordinate municipal infrastructure funding with a view to:
  - *Unlock delivery of reticulation services*
  - *Fund bulk infrastructure*
  - *Procure well located land*

4



- *Align Provincial Infrastructure Grants and Municipal Infrastructure Grants with housing projects and grants*
- *Upgrade and rehabilitate bulk infrastructure (such as Waste Water Treatment Works).*

### 3.3 OUTPUT 3:

#### **Implementation of the Community Work Programme**

##### ***Implement the community work programme and support job creation***

As part of our response to tackle poverty and provide livelihood support for poor households, government adopted the ***Community Work Programme (CWP)***. This programme is a key initiative to mobilize communities in order to provide regular and predictable work opportunities at the local level. This is a ward-based programme to:

- Identify “useful work” ranging from 1 – 2 days a week or one week a month initially targeted at the poorest wards; and
- Create access to a minimum level of regular work for those who need, targeting areas of high unemployment and poverty, where sustainable alternatives are likely to remain limited for the foreseeable future.

The primary purpose of the Community Work Programme is to create access to a minimum level of regular and predictable work for those who need it, targeting areas of high unemployment, where sustainable alternatives are likely to remain limited for the foreseeable future. The CWP provides access to a minimum level of regular work on an ongoing and predictable basis for those who need it.

The Community Work Programme purpose is to also achieve the following:

- Provide an employment safety net; in recognition that sustainable employment solutions will take time, and will reach the most marginalized last. It is targeting a social protection gap in the Eastern Cape: those willing and able to work, but unable to find opportunities to do so.
- Supplement other livelihood strategies and not to replace or displace them: with no expectation that participants will be able to exit into sustainable jobs any time soon. This is in recognition of the deeply structural nature of unemployment, and the low returns from self-employment and other livelihood strategies in economically marginal areas.
- Contribute to the development of public assets in poor communities; it contributes to income security for participants, provides work experience,

enhance dignity and promotes social and economic inclusion – all of which strengthen the economic agency of people in marginalized economic areas.

- Strengthen community Development Approaches

The following sub outputs were identified:

- *Create work opportunities to contribute to the target of 4.5million EPWP job opportunities by 2014*
- *Establish where feasible, functional cooperatives at the local level by 2014*

#### 3.4 OUTPUT 4

##### ***Actions Supportive of Human Settlement Outcomes***

There is quite a significant improvement on the state of housing delivery by government, but there is still an increasing demand that need to be addressed. Sustainable human settlement is an inherently integrated policy that involves the coordinated efforts of different actors with different roles and responsibilities. Provincial, local government and other potential delivery partners need to coordinate their efforts towards the development of sustainable human settlements. Local government sphere must play an important role in the planning and delivery of housing particularly through its role in land use management, town planning, infrastructure development and provision of services. As reflected in "***Breaking New Ground***" that the housing supply need to respond to local demand and the relationship between supply and demand should best be mediated in the local government sphere.

For the metropolitan municipalities the Mayors should ensure that there is creation of sustainable human settlements that will contribute to economic growth through investing in physical structures. It is within their responsibility to facilitate change in human settlement through effective planning, cooperative governance between the three spheres of government and mobilization of private, social, and civil society partners.

There should be clear norms and standards for different settlement areas to support the objective of creating well functioning, integrated and balanced urban and rural settlements. The concept of a Single Window of coordination for government is invoked to forge cohesion and alignment between key sectors that are primarily and jointly responsible for specific outcomes. Together with the departmental mandate to provide

an appropriate institutional and regulatory framework for local government, the Municipalities will support human settlement in:

- Initiate actions to increase density in metropolitans and large towns by 2014;
- Initiate actions to release public land for low income and affordable housing to support the delivery of housing units on “well located land” with a 30 to 45 minute journey to work and services and using less than 8% of disposable income for transport by 2014;
- Support the expansion of the national upgrading support programme in **Priority Municipalities** to facilitate the upgrading of informal settlements;
- Specifically support the grading and rezoning of informal settlements by priority municipalities

### 3.5 OUTPUT 5

#### ***Deepen democracy through a refined Ward Committee Model***

There are 715 demarcated wall-to-wall wards within the two metropolitan and 37 municipalities of Eastern Cape. These wards form the basic units for participatory and democratic local government. Ward councilors chair these committees and ought to rely on them for support in ensuring that the issues and needs of residents are well represented in the municipal councils. However, the present Ward Committee System raises serious challenges with regard to effectiveness in enhancing the involvement of communities in meaningful local decision-making. It is therefore critical to strengthen our people-centered approach to governance, development and ***deepen democracy through a refined ward committee model***

The democratization of the local sphere so well envisioned in the White Paper on Local Government, of 1998, is now fraught with community frustration over poor institutionalization of systems, poor service delivery and poor political governance. A culture of patronage and nepotism is so common in many municipalities that the formal municipal accountability system is ineffective and inaccessible to many citizens. Evidence of this underlying problem was also found during the 2009 state of Local Government Assessment, in that despite handbooks, guidelines and training programmes the functionality of wards committees remains a challenge.

In order to strengthen local democracy and address intra-and inter- party political factionalism, the alienation of people from meaningful decision-making, the widening disconnect between people and the local state, polarization of interests, patronage and

nepotism it will be necessary to strengthen our people-centred approach to governance and development. The following specific sub-outputs have been identified to achieve the envisaged strengthening of democracy:

- Put support measures in place to ensure that at least **90%** of all Ward Committees are fully functional by 2014
- Find a new approach to better resource and fund the work and activities of Ward Committees.

### 3.6 OUTPUT 6

#### ***Administrative and financial capability***

##### ***Improve municipal financial and administrative capability***

The ineffective management of many municipalities has been attributed to a combination of factors from the improper political and administrative interface to weak institutional arrangements and poor supervision and accountability mechanisms. The lack of compliance with the current regulatory financial management system is a constant challenge for many municipalities. Going forward it will be critical to focus our attention towards ***improving the financial and administrative capabilities of municipalities.***

Poor administrative and financial management, the lack of controls and accountability systems impact negatively on service delivery for communities. Compliance with the current financial management system is a constant challenge for many municipalities. Audit reports are uniformly poor for over half the municipalities, the origins of which start with their inability to manage their Annual Financial Statements and the systems and processes described in the MFMA.

Internal municipal systems result in cumbersome administrative and budgeting systems. Challenges experienced with enforcing debt collection and an increase in the aged debts (i.e. outstanding debts or more than 90 days), as well as a high level of indigents and the culture of non-payment impact hugely on the financial viability.

Not all municipalities have the same capacity to raise revenues, as levels of poverty vary considerably and are particularly high in mostly rural municipalities. This is one of the root causes of over-spending in some municipalities.

The State of Local Government Report published by the DCoG in 2009 observed that human resource management and systems in many municipalities is below standard,

and the vacancy rate is jeopardizing effective service delivery. The report also stated that in the majority of municipalities performance agreements are not signed by due date as required. Beyond lack of financial resources and perhaps because of it, smaller less capacitated municipalities also face a particular challenge in recruiting and retaining key staff.

