

UNIVERSITY OF KWAZULU-NATAL

**ASSESSING THE CAPACITY OF MBOMBELA LOCAL MUNICIPALITY TO DRIVE
LOCAL ECONOMIC DEVELOPMENT INITIATIVES**

By

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**A dissertation submitted in partial fulfillment of the requirements for the
degree of Master of Business Administration**

**Graduate School of Business & Leadership
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2017

DECLARATION

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ACKNOWLEDGEMENTS

I wish to express my sincere appreciation and gratitude to the following persons, without whose assistance, this study would not have been possible:

- My dear parents, Paulina and Abraham Mashiteng. I am forever grateful to them for instilling the values and ethics which serve as a compass as I embark on my life's journey.
- My beautiful and loving daughter, Indiphile Mashiteng and my life partner Jan Manzini. The late nights, office weekends and away trips have paid off, your understanding; unconditional love and support have seen me through. I love you guys.
- My supportive siblings, Karabo Mashiteng and Tshepang Jele who always remind me that even the sky is not the limit, thank you for believing in me. Thank you to my house executive Lindelwa Dlamini for always being there.
- Dr Cecile Gerwel-Proches, my supervisor, whose encouragement and support, and guidance through the process was the key factor in completing this study.
- King Cetshwayo District Municipality and Mpumalanga Department of Education for the support and encouragement to do even better.
- The participants and advisers, who contributed to this research, thank you for sharing your invaluable insight.
- Ms Zodwa Conco and Ms Sle Ndlovu who were instrumental in keeping me focused at all times, I love you guys, you taught me so much.
- All praise, glory and honour to my Lord and Saviour Jesus Christ, whose plans are to prosper me and not to harm me.

ABSTRACT

The study focused on assessing the capacity of Mbombela Local Municipality to drive Local Economic Development (LED) initiatives. LED serves as an instrument with which local government or community-based organisations engage to stimulate or maintain business activity and/or employment. Mbombela Local Municipality is the capital of the province of Mpumalanga and is a regional centre catering for people as far as Bushbuckridge in the north, Mozambique (Maputo) in the east, Swaziland (Mbabane) in the southeast and Lydenburg in the west. The municipality is home to 588, 794 inhabitants according to census 2011 data. Surrounded by mostly rural municipalities within the Ehlanzeni District and the province, the municipality is challenged to put in place an effective LED programme to handle the influx of many unemployed people. This is exacerbated by the failure of the local economy to attract investment, create employment opportunities, and produce goods for trading in international markets amongst others. The study followed a qualitative research method wherein purposive sampling was used to identify and select participants who were interviewed face-to-face. The data was thematically analysed to interpret the findings. The study found that Mbombela Local Municipality was well structured compared to other municipalities of its size, however the LED function was not sufficiently elevated at managerial and leadership level resulting in the overshadowing of the unit. This was also compounded by the insufficiency of financial resources to support LED programmes, weak intergovernmental relations with the district, provincial and national spheres of government, poor engagements and involvement of the stakeholders in municipal LED programmes. In-depth understanding and support of the municipal leadership in championing the municipality's LED trajectory has been found to be crucial for the achievement of the intended results. Key recommendations of the study include stakeholder mobilisation and involvement right from the planning phase through to implementation. Through such engagements, much needed investments would be attracted to the city, resulting in the Municipality being a regional economic powerhouse from whom neighboring towns, provinces and countries could benefit. The multiplier effect of heightened economic activity in the city would be employment opportunities, skills development, investment attraction, socio-economic development, all of which are the intended outcomes of effective LED initiatives.

GLOSSARY

- ANC African National Congress
- CLGF Commonwealth Local Government Forum
- COGTA Cooperative Governance and Traditional Affairs
- CWP Community Works Programme
- DBSA Development Bank of Southern Africa
- DEDT Department of Economic Development and Tourism
- EPWP Extended Public Works Programme
- IDP Integrated Development Plan
- KLCBT Kruger Lowveld Chamber of Business and Tourism
- LED Local Economic Development
- MBLM Mbombela Local Municipality
- MFMA Municipal Financial Management Act
- MSA Municipal Systems Act
- NAFCOC National African Chamber of Commerce and Industry
- NDP National Development Act
- PGDP Provincial Growth and Development Plan
- PGDS Provincial Growth and Development Strategy
- PSEDS Provincial Spatial Economic Development Strategy
- RDP Reconstruction and Development Program
- RSA Republic of South Africa
- SDF Skill Development Facilitator
- TLC Transitional Local Council
- UK United Kingdom
- US United States

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CHAPTER ONE: INTRODUCTION TO THE RESEARCH

1.1 INTRODUCTION

South Africa's 1994 democratic elections ushered in a new Government of National Unity whose agenda was firmly centred on development ideals, especially for the majority of the country's citizens who were previously disadvantaged. South Africa experienced uneven development during the apartheid era; hence the new dispensation after 1994 adopted a developmental local government agenda, whose objectives included elevating Local Economic Development (LED) as the cornerstone of promoting previously disadvantaged areas and peoples (Rogerson & Nel, 2016). The thrust of LED was to deal with breaking up the embedded challenges of poverty, inequality and underdevelopment. One of the earliest attempts at addressing these problems was through the introduction of the Reconstruction and Development Programme (ANC, 1994).

