“Accountability in infrastructure delivery in South Africa: the case of the local government sphere”

AUTHORS	Mkhululi Ncube Zanele Tullock

ARTICLE INFO	Mkhululi Ncube and Zanele Tullock (2015). Accountability in infrastructure delivery in South Africa: the case of the local government sphere. *Public and Municipal Finance*, *4*(2), 46-55
RELEASED ON	Monday, 30 November 2015
JOURNAL	"Public and Municipal Finance"
FOUNDER	LLC “Consulting Publishing Company “Business Perspectives”

Mkhululi Ncube (South Africa), Zanele Tullock (South Africa)

Accountability in infrastructure delivery in South Africa: the case of the local government sphere

Abstract

The South African government is prioritising infrastructure investment in its efforts to tackle the triple challenges of poverty, inequality and unemployment. Government's commitment to an infrastructure driven growth process is clearly articulated in the New Growth Path and National Development Plan and signing into law of the Infrastructure Development Act (2014). As the government embarks on this massive infrastructure delivery process, it is important that the process is founded on sound accountability arrangements. When infrastructure delivery accountability fails many things do go wrong: public funds may be misappropriated or stolen, public officials may routinely demand bribes, public contracts may be unfairly awarded, and public services may be poorly delivered or not delivered at all. This paper evaluates accountability arrangements against the backdrop of the proliferation of indirect infrastructure grants and poor spending in these grants; diagnose accountability problems in the context of infrastructure delivery and funding within the local government, and make recommendations on how accountability mechanisms with respect to infrastructure delivery and management can be strengthened within the local government sphere. The study is based on secondary data and case studies of 9 municipalities (Mangaung, Waterberg, Westonaria, Sol Plaatje, Ramotshere Moiloa, Mbizana, Newcastle, Stellenbosch and Bushbuckridge), identified through a stratified random sampling technique. The results suggest that the proliferation of indirect grants distorts accountability arrangements. The results also suggest that, although accountability structures are well established in most of the municipalities they lack capacity to proficiently execute their accountability role. The support structures are weak as they are understaffed, turnover is high and lack research capacity.

Key words: accountability, infrastructure, local government, indirect grants.
JEL Classification: H11, H70, H71, H83.

Introduction

The South African government is prioritizing infrastructure investment in its efforts to tackle the triple challenges of poverty, inequality and unemployment. The New Growth Path released in 2010 identifies infrastructure investment as the key driver for economic growth, inclusivity and job creation. In 2011 the government put forward the National Development Plan (NDP) with infrastructure development as the main focus area. In the following year (2012), the government further adopted the National Infrastructure Plan that intends to stimulate infrastructure investment while simultaneously creating new jobs. Government's commitment to an infrastructure driven growth process was also demonstrated by an injection of R 827 billion in the 2013 budget for the building of new and upgrading of existing infrastructure. The government has also shown its commitment to infrastructure investment as a vehicle for promoting economic development and provision of public goods by appointing the Presidential Infrastructure Coordinating Council to coordinate infrastructure investments. This commitment was also demonstrating through the signing into law of the Infrastructure Development Act, (2014) to direct all capital investments in the country.

The decentralized delivery of infrastructure in South Africa recognizes the key role of subnational governments. The local government sector in particular plays a significant role in infrastructure delivery and the NDP envisages a bigger role for the sector in years to come. The local government sphere, as the sphere closest to the people will play a central role in the delivery of infrastructure. The sphere relies significantly on both direct and indirect transfers to deliver infrastructure. Some municipalities are grant dependent on central government to the tune of 90 percent for their capital budgets.

Of late the Intergovernmental Fiscal Relations (IGFR) system has witnessed a marked increase in indirect infrastructure transfers to municipalities. For example, in 2013, the local government was allocated R 5.7 billion in the form of indirect grants[1] and by 2016/17 this figure is projected to increase to R 9.7 billion for municipalities. Many reasons have been proffered for this rapid proliferation of indirect infrastructure grants. The arguments include that this will assist in aligning national infrastructure delivery objectives with those of sub-nationals. In other words, it is argued that this will ensure that national infrastructure development priorities are reflected in local programs. In addition, challenges associated with managing infrastructure transfers at

Mkhululi Ncube, Ph.D., Programme Manager, Financial and Fiscal Commission, South Africa.
Zanele Tullock, Senior Researcher, Financial and Fiscal Commission South Africa.

[1] Indirect grant refers to a conditional grant that is an allocation in kind for spending by national department on behalf of a municipality or local government.

the local level have been cited as another reason for the shift towards indirect grants. Furthermore, challenges of poor capacity at the local level have also been cited as a major factor in this shift. The sector is also facing challenges of underspending on these infrastructure grants. The proliferation of indirect grants coupled with spending challenges raises many questions. Foremost, the issue of proliferation of indirect grants begs the question about who is accountable for the delivery or non-delivery of infrastructure resulting from indirect grants as well as any spending challenges that may be associated with such grants.

The purpose of this paper is to evaluate accountability arrangements against the backdrop of indirect infrastructure grants, diagnose accountability problems in the context of infrastructure delivery and funding within the local government, and make recommendations on how accountability mechanisms with respect to infrastructure delivery and management can be strengthened within the local government sphere.