The following sub-outputs have been identified:

- *Improve audit outcomes of municipalities*
- *Reduce municipal debt*
- *Reduced municipal overspending on operational expenditure (OPEX)*
- *Reduced municipal under spending on capital expenditure (CAPEX)*
- *Increased municipal spending on repairs and maintenance; and*
- *Support access to basic services through improved administrative and HR practices.*

### 3.7 OUTPUT 7

#### ***Single window of coordination***

The pressing challenges facing local government do not fit into neat departmental boundaries. The challenges afflicting municipalities are often cross-cutting and complex. The tasks of municipal financial and planning support and tackling the problems of lack of access to essential services, apartheid spatial patterns and exclusion as well as strengthening administrative and financial capacity requires new organisational forms. Operating on departmental lines has tended to make national government less sensitive to the needs of local government, which are often inter-sectoral in nature.

The limited success of past capacity-building and support initiatives as well as the onerous reporting burden placed on municipalities by various agencies is testimony to this. Thus the Single Window of Coordination is a concept and organisational form to bring about greater cohesion in the work of government, particularly, but not exclusively at the national level.

It is essentially an institutional mechanism to lessen the fragmentation within the cooperative governance arrangements impacting on local government. It will also provide for a more focused oversight and support role for the province and provide for a greater knowledge bank on municipal environments. Its practical manifestation will be a cross-departmental committee comprising the departments of Local Government and Traditional Affairs, Human Settlements, Environment and Water Affairs, Rural

Development, Energy and National Treasury. Such a committee will be responsible for the following sub-outputs:

- *Review and amend local government legislation, policy and regulations where necessary;*
- *Craft a new approach to the coordination of all support and capacity@building initiatives, including national or provincial interventions that are occurring in the local government sphere.*

**SIGNATURES OF PARTIES TO THE AGREEMENT**

The contents of this document have been discussed and agreed upon between myself and the Honourable MEC.

**Name:** Z. Ncitha

Executive Mayor: Buffalo City Metropolitan Municipality

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*AND*

**Name:** Mlibo Qoboshiyane

MEC: Department of Local Government & Traditional Affairs

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **ANEXURE 6 – PERFORMANCE MANAGEMENT SYSTEM ASSESMENT TOOL**



### **PMS FUNCTIONALITY ASSESSMENT TOOL IN PROVINCES AND MUNICIPALITIES**

**FEBRUARY 2010**

NO	ASSESSMENT CRITERIA	LEGISLATIVE REQUIREMENTS	EVIDENCE	ACTIONS TO BE TAKEN
<b>PART 1: PLANNING</b>				
1.1	<b>LINKING THE IDP, THE SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN (SDBIP)?</b>			
1.1.1	Does the Municipality have an adopted Integrated Development Plan (IDP)?	Chapter 5 section 25 of the Municipal Systems Act 32, of 2000	Copy of the adopted IDP and council resolutions	
1.1.2	Has the municipality adopted a Service Delivery Budget and Implementation Plan (SDBIP)?	Section 53 (1)(c)(ii) of the municipal Finance Management Act No 56 of 2003; MSA section 26 (h) and Regulation 3 Municipal planning and Performance Management Regulations of 2001	copy of adopted SDBIP and council resolutions	
<b>PART 2: PERFORMANCE MANAGEMENT SYSTEM POLICY FRAMEWORK</b>				
2.1	Has the municipality developed/reviewed and adopted the performance management system policy framework?	Section 39&40 of the MSA 32 of 2000; Regulation 8 municipal Planning and Performance Management Regulations (MPPMR)	Provide evidence and records in accordance the legislative requirements	



		of 2001		
2.1.1	Does the municipality have a PMS Unit?	Section 41 of the MSA 32 of 2000	Provide organisational structure	
2.1.2	Who is responsible for implementation of PMS?	Section 55 (1)(a)(ii) of the MSA 32 of 2000	Organisation scorecard	
2.1.3	How many people have been appointed in the PMS Unit?	No legislative requirements	Provide organisational structure	
2.2	<b>When was the performance Management System Policy Framework developed/reviewed and adopted by Council, and who was assigned with the responsibility to lead the implementation?</b>	Regulation 8 MPPMR of 2001 and Section 39 (a) and (c) of the MSA 32 of 2000	Copy of council resolution	
2.2.1	Which Units were consulted internally in the development of PMS framework?	Section 41 (1)(e)(ii) of the MSA 32 of 2000	Name the Units and consultation dates	
2.2.2	Were municipal entities and service providers consulted in the development of PMS	Section 41 (1)(e)(ii) of the MSA 32 of 2000	Name the service providers/entities and processed followed	

2.2.3	Has the municipality through appropriate mechanisms, processes and procedures established in terms of Chapter 4, involved the local community in the development, implementation and review of the municipality's PMS particularly allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality?	Section 42 and 44 of the MSA 32 of 2000	Dates of consultations and processes followed	
<b>PART 3: LINK BETWEEN ORGANISATIONAL AND EMPLOYEE PERFORMANCE MANAGEMENT</b>				
3.1	<b>Is the PMS Policy Framework aligned to the IDP, SDBIP and Performance Agreements?</b>			
3.1.1	Have the performance agreements been signed by all section 56 managers?	Section 57 of the MSA 32 of 2000	Provide a copy of the signed agreements	
3.1.2	Has PMS being cascaded down to non-sec 56 managers?	No legislative requirements	Provide evidence and records	
<b>PART 4: COMPONENTS OF PMS</b>				
4.1	<b>Does the municipality's PMS have the following components:</b>			
4.1.1	Defined objectives for its developmental	Section 41 (1)(a) of the MSA 32 of	Provide evidence of	

	priorities as set out in the IDP and SDBIP?	2000	the IDP and SDBIP	
4.1.2	Key performance Indicators; that is Input, Output and Outcome Measures?	Regulation 8 MPPMR of 2001 and Section 26 (i)of the MSA 32 of 2000	Provide evidence of the IDP and SDBIP	
4.1.3	Set performance targets with regards to each key performance indicators in accordance with MSA and Municipal Planning and Performance Management Regulations 2001?	Section 41 (1)(b)of the MSA 32 of 2000; Regulation 12 (1) and (2) MPPMR 2001	Provide evidence of the IDP and SDBIP	
4.1.4	do the indicators include the prescribed 7 General Key performance indicators as prescribed by section 43 of the MSA of 2000?	Section 43 (2) of the MSA 32 of 2000	Provide evidence of the IDP and SDBIP	
4.1.5	Does the PMS have an Early Warning Indicator of underperformance?	Regulation 13 (2)(b) MPPMR of 2001, Section 41 (2)(1)(c) of the MSA 32 of 2000	Provide evidence of the IDP and SDBIP with performance reports	
4.1.6	Mechanisms or interventions for improving performance where targets have not been met?	Regulation 13 (4) MPPMR of 2001, Section 41 (1)(d) of the MSA 32 of 2000	Provide evidence and procedures followed to improve review performance	