1.2 BACKGROUND

The literature abounds with many definitions of LED. One of the more comprehensive definitions is by Blakely and Bradshaw (2012), who identified LED as the process with which local government or community-based organisations engage to stimulate or maintain business activity and/or employment. Rogerson (2009) included the crucial mandate of local government in LED by defining LED as a process managed by municipalities to promote social and economic development. The role of the local municipalities is usually in line with their constitutional mandate (Mbombela IDP, 2015-16). The common thread among these definitions is that LED is faced with the challenge of finding a means to optimise locally endowed assets, resources of all kinds and knowledge for the advancement of people in a given locality.

The economic dimension of LED is clarified by Meyer (2014b), who describes LED as the ability to consistently produce growing income levels, thus qualitatively improving the lives of citizens in a particular area or region. In this regard, LED is seen as a mechanism through which market failures can be remedied by way of removing barriers to markets and ensure availability of information. In the LED context, this usually focuses on the small businesses and entrepreneurs that are

propelled into the mainstream economy through a number of processes that make the general economic environment positive for business development (Meyer, 2014a). Swinburn, Goga and Murphy (2006) brought to the fore the issues of partnerships in LED by defining it as a collaboration between public, private and non-governmental stakeholders working collectively as partners. The objective for such a partnership in LED is to improve living standards for the local residents. Meyer (2014a) aggregated all the definitions by identifying LED as the summation of all economic activities by all relevant stakeholders within a specific defined geographical region. These stakeholders combine their efforts in partnership as they seek to advance economically, which leads to an ultimate improvement in standards of living for all residents. To this extent, LED is one of the most important tools used globally (e.g. India, South Africa, United States, Zambia etc.) as a way of addressing poverty challenges (Rodriguez-Pose & Tijmstra, 2005).

The South African government realised the challenges arising from several years of skewed development and adopted LED as the policy of choice (Turok, 2010). This is because local government, as the sphere (or tier) of government that is closest to the people, is best placed to maximise the potential for development support that exists in a locality. Appropriate effort is required to channel the right amount and type of investments, so as to create much needed jobs and thus boost demand for goods and services. To this end, the South African government's developmental agenda puts municipalities at the centre of the social and economic development of their communities (COGTA, 2015). This was formalised through the setting up of LED departments at various levels of the three spheres of governance. Economic development has therefore become an intrinsic part of any municipal council's development agenda (Koma, 2014). Through the local municipalities, LED is thus meant to be a speedy localised response to the social and economic challenges facing localities. It was in this context that this study was designed to assess the capacity of Mbombela Local Municipality to drive LED initiatives. Capacity issues matter most in LED as the process is driven by a number of actors yet the municipality is at the centre, such that without the appropriate 'drivers', the LED process may be futile.

1.2.1 Mbombela Local Municipality

Mbombela Local Municipality is made up of Mbombela City (Nelspruit), which is the capital town of Mpumalanga. Mbombela is a regional centre catering for people from as far as Bushbuckridge in the north, Mozambique (Maputo) in the east, Swaziland (Mbabane) in the southeast and Lydenburg in the west. The Municipality includes the former Transitional Local Councils (TLCs) of Nsikazi, Hazyview, White River and Nelspruit. Matsulu, Kabokweni, Daantjie and kaNyamazane make up the Municipality's urban and peri-urban nodes. The rural nodes include Hazyview-Mganduzweni, Ngodwana, Luphisi/Mpakeni, Nsikazi and Elandshoek in the planning areas (Mbombela IDP, 2012). The municipality is one of four in the district of Ehlanzeni and is endowed with a number of advantages, notably fertile land, a strategic location, great infrastructure and a beautiful environment (Mbombela SDF, 2011).

The Census 2011 results confirmed that Mbombela had a population of 588,794 at that time. This constituted 35% of the Ehlanzeni District population, making it the biggest municipality in the district of Ehlanzeni (Stats SA, 2016). In the last 15 years, the municipality has seen tremendous growth in its population, even when compared with the other municipalities in the Ehlanzeni District (Mbombela IDP, 2015-16). This population growth has been spurred by the municipality's untapped economic landscape, which has the potential to attract even more people from other countries, neighboring provinces and adjacent municipalities. Statistics South Africa (2011) acknowledges that the municipality became a destination for approximately 40.67% of all immigrants coming into Ehlanzeni District Municipality. This means that the municipality is challenged to put in place an effective LED programme to handle the influx of many unemployed people. Surrounded by mostly rural municipalities within the Ehlanzeni District and the province, the Mbombela Local Municipality offers hope of a better life for many economically disadvantaged people.