In this chapter, accountability refers broadly to a range of processes by which individuals or groups of individuals are held to account for their actions or conduct (Glynn and Murphy, 1996). It is a relationship between an actor (accountor), and an accountee, in which the actor has an obligation to explain and to justify his or her conduct and face the consequences. The focus of this paper is on infrastructure spending accountability, which implies holding managers to account for the achievement of agreed infrastructure resource utilization objectives. Within the local government, accountability extends invariably to both internal and external stakeholders of a municipality[1]. As such the paper explores other accountability gaps that have a bearing on infrastructure delivery within the local government sector.

The rest of the paper is structured as follows. Section 1 discusses the methodology used. Section 2 provides the background of the study. Section 3 presents the findings, while Final Section contains the conclusion and recommendations.

1. Methodology

This paper follows a two pronged but reinforcing approaches to addressing the research questions; through desktop research and fieldwork. Through desktop, the paper evaluated accountability arrangements with respect to indirect infrastructure grants. In seeking to evaluate the efficacy of accountability mechanisms in infrastructure delivery within the local sphere, a qualitative case study approach was selected. A total of 9 municipalities identified through a stratified random sampling technique were studied and their accountability arrangements *vis a vis* infrastructure examined. Through the stratified random sampling technique the following municipalities have been sampled:

Metro (1):

- Mangaung (Free State)

District Municipalities (1):

- Waterberg (Limpopo)

Local Municipalities (7):

- Westonaria (Gauteng);
- Sol Plaatje (Northern Cape);
- Ramotshere Moiloa (North West);
- Mbizana (Eastern Cape);
- Newcastle (KwaZulu-Natal);
- Stellenbosch (Western Cape);
- Bushbuckridge (Mpumalanga).

Within these municipalities, information was collected from primary and secondary sources. Secondary data were collected from municipal annual reports, research reports and other relevant government and parliament reports. Primary information was collected through interviews/discussions with municipality officials who mainly included municipal, managers, Chief Financial Officers, planning and infrastructure managers. A total of 49 officials were interviewed in the 9 municipalities using a semi-structured questionnaire. Interviews with these stakeholders enabled some triangulation of the results to get a comprehensive picture of both internal and external accountability arrangements. The questionnaire was constructed around the following set of questions:

1. Existence, competence and quality of accountability structures (public accounts and audit committees) regarding the delivery of infrastructure.
2. Issues of multiple accountability.
3. Infrastructure delivery accountability regulatory framework.
4. Accountability capacity.
5. Participation of citizens on budget issues relating to infrastructure delivery.
6. Quality and accessibility of information/reports.
7. Quality of accountability infrastructure, i.e:

- having an effective and integrated financial management information system;
- developing a base of profession accountants;
- applying international or national acceptable accounting standards;
- having a strong legal framework for supporting accountability.

[1] The concept of accountability is further discussed in Section 2 below.

On the qualitative side, content analysis technique was used to analyze the data. The analysis focused on emerging themes, patterns and trends.

2. Background

2.1. Accountability arrangements in the local government sector. In attempting to understand accountabilities in the local sphere, it is important to first of all understand to whom the sphere and participants therein are accountable to regarding infrastructure delivery. Broadly speaking there is no easy answer to this question as there are many players with diverse governance and management responsibilities on the sphere. So to exactly pin point the flow of accountability arrangements in an environment with many actors is not easy. The location of accountability is made even more complicated by the conflation of accountability processes with various socio-political factors (Khalo, 2007). This question is not made easy also by the fluidity of the concept of accountability. Notwithstanding all the conceptual complexities, and following the running definition of accountability articulated at the beginning of this chapter, a few accountability arrangements, both internal and external to the sector can be identified.

South Africa's local government fiscal framework is complex and is characterized by multiple fiscal accountability connexions. There are several accountability arrangements dealing with infrastructure delivery, ranging from the service recipients to the central government. Between these two extremes, there are those in the local and provincial spheres, service providers, middlemen, politicians, civil society, independent institutions, etc. There are both external and internal accountability arrangements (Table 1). Internally and formal accountability mechanisms include rules and regulations, budgets, performance evaluations, internal auditing, monitoring and incentives. The list of external and formal mechanisms, include among others, enabling legislation and laws, budget/auditing committees, political and legal oversight bodies, office of the auditor general, and citizen participation. There are also informal mechanisms that include professional associations, interest groups and media, among others. In general, the accountability arrangement among these actors is a vertical/top down one, while in some instances horizontal arrangements are also found. Besides there are one way and two way accountability arrangements.

The governance and management of local governments is split between central and provincial governments as well as internal structures. Central and provincial government departments are responsible for providing policy direction and funding for such policies. Government policies need to be reflected at subnational levels. Funding for such policies and programs is largely made through transfers of public resources. This financial dependency of subnationals on both the central and provincial governments makes it accountable to the former. This is vertical accountability discussed elsewhere in this chapter.

The dependency of sub-nationals on public resources makes the sphere accountable also to both provincial and national parliaments. Local government officials account to political executive office bearers within municipalities, who in turn account to both provincial and national legislatures (Khalo, 2007). In turn provincial and national legislatures account to the public. Various portfolio committees of parliament with oversight responsibilities help uphold accountability in the local government sector.