4.1.7	Does the performance management system clarify the roles and responsibilities of all role players (i.e. Mayor, EXCO, Council, MM, Audit committees, Public etc)?	Chapter 7 (2) MPPMR of 2001	Provide evidence reports	
4.1.8	Are there mechanisms in place to monitor, review and refine the PMS based on indicators linked to the IDP and SDBIP?	Regulation 13 MPPMR of 2001; Section 40 of the MSA 32 of 2000	Provide monitoring & review reports	
<b>PART 5: LINKING THE IDP, THE SDBIP AND REPORTING</b>				
5.1	<b>Municipal Performance Reporting and reviews</b>			
5.1.1	<b>Do the following stakeholders regularly report on their performance against the set targets</b>			
5.1.1.1	<b>Administration</b>	Section 41 (1)(e)(i) of the MSA 32 of 2000	Provide the report	
5.1.1.2	Departmental Units (Monthly)	Section 41 (1)(e) of the MSA 32 of 2000	Provide the report	
5.1.1.3	Management team (Quarterly)		Provide the report	
5.1.1.4	Accounting Officer reporting to Council	Regulation 14 MPPMR of 2001 and Section 32 (a) of the MSA 32 of 2000	Provide the report	

5.1.1.5	Accounting Officer must not later than 10 working days submit to the Mayor and Provincial Treasury	Section 71 of the MFMA 35 of 2003	Provincial Treasury statement as prescribed format on the state	
5.1.1.6	Has the accounting officer submitted a midterm and performance assessment to the Mayor, National Treasury and the relevant provincial treasury	Section 72 of the MFMA 35 of 2003	Provide mid-term performance statement assessment	
5.1.1.7	Internal auditors (quarterly)	Regulation 14 MPPMR of 2001	Quarterly internal audit report	
5.1.1.8	Has the EXCO quarterly reviews been held for section 57 managers?	Section 38 (b) of the MSA 32 of 2000	Provide procedures and te quarterly review report	
5.1.2	<b>Political</b>	Section 41 (1)(e) of the MSA 32 of 2000		
5.1.2.1	Committees reporting to the Executive Committee or Mayor	Section 80 of the Municipal Structures Act 117 of 1998	Provide the report	
5.1.2.2	Executive Committees to Mayor	Section 80 of the Municipal Structures Act 117 of 1999	Provide the report	
5.1.2.3	Councillors to report back to communities quarterly	Section 17 (2)(e) of the MSA 32 of 2000	Provide the report	

5.1.2.4	MM tables annual report before the municipal Council	Section 127 (2) of the MFMA 35 of 2003	Provide evidence of the tabled report	
5.1.3	<b>External</b>			
5.1.3.1	Municipal council submits the draft annual performance report (section 46) to the MEC for Local Government	Section 46 of the MSA 32 of 2000	Provide the report	
5.1.3.2	Entities and service providers	Section 41 (1)(e)(ii) of the MSA 32 of 2000	Provide the report	
5.1.3.3	District House of Traditional Leaders		Provide the report	
5.1.3.4	Reporting to other spheres and agencies of government	Section 41 (1)(e)(ii) of the MSA 32 of 2000	Provide the report	
<b>PART 6: INTERNAL AUDIT REPORTS</b>				
6.1	It is the responsibility of municipalities to develop and implement mechanisms, systems and processes for auditing the results of performance management as part of its internal audit processes			
6.1.1	Does your municipality have Internal Audit Unit?	Regulation 14 (a)MPPMR of 2001; Section 165 (1) of the MFMA 56 of 2003	Organisational structure	

6.1.2	Who does the Internal Audit Unit report to?	Regulation 14 (1)(c)(ii)MPPMR of 2001; Section 165 (2)(b) of the MFMA 56 of 2003		
6.1.3	How many people have been appointed in the Internal Audit Unit?	Section 165 of the MFMA 56 of 2003; Regulation 14 (1)(c)MPPMR of 2001		
6.1.4	What are the functions and responsibilities of the Internal Audit Unit and is it functional?	Section 165 of the MFMA 56 of 2003; Regulation 14 (1)(c)MPPMR of 2001	List all the functions of the internal audit and evidence with audit reports	
6.1.5	What kind of reports are expected from the Internal Audit by the Accounting Officer?	Section 165 of the MFMA 56 of 2003	provide evidence and reports as specified in the Act	
6.1.6	Does the Internal Audit have a risk based audit plan and internal audit programme for each financial year?	Section 165 (2)(a) of the MFMA 56 of 2003	Risk audit Plan and Internal Audit Programme	
6.1.7	What are the Internal Audit Processes?	Resolution 14 (1)(a) MPPMR of 2001	Provide evidence followed by the municipalities Internal Audit in compliance with the acts	

6.1.8	Does the municipality have records management system for evidence of monthly, quarterly and yearly reports on targets set?	No legislative framework	Provide evidence of records management and its processes	
<b>PART 7: PERFORMANCE AUDIT COMMITTEES REPORTS</b>				
7.1	<b>Does the municipality have a Performance Audit Committee:</b>	Regulation 14 (2)(a)MPPMR of 2001;Section 166(1) of the MFMA 56 of 2003	Provide evidence and records	
7.1.1	Do you have a Shared Audit Committee?	Regulation 14 (2)(h)(ii)MPPMR of 2001	Indication of whether there is an audit committee or shared audit committee	
7.1.2	Who constitutes the committee and what are their qualifications?	Regulation 14 (2)(a) and (b)MPPMR of 2001; Section 166(4) and (5) of the MFMA 56 of 2003	Provide evidence and records	
7.1.3	Do you have a schedule of committee meetings for the year and how many meetings have been held?	Regulation 14 (3)(a) and (b)MPPMR of 2001; Section 166(4)(b) of the MFMA 56 of 2003	Schedule of meetings , Attendance register	
7.1.4	What are the roles and responsibilities of the Committee members?	Regulation 14 (4)(c) and (b)MPPMR of 2001; Section 166(3) of the MFMA 56 of 2003	Provide evidence and reports on the functioning of the	



			committee	
7.1.5	Does the performance audit committee regularly provide an audit report on performance?	Regulation 14 (4) (a)(ii) MPPMR of 2001	Provide evidence and records	
7.1.6	Does the Performance Audit Committee review annual financial statements to provide the council of the municipality?	Section 166 (2)(b) of the MFMA 56 of 2003	Financial statements	
<b>PART 8: AUDITOR-GENERAL REPORT</b>				
8.1	<b>Auditor-Generals checklist</b>			
8.1.1	Has the Auditor General given the municipality an Audit report on the following:	Section 45(b) of the MSA 32 of 2000; and Section 165 (3)(b) of the MFMA 56 of 2003	Auditor-General's report	
8.1.2	Who is governing the Office of the Auditor-general to reflect the opinions and conclusion on reported information relating to performance?	Section 20(2)(c) of the Public Audit Act; Section 165 (2)(b)(v) of the MFMA 56 of 2003	Auditor-General's report	
8.1.3	How many officials were interviewed as relevant municipal role-players and what kind of information was requested from	Section 5 of the A-G Act 12 of 1995	Provide evidence of reports or information	