The local government sector has a direct accountability relationship with the public and its constituent communities. The sector provides public goods through own revenues and transfers. Own revenues are raised through various instruments. These revenue sources make the sector accountable to households and business.

Within the local government sector there are a number of accountability relationships: those between elected officials and managers, between elected officials and citizens and those between citizens and managers.

The diagram below (Figure 1) provides a bird eye's view of key accountability flows for infrastructure delivery with the local government at the centre. The local government, at the centre of the picture, is assumed to play a significant part in infrastructure spending and delivery. Figure 1 also shows that accountability is in three forms: downward/vertical (municipalities accounting to local citizens); upward/vertical (municipalities accounting to higher organs of state); horizontal accountability (municipality accounting to other municipalities or government agencies such as the office of the Auditor General).

Table 1. Accountability mechanisms in infrastructure delivery

	Internal	External
Formal	Rules and regulations Budgets Performance evaluations Internal auditing Monitoring Incentives	Enabling legislation and laws Budget/auditing committees Political and legal oversight AG Citizen participation
Informal	Professionalism	Public scrutiny Interest group pressure Peer review Media scrutiny

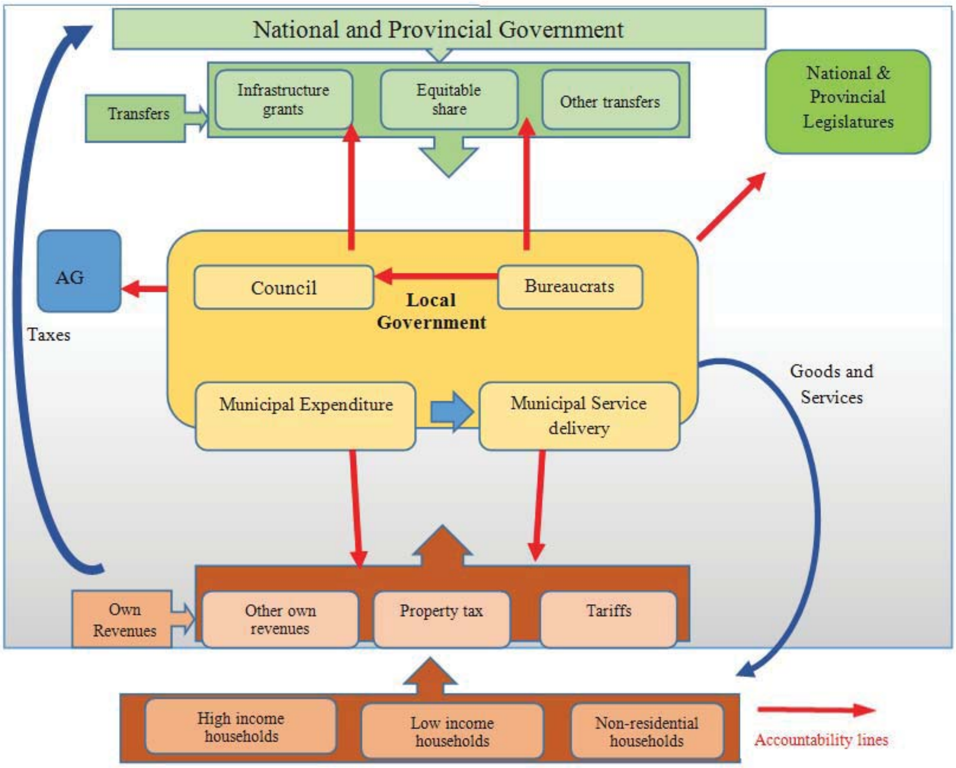


Fig. 1. Local government fiscal framework and accountability relationships

Accountability in the local government sphere in South Africa is embedded in various pieces of legislation. The primary legal instrument that sets the general framework for prudent financial management and local government accountability is the Constitution (e.g. Section 152 a). In addition, the Municipal Finance Management Act, and regulations such as the Local Government Municipal Regulations of Financial Misconduct Procedures and Criminal Proceedings and the Municipal Regulations on Standard Chart of Accounts (SCOA) and various National Treasury Circulars, and Guidelines provide for accountability.

3. Results

3.1. Infrastructure grants and accountability. Part of the government's infrastructure program will be implemented through the local government sector. The majority of municipalities rely on national and provincial transfers for capital investments. Figure 2 shows the trends and amounts of infrastructure grants allocated to the local sphere. In 2015/16 the sector allocated almost 24.6 billion in both direct and indirect infrastructure grants, up from about 17 billion in 2011/12 financial year. In 2017/18 it is projected that the sector will receive R 25.3 billion in infrastructure grants.