	them?			
8.1.4	What are the key areas that the A-G is looking for in a report?	Section 5 of the A-G Act 12 of 1996	Provide evidence of reports or information	
<b>PART 9: ANNUAL PERFORMANCE REPORTING (SECTION 46)</b>				
9.1	<b>Annual Performance Reporting</b>			
9.1.1	Has the section 46 annual performance report been compiled by the municipality against the set targets	Section 46 (b) of the MSA 32 of 2000	Submit a report	
9.1.2	Has the annual performance report been presented to/and adopted by Council?	Section 127 (2) of the MFMA 56 of 2003	Resolution Number	
9.1.3	Has the municipal Council submitted the section 46 annual performance and oversight report to the MEC for Local Government and Provincial legislature?	Section 127 (5)(a)(i) of the MFMA 56 of 2003	Oversight report	
9.1.4	Has the annual performance report been presented to the communities and other stakeholders?	Section 127 (5)(a)(ii) of the MFMA 56 of 2003	Record of meetings	
9.1.5	Did the municipality publish the section 46 annual Performance Report on the website?	Section 75 of the MFMA 56 of 2003; Section 21 A (b) of the MSA 32 of	Provide link to the website	

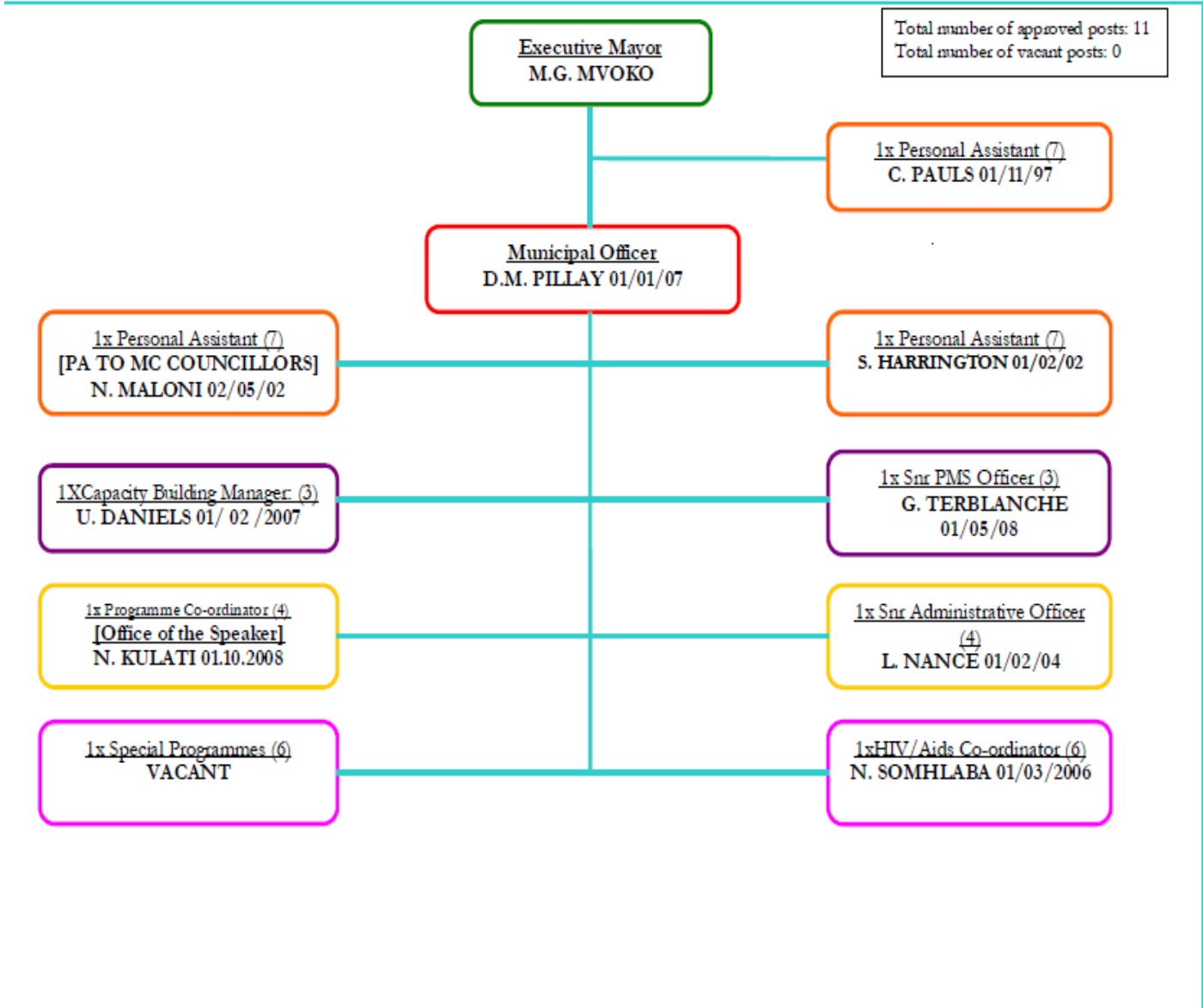
		2000		
9.2	<b>Individual Performance Review</b>			
9.2.1	Does the municipality have the legislative framework that governs employee performance management	Regulation 26 and 27 of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006; Section 38 of the MSA 32 of 2000	provide the framework	
9.2.2	Is the legal framework aligned to the individual performance and organisational performance management system	Section 38 of the MSA 32 of 2000	Job descriptions and signed performance agreements	
9.2.3	Are the employee performance reviews held quarterly?	Regulation 28 of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006	Provide performance appraisals	

9.2.4	Who constitutes the moderating committee or assessment panel?	Regulation 27(4)(d) of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006; Section 166 (2)(v) of the MFMA 56 of 2003	Name the members and criteria used to choose them	
9.2.5	How does the municipality reward good performance?	Section 57 of the MSA 32 of 2000; Regulation 32 of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006	Provide standards or criteria used for evaluation of good performance	
9.2.6	How does the municipality deal with poor performing employees?	Regulation 32 (a) and (b) of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006; Section 57 (4b) of the MSA 32 of 2000	Provide ways in which bad performers are assisted (action taken for bad performers)	

9.2.7	How many employee performance disputes have been handled within a year?	Regulation 33 of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006	Provide the numbers and the progress of the dispute cases	
9.2.8	Does the municipality have competency development plan based on individual performance assessment?		Competency development plans	

## ANNEXURE 7- CACADU DISTRICT MUNICIPALITY ORGANOGRAM

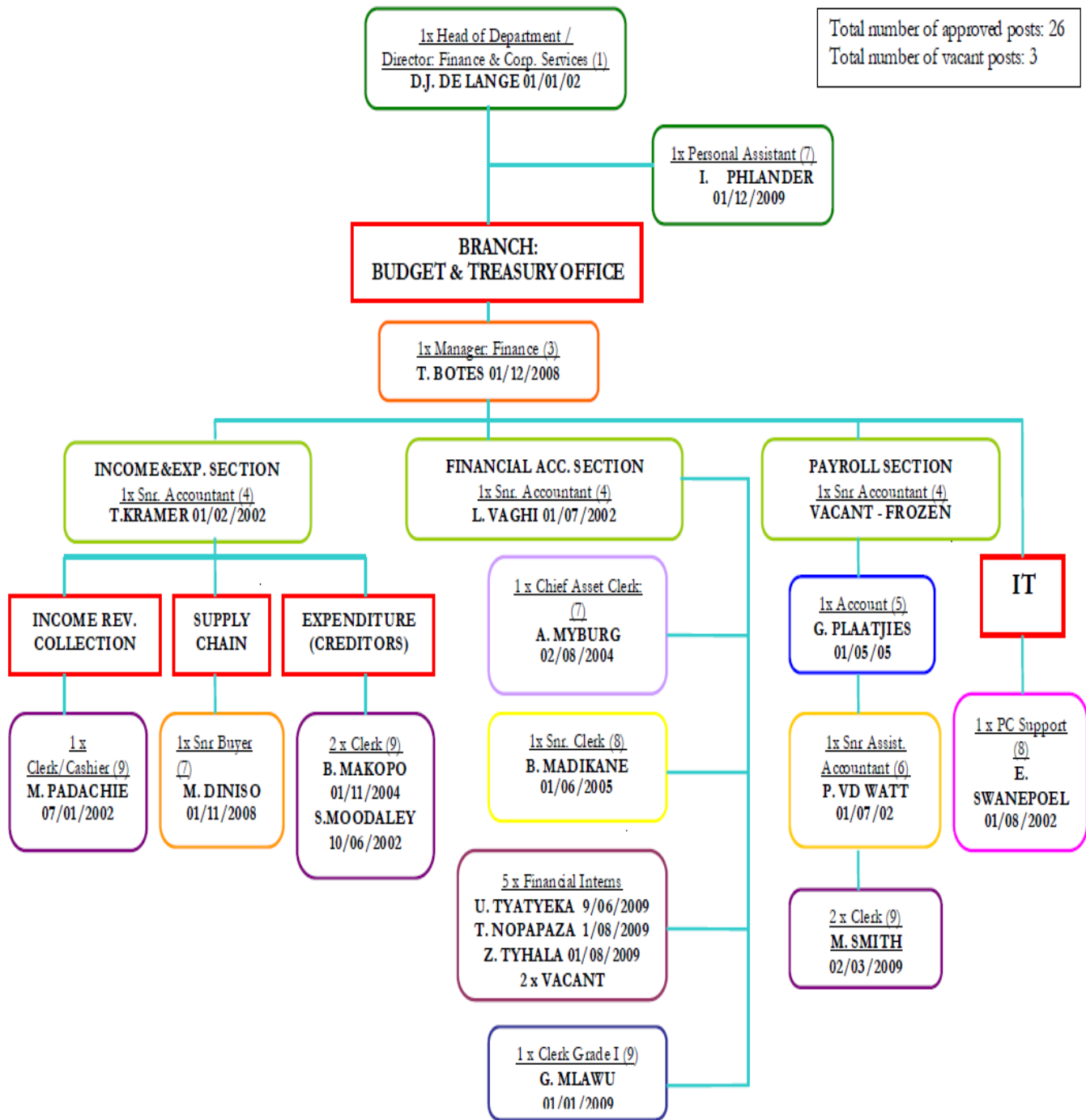
### DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER



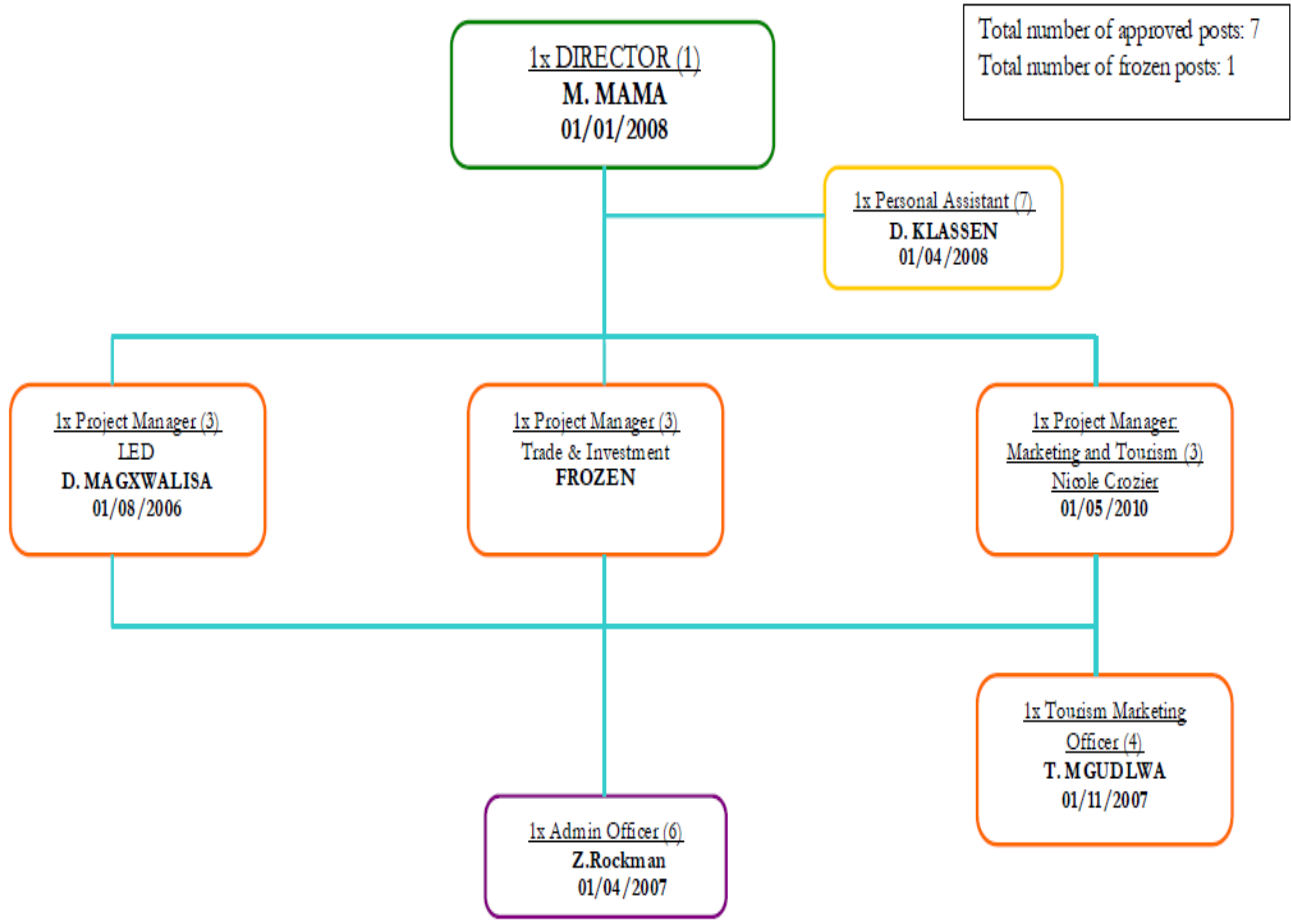
**DIRECTORATE: FINANCE & CORPORATE SERVICES**

**FINANCE DIVISION**

Total number of approved posts: 26  
Total number of vacant posts: 3

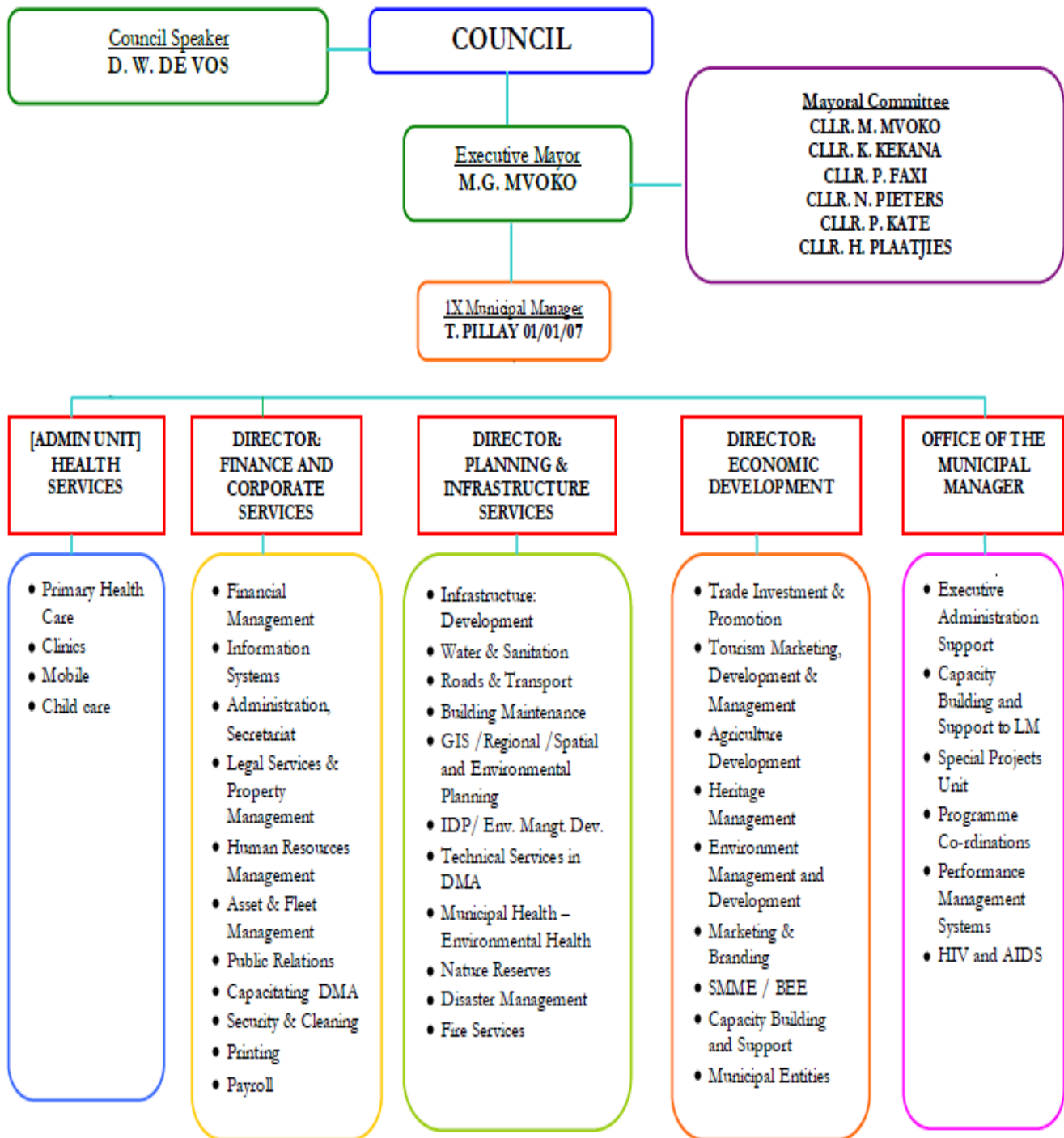


**DIRECTORATE: ECONOMIC DEVELOPMENT**



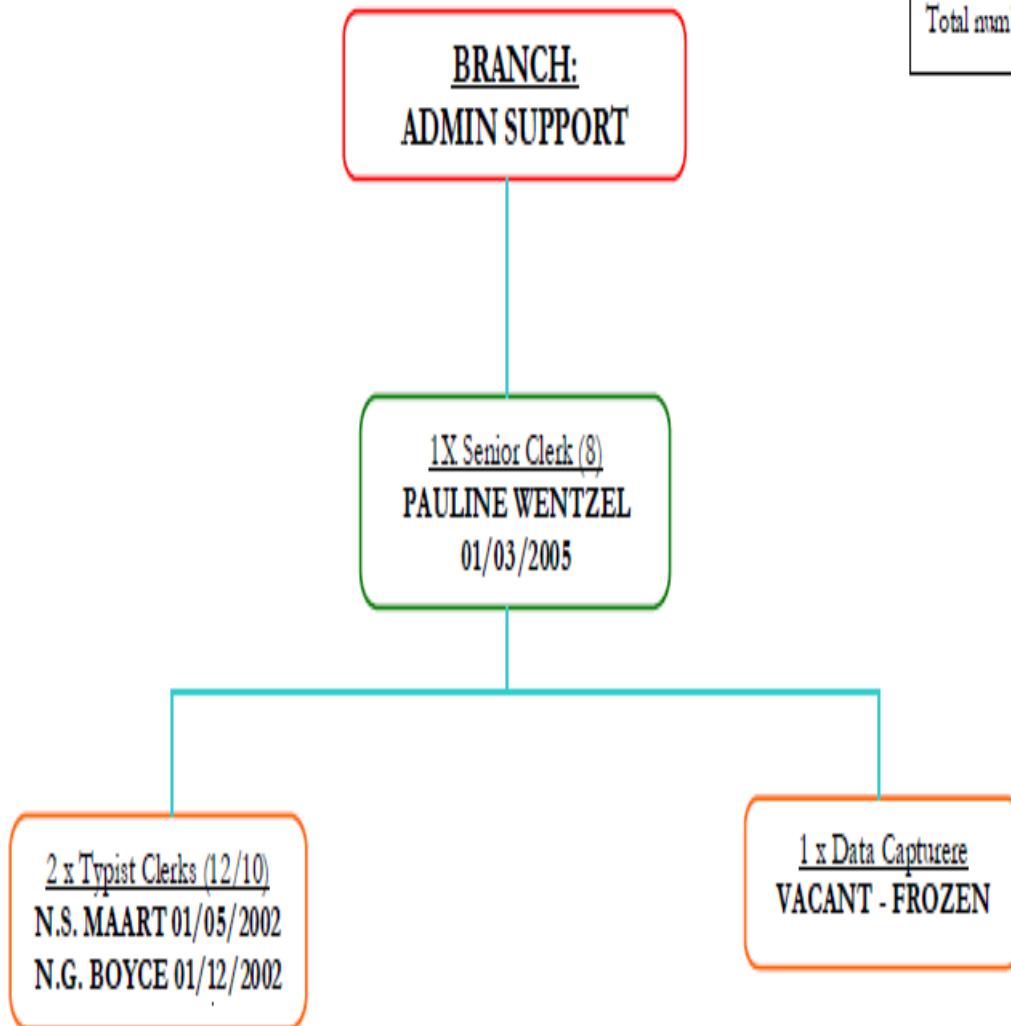


## MACRO ORGANISATION DESIGN – JULY 2010

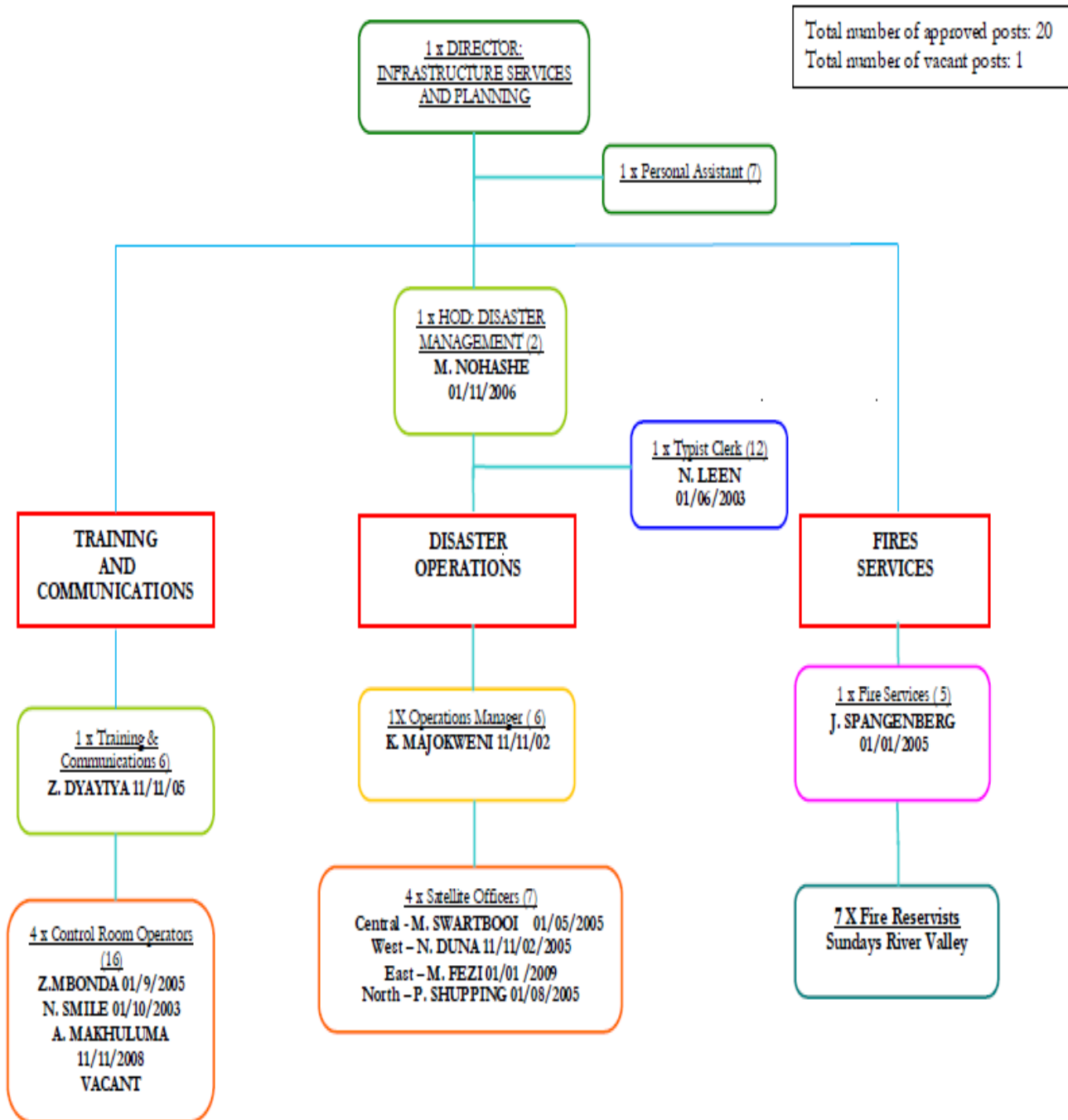


**DIRECTORATE: INFRASTRUCTURE SERVICES (ADMIN SUPPORT)**

Total number of approved posts: 3  
Total number of frozen posts: 1