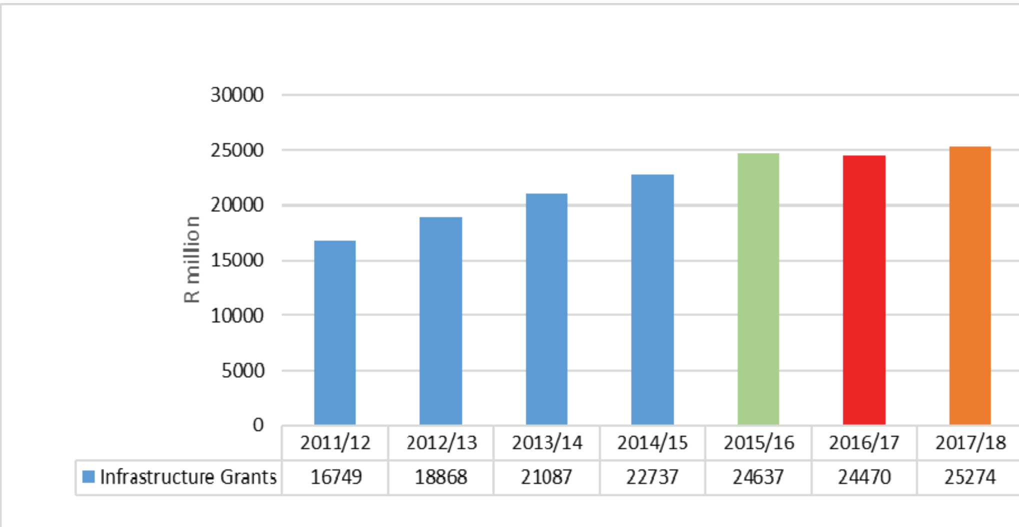


Fig. 2. Local government infrastructure grants (R millions)

The main challenge *vis a vis* infrastructure grants is that of underspending. Figure 3 shows trends in underspending on capital budgets for all municipalities and Figure 4 shows underspending on capital budgets by municipal category. In both graphs it is clear that underspending is a huge local government sector. The incidences of underspending on capital budgets is highest among district and local municipalities. For metros and secondary cities the problem is less severe. Capital budgets are funded from own revenues and infrastructure grants.

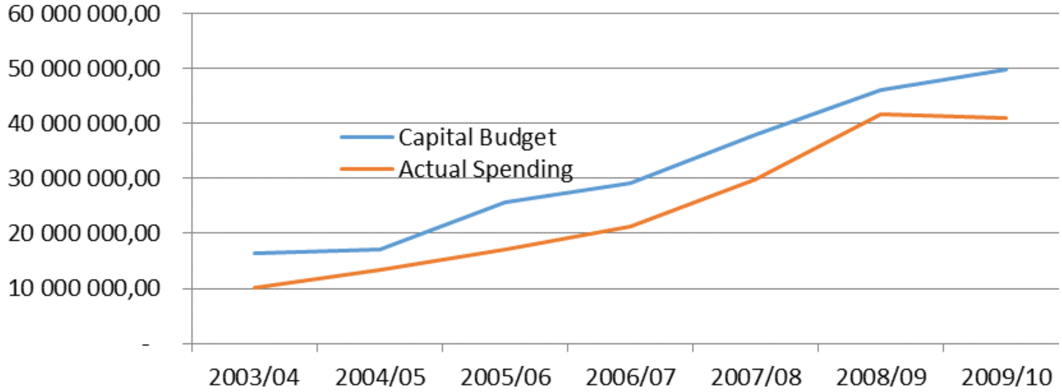


Fig. 3. Capital expenditure underspending

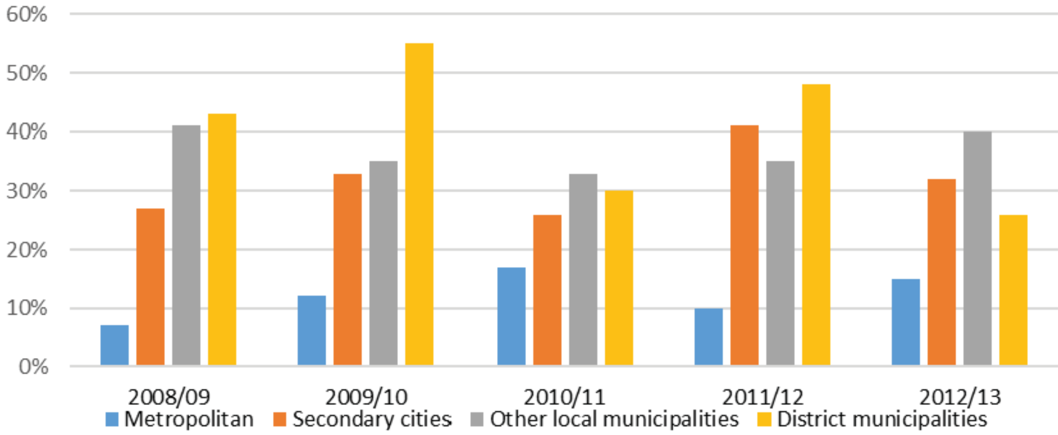


Fig. 4. Underspending on capital budgets by municipality category

Table 2 isolates spending patterns for both direct and indirect infrastructure grants. On average the performance of indirect grants has been poorer when compared to direct grants. In 2013/14 spending on direct grants averaged 92% as opposed to 83% for indirect grants. This is surprising considering that more often indirect grants are adopted to amend poor spending patterns associated with direct infrastructure grants.

Table 2. Expenditure performance of direct and indirect grants

Expenditure performance	2011/12	2012/13	2013/14
Direct transfers			
Local government financial management grant		96%	98%
Municipal infrastructure grant	84%	79%	95%
National electrification programme	93%	81%	81%
Public transport infrastructure and system grant	49%	104%	
Neighborhood development partnership grant	95%	103%	
Rural transport services and infrastructure grant	32%		
Electricity demand side management	91%	49%	
Disaster relief funds	62%	68%	
Municipal drought relief	81%		
		77%	84%
Expanded public works programme integrated grant (Municipality)		103%	115%
2010 FIFA World Cup stadiums development grant			98%
Municipal water infrastructure grant (Schedule 5B)			68%
Rural road assets management systems grant			95%

Table 2 (cont.) Expenditure performance of direct and indirect grants

Expenditure performance	2011/12	2012/13	2013/14
Urban settlements development grant		93%	
Average direct	**73%**	**85%**	**92%**
Indirect transfers			
National electrification program	84%	80%	100%
Neighborhood development partnership grant	96%	47.5%	87%
Water service operating subsidy grant	100%		
Regional bulk infrastructure grant	97%	96%	100%
Rural household infrastructure grant	31%	60%	38%
		113%	92%
			78%
Average indirect	**82%**	**79%**	**83%**

Reasons for underspending are many and include poor capacity among some municipalities, weak oversight institutions and poor planning and budgeting for some municipalities. The government has responded to this challenge by implementing a host of capacity building initiatives and through establishing various monitoring and benchmarking arrangements. In addition, the government has taken over the administration of some funding instruments, e.g. through indirect grants.

Underspending implies non delivery or postponed delivery of infrastructure. With respect to indirect grants, non-delivery or postponed delivery of infrastructure raises accountability questions. Who is accountable for such non-delivery and who bears the consequences? Line departments responsible for such grants will obviously account to parliament and parliament will in turn, account to the electorate. This long loop of accountability is often ineffective and leads wrong parties being held to account for spending inefficiencies of other parties. More often the local sphere is erroneously held to account for non-spending of indirect grants and non-delivery of infrastructure thereof, as it is the sphere closest to the people. National government officials that are responsible for underspending are not held accountable by councils, nor are they answerable to communities in which such infrastructure is destined.

The question of who accounts for underspending on indirect grants can also be asked of indirect grants in general. Recently the intergovernmental fiscal system has seen a proliferation of indirect infrastructure grants. With new demands for new infrastructure, line departments have motivated for the creation of new grants. This new trend has seen a gradually shift from the grant consolidation approach that had been gradually implemented between 2004 and 2010. Figure 5 plots the trends in indirect transfers to the local government sector as well as trends in indirect infrastructure grants. In 2012/13, R 4.5 billion was transferred to the local sphere in the form of indirect transfers. The indirect transfers are expected to rise to over R 10 billion in 2017/18. Figure 6 shows the evolution of infrastructure grants. The proliferation of indirect infrastructure grants is evident in Figure 6 especially around 2011/12. Table 3 traces the growth rate of indirect and direct infrastructure grants. Surprisingly the average real growth rate of indirect grants has outweighed that of direct grants (average 25% for indirect grants against 18% for direct grants).

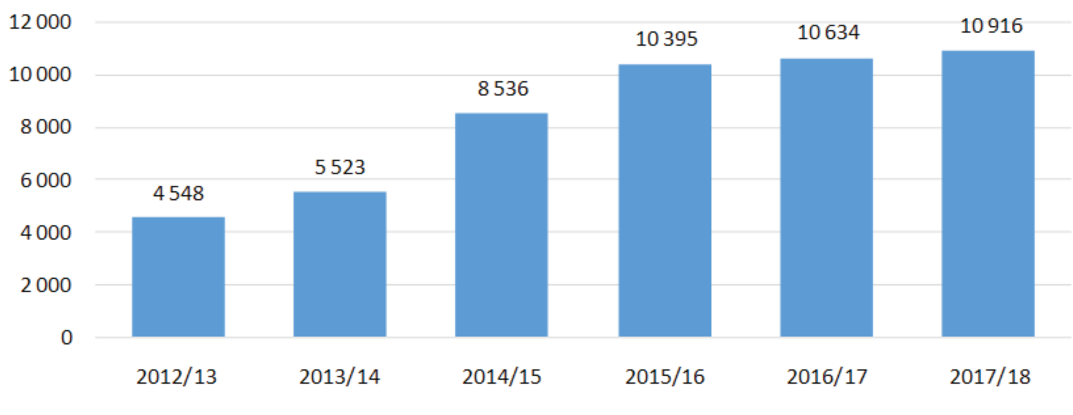
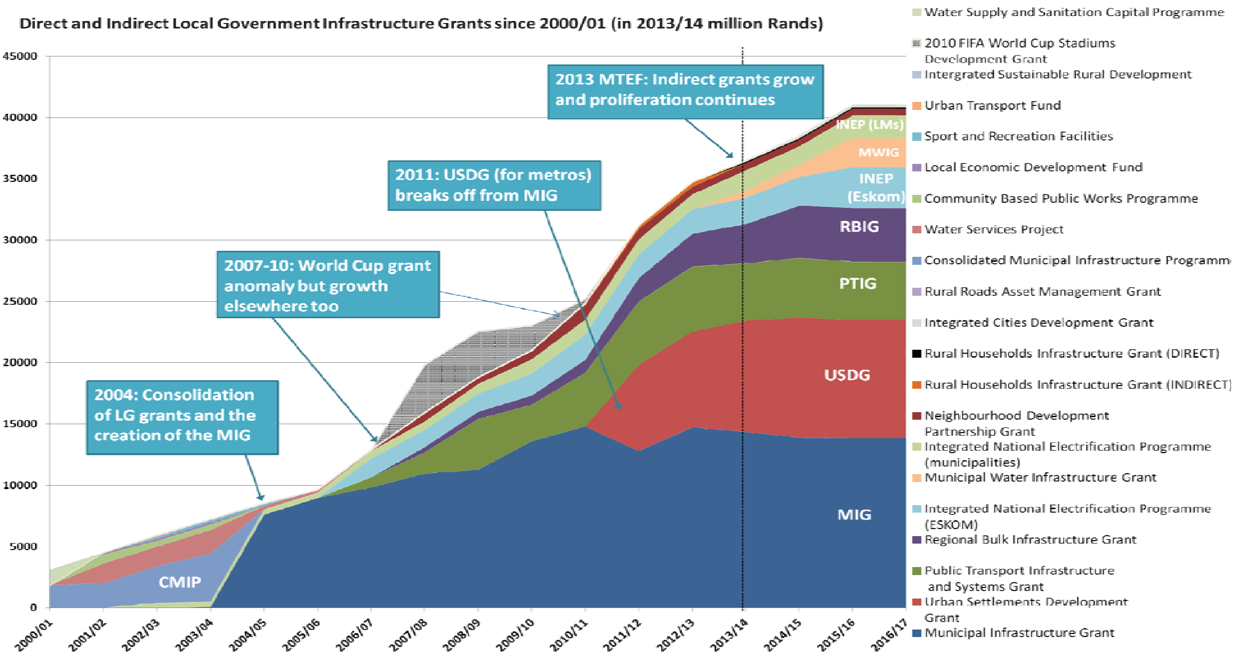