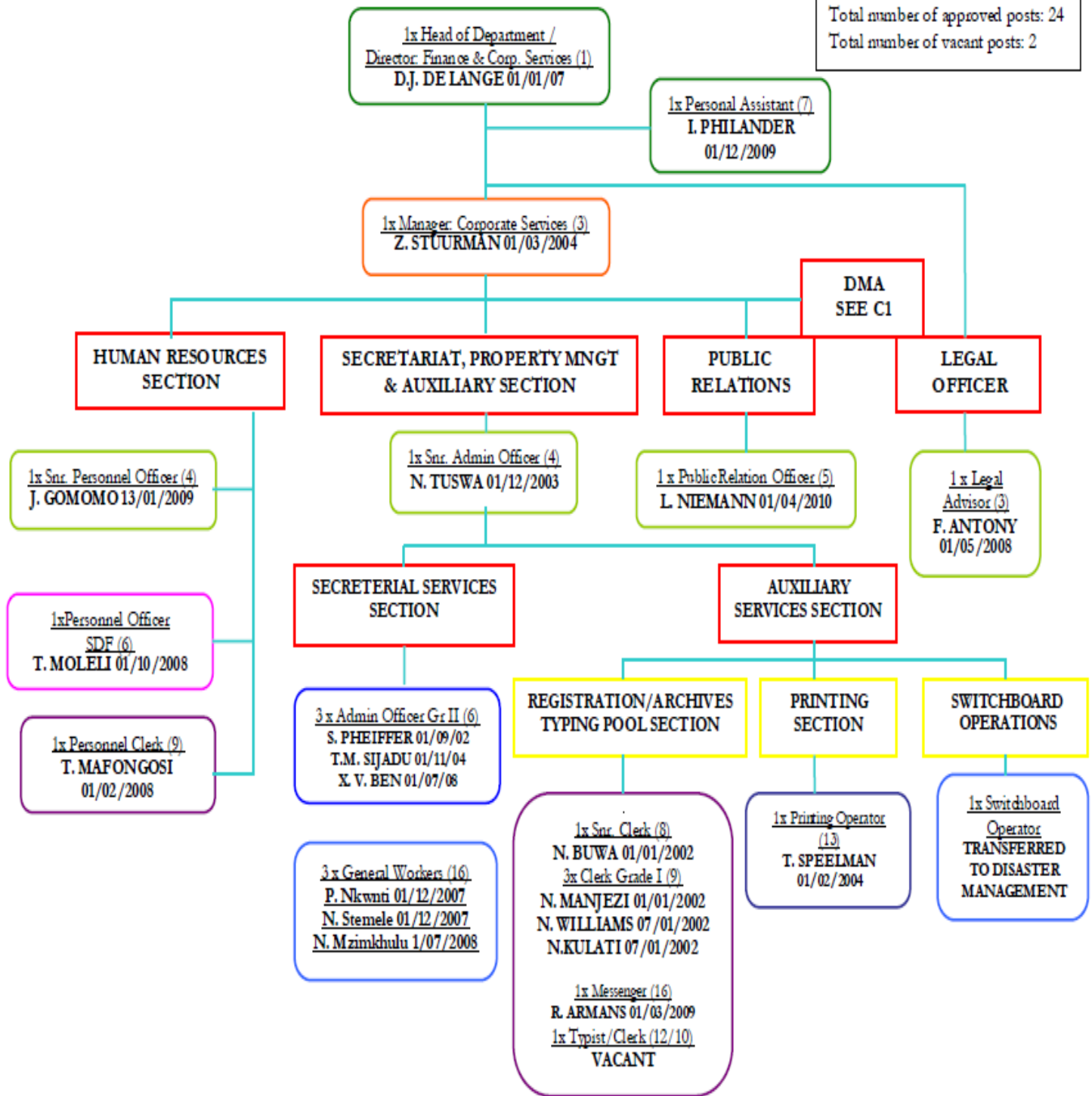
## INFRASTRUCTURE SERVICES AND PLANNING – DISASTER MANAGEMENT



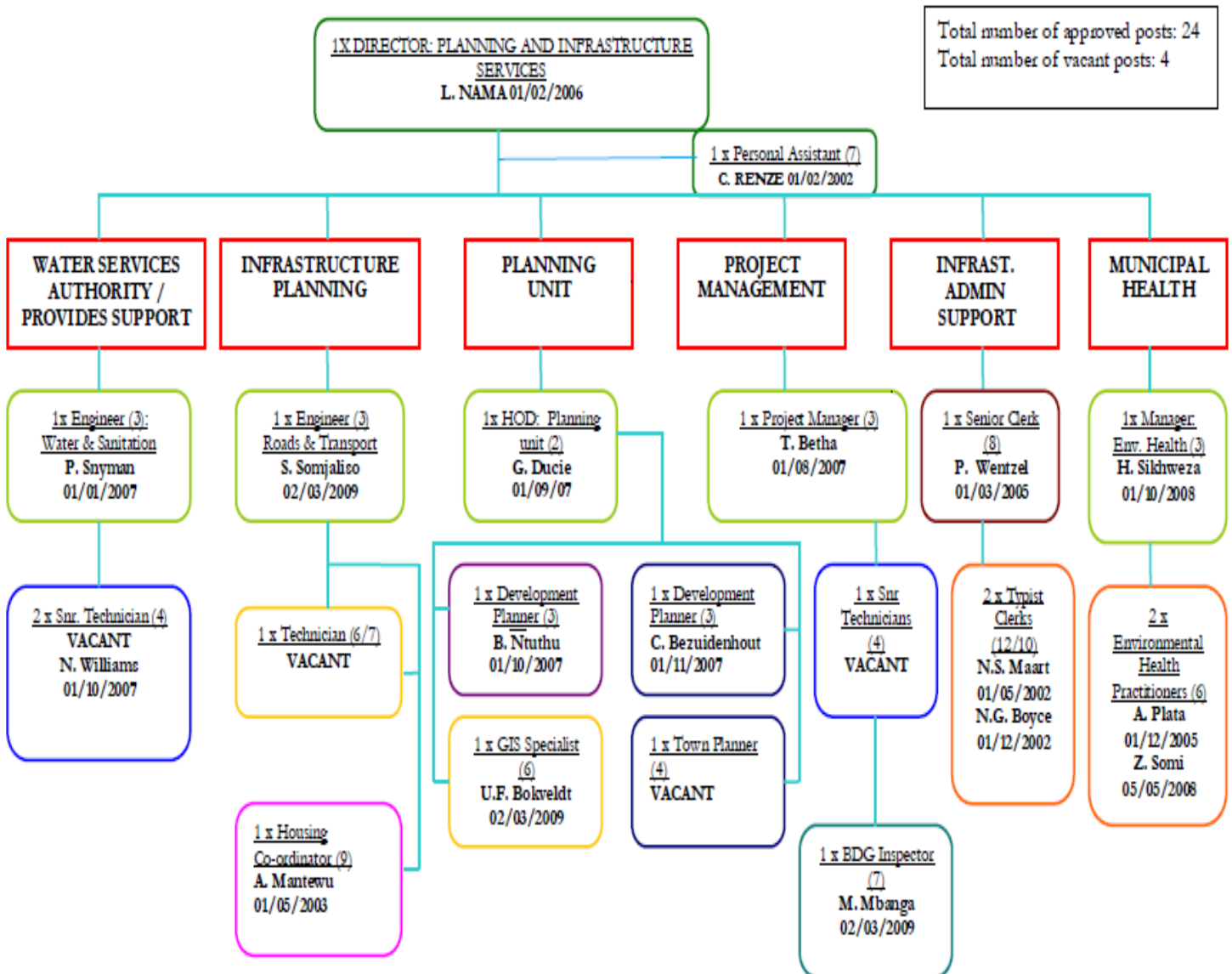
**DIRECTORATE: FINANCE & CORPORATE SERVICES**

**CORPORATE SERVICES**

Total number of approved posts: 24  
Total number of vacant posts: 2



## DIRECTORATE –INFRASTRUCTURE SERVICES PLANNING



## ANNEXURE 8- GRAMMARIAN CERTIFICATE

### GRAMMARIAN CERTIFICATE

1 October 2012

Dear Sir/Madam

This serves to confirm that I have proofread and edited the research study entitled, “*Effectiveness of the Eastern Cape Provincial Department of Local Government and Traditional Affairs to monitor and evaluate the performance of municipalities: a case study of Cacadu District Municipality*”, and that the candidate has been advised to make the necessary changes.

Thank you.

Yours faithfully

*Shamila Sulayman*

(Ms) Shamila Sulayman  
Communication Lecturer  
Department of Management and Project Management  
Faculty of Business  
Cape Peninsula University of Technology  
(021) 460-3180