Fig. 5. Indirect transfers to local government



Source: National Treasury Grants Review.

Fig. 6. Direct and indirect government infrastructure grants

As noted above, similar accountability questions can be raised with regards to the proliferation of indirect grants. As argued above, the proliferation of indirect grants does not augur well for accountability relationships in the local sphere. The key informants in our case study municipalities were also asked to reflect on the implications of indirect grants on accountability arrangements. The key informants were requested to identify accountability lines for indirect and direct infrastructure grants. The respondents were clear on accountability lines for direct grants and less so for indirect grants. Some noted that it is not clear who is answerable for "underspends" associated with indirect infrastructure grants.

Table 3. Real growth of local government direct and indirect grants

Real growth rate											
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Average growth rate
Direct	10%	88%	17%	-3%	5%	20%	8%	10%	0%	6%	16%
Indirect	12%	46%	31%	29%	-8%	-6%	61%	17%	49%	18%	25%

The purpose of this section has been to locate accountability challenges with respect to indirect infrastructure grants spending. Through the analysis just presented, it seems that the indirect infrastructure grant architecture has inherent structural accountability problems. Line departments who spend indirect grants on behalf of municipalities are not commonly held accountable for the performance of such grants.

3.2. Legislation and accountability capacities in the local government. Legislation in South Africa is clear on accountability arrangements with respect to infrastructure funding, budgeting and delivery. The constitution and enabling legislation requires all spheres of government to be accountable, transparent and responsive to the needs of the people. Section 152 (1 a) of the constitution and Section 51 (b) and (i) of the Municipal Systems Act are explicit on the need for accountability in the local government and the need for establishing accountability structures. Besides legislation that is abundantly clear on accountability relationships, South Africa boasts a number of accountability mechanisms such as rules and regulations, budgets, performance evaluations, internal auditing, monitoring and incentives. In addition, the country's legislation provides for accountability bodies such as national and provincial committees of parliament, political and legal oversight bodies, office of the auditor general, and citizen participation.

At the local level legislation provides for various committees which exercise accountability and oversight over municipal officials. These committees include the executive, mayoral, finance/budget oversight, and audit committees. The establishment of these committees is provided for in the Municipal Structure Act 1998. At national and provincial levels there are public accounts committees which ensure that, among other things, the executives are accountable for the effective and efficient utilization of resources. The Municipal Public Accounts Committees (MPACs), established through the Municipality Finance Management Act (MFMA) 2006 are a local version of provincial and national public accounts committees. The mandate of MPACs is to hold the executive to account and ensure effective and efficient utilization of municipal resources. MPACS examine reports of AG and determine whether funds appropriated to municipalities are appropriately spent. Unlike MPACs, the Finance Oversight Committee exercises oversight on policy matters such as pointing out to deviations from stated policies. They examine issues surrounding wasteful, irregular, unauthorized and fruitless expenditures. When such issues are brought to the attention of MPCs, the later then calls the executives to account. This implies that when it comes to financial accountability in the local sphere, the MPACs play a significant role than other committees of council. Another equally important committee in terms of budgetary accountability are the Audit Committees.

To assess the effectiveness of accountability within the local sphere with respect to infrastructure delivery, the focus was on Portfolio Committees, MPACs, Audit Committees and Finance Oversight Committees as these committees deal with infrastructure delivery or spending in one form or another. The assessment is based on interviews of 49 municipality officials across 9 municipality case studies noted above. The assessment is done against the five elements of accountability provided in the World Bank (2008) and Horng and Craig (2008): clear lines of delegation and assignments; adequate funding to accountability structures; performance and skills to do the job; information about performance; enforceability and that there are consequences. Moeti (2007) also notes that effective accountability requires the following enablers, among others, clear mandate, adequate powers, adequate resources (human, financial, equipment), strong leadership, access to information, skills required to interpret and analyze budget and financial information.

The 9 case studies and secondary information suggest that virtually all municipalities have committees responsible for holding executives to account. Their mandate is clearly spelt out in various pieces of legislation and circulars. However, the 9 case studies suggest that the majority of these committees lacked capacity and skilled personnel to scrutinize, interpret and analyze information on fiscal and financial matters. Without capacity it becomes difficult for these committees to gather and analyze key information that can be used to hold executives to account. These committees also lack financial resources to procure research support that would assist in distilling essential information to assist in holding the executive to account. Without resources, these committees could not hold public hearings, i.e. platforms that enable council to account to communities. Although the local sphere is closest to the people, social accountability becomes limited because these accountability structures within the sector are not empowered with resources to effectively account and provide feedback to their constituents. Without adequate resources, reports and resolutions of these committees are not widely disseminated, further limiting social accountability responsibilities of councils. Our findings corroborate the results of Khalo (2007) especially with respect to MPACs. He notes that MPACs in South Africa face many challenges including lack of continuity and loss of institutional memory, inadequate powers, limited resources and poor attendance of their public hearings.

Thus, for accountability to be effective within municipalities it is important that accountability structures are well capacitated and resourced. Committees should be provided with adequate technical and research support, and sufficient resources to engage and account to the communities. It is important that capacity building grants are extended to committees of councils to enhance their oversight and accountability roles.

This research also reflected on some of the accountability fault lines within the local government sphere. Respondents were asked to reflect on this issue and virtually all respondents cited staff turnover at Senior Levels and municipalities being led by Acting municipal managers and CFO as a significant risk to accountability within the sector (see Figure 7 and 8). For example in 2011 more than half of Municipality managers were "acting in North West in 2011". In 2013, 30% of municipality managers in Limpopo were in "Acting" positions in 2013. Senior managers are responsible for executing council resolutions including resolutions related to budgets and decision making is known to delay when incumbents are "acting". These officials account for the utilization of public resources to political executives and line departments in case of direct grants. The unstable workforce at senior management levels diminishes a municipality's capacity to account as it also contributes to the generation of poor quality accountability documents (e.g. the IDP, Budget, SDBIP, Annual Financial Statements and Annual Reports).

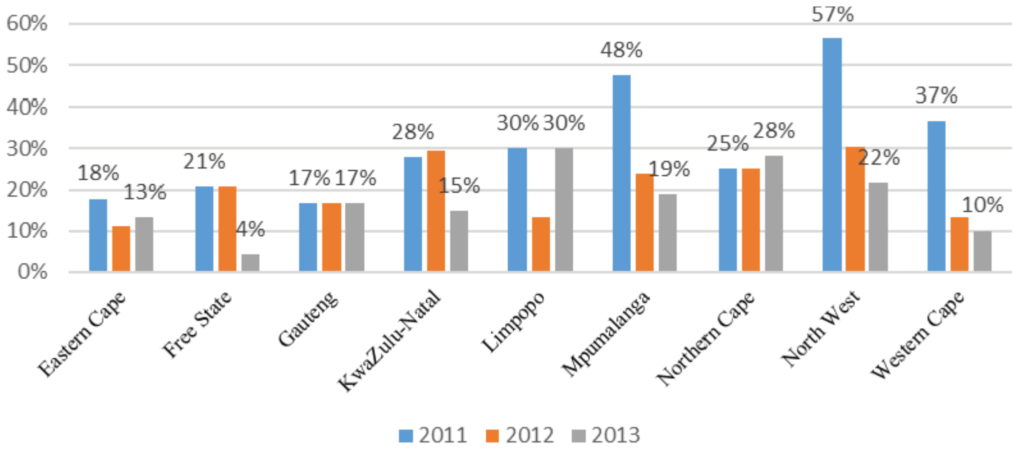


Fig. 7. Acting municipality managers 2011-2013

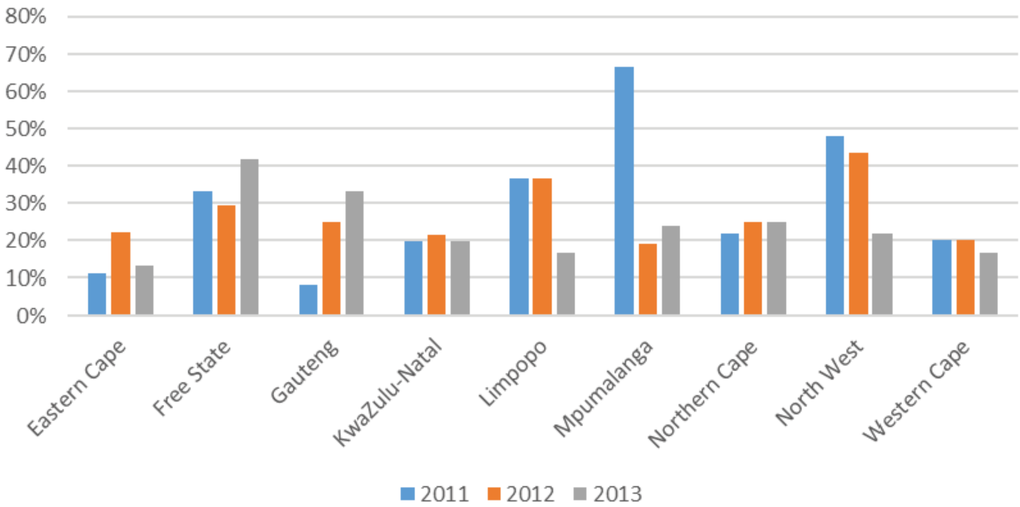


Fig. 8. Acting CFO's

3.3. Social accountability and infrastructure delivery. Infrastructure is delivered for citizens and thus, their needs should ideally be factored in delivering infrastructure. Public officials are therefore accountable to citizens on the spending, choices and quality of infrastructure. Societal accountability ensures that an array of citizens monitor spending patterns of public officials, expose cases of wrong doing, and activate other accountability institutions to investigate abuse and misuse of resources. The 9 case study municipalities were requested to respond on how they account to citizens regarding infrastructure spending, selection, prioritization and location of infrastructure projects. In all the 9 case studies, municipality association with citizens on infrastructure delivery occurs prior to the development of Integrated Development Plans. This begs the question: is there social accountability on infrastructure delivery? In the true sense of the word, accountability is minimal. All case study respondents noted that interactions with communities are done prior to the development of IDPs, but never when IDPs are in place. After the IDPs are in place, public officials are not answerable for their behavior, in the sense of being forced to justify and report their spending decisions, and of being eventually sanctioned/rewarded for their decisions. The respondents also note that societal accountability is weak because communities lack the information, capacity and resources to scrutinize and track budgets and spending decisions of public officials. Elsewhere in the world, communities are organized to hold public officials to account on budgetary issues in between elections. India and Uganda have good lessons for South Africa on effective and institutionalized societal accountability on fiscal issues (Bjorkman and Svensson, 2009). For example, in these two countries societal accountability is achieved through community monitoring groups that track expenditures, report on "underspends" and check whether public funds are disbursed for intended purposes.

Conclusion

Accountability is the cornerstone of development and good governance (National Planning Commission, 2011). Literature reviewed in this paper is also definite on the value of holding accountable those responsible for managing public resources. One of the key questions we sought to answer with this research was whether the proliferation of indirect grants and underspending that often characterizes such grants has implications on the accountability framework of such grants. Furthermore, the foregoing analysis sought to locate not only the accountability problems with respect to infrastructure transfers, but also identify some gaps in the **accountability** arrangements within the local government sector.

The findings of this paper are clear that the proliferation of indirect grants distorts effective accountability within the transfer system. This is the case despite a range of legislative instruments that seek to maintain effective accountability. Without proper accountability, optimal delivery of infrastructure cannot be achieved.

Underspending on infrastructure grants implies forgone or postponed investment, an increase in backlogs, and ultimately diminished growth. Underspending which is high for indirect infrastructure grants relative to direct grants, requires that accountability lines for indirect infrastructure grants are clarified and those responsible for inefficient spending to be answerable and sanctions imposed. As the current framework fails to guarantee accountability, where possible shift towards direct infrastructure grants is necessary and it is something that today's intergovernmental **fiscal** arrangements should fulfil. When the shift is difficult there is a need to develop a framework to guide accountability for performance of indirect grants. The framework should contain indicators for monitoring accountability of these grants.

Although accountability structures are in place in all the 278 municipalities, this study found that they are not sufficiently resourced to ensure public officials are answerable for their behavior, and forced to justify and report their decisions, and are eventually sanctioned or rewarded for those decisions. These structures lack the capacity and skills to monitor and track expenditures and hold executives accountable for "underspends". As all case studies show, in many municipalities accountability tends to become simple procedures carried out to meet legal obligations.

There is a need to strengthen capacities of accountability structures. Accountability structures require research support and technical expertise to enable them reduce vices more common in infrastructure funding such as the diversion of public funds for unintended purposes, and general inefficient spending. Although the Institutional component of the local government equitable share provides for councillor support and by extension, committees of council, it is important that incentives are embedded in this component of the LES to encourage municipalities to provide quality support for committees of council.

The value of community accountability in infrastructure delivery is well documented in literature. Literature is also clear that the latitude for fraud, bribery, embezzlement, corruption and patronage is higher in the provision of infrastructure than other public goods (Bardan and Mookherjee, 2000). Community accountability makes it more difficult for public officials to divert public resources for undesignated purposes (Ling and Roberts, 2014). Despite the high value placed on societal accountability for infrastructure delivery, this study has shown that societal accountability is limited in many municipalities mainly due to inadequate financial and human resources.

For societal accountability it is also important that an accountability framework is developed that would guide communities on how to hold their local governments accountable. This framework should also have indicators for rating and benchmarking municipality performance on social accountability in general and for infrastructure development in particular.

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