The urgency of the need to create employment can be observed in the population composition of the municipality, as Mbombela has a relatively young population, with 73.32% of the municipality's population being less than 35 years old. The Integrated Development Plan (IDP) of the municipality for the 2015-16 financial year acknowledged this challenge, observing the need for the provision of services such

as early childhood development, skills and education, sports development, and employment opportunities (Mbombela IDP, 2016). Linked to the challenge of a growing number of youth is the need to generate sustainable employment levels. Unemployment in the municipality is considered highest amongst people with disabilities, the youth and women. In order to resolve some of these challenges, the implementation of LED programmes, the Extended Public Works Programme (EPWP) and the Community Works Programme (CWP) has been used by the municipality in its efforts to create job opportunities for various communities (Mbombela LED Strategy Review, 2015). Once again, the urgency of the LED programmes is highlighted by the poverty levels in the municipality. The Mbombela IDP for 2015-16 reports that 43, 23% of the municipal residents do not earn any income, which has been increasing over the years.

However, despite efforts by the municipality over the years, the IDPs continue to paint a gloomy picture of the socio-economic life of the majority of residents. The LED programmes of the municipality have been called into question, thus this research attempts to assess the capacity of the local municipality to deal with LED initiatives. This is more so given that LED is a contested area, used in a different capacity to promote socio-economic development and has had mixed results in different contexts. In the case of Mbombela Local Municipality, the question to be addressed is whether the municipality has sufficient capacity to implement LED at levels that are adequate to deal with the socio-economic challenges being faced by communities.

LED is considered an important way to reach out to local economies in South Africa (Malemela & Yingi, 2016). The main aim of LED is to create jobs by making the local economy grow through, among other things, starting more businesses and factories in municipal areas, funding growth initiatives, and providing a conducive environment for economies to improve. The IDP process is a key part of the LED programme, in which key municipal stakeholders engage in robust discussions and take decisions to make the economy grow and create income opportunities for more people, especially the poor (Koma, 2014). National government's role in LED is in policy making, funding, research and other forms of support (COGTA, 2012-2016).

LED faces several challenges in the Mbombela Local Municipality, including that a number of areas in the municipality are rural and require massive assistance in order to elevate them economically (Mahlalela, 2014). The municipality has created three LED strategies since 2008, the most recent being the 2015-16 LED Strategy Review, however all three demonstrate a common and persistent problem, i.e. that the LED initiatives still have a long way to go in addressing the economic challenges of the municipality. Given the failure of these attempts and the persistent socio-economic challenges, this research aimed to assess the capacity level of the municipality to bring about much needed change through LED programmes.

The issues of capacity challenges in local municipalities goes back to the time when the government of South Africa realised that the majority of municipalities were staffed with personnel incapable of carrying out the service delivery mandate (IDASA, 2010). A key issue raised in this context pertains to staff being inadequately trained to handle the complexities of service delivery challenges at the municipal level, hence a broad range of packages were designed as a way of the government intervening in the day to day running of the local authorities. The intervention was carried out through what was termed 'Project Consolidate'. As a policy programme, the objective of project consolidate was to ensure that municipalities improve their capacity through employee skills training (Burger, 2010; Siddle, 2012; Wachira, 2010). Capacity challenges have been identified in financial management, procurement, budgetary planning, general service delivery and even accounting. The appointment of suitably qualified personnel is believed to be central to resolving the service delivery shortcomings. Whether the City of Mbombela local municipality has realised the benefits of project consolidate, is the subject that was be explored throughout this study.

1.2.2 The LED Policy Framework in South Africa

South Africa's 1994 democratic breakthrough introduced new thinking in government, which was more focused on the urgent need to have more pro-poor elements in all programmes of the government (COGTA, 2015). The new African National Congress-led government introduced the Reconstruction and Development Programme (RDP) as a way of addressing the challenges facing the previously

disadvantaged population. The RDP laid the foundation for a LED focus in government in general, and has since been a basis upon which LED policies have been developed, shaped and improved (ANC, 2001). However, a number of other policy documents and legislation were also introduced that sought to support the role of LED in the local space. These policy documents and legislation include the following:

- Constitution of the Republic of South Africa (1996).
- The White Paper on Local Government (1998).
- Municipal Systems Act of 2000.
- Growth, Employment and Redistribution Strategy of 1996.
- Municipal Structures Act, 1998 (Act 117 of 1998).
- The National Framework for Local Economic Development in South Africa (2006-2011).
- National Spatial Development Perspective (2006).
- Municipal Finance Management Act, No. 56 of 2003.
- The 5 year Local Government Strategic Agenda and Implementation Plan (2006).

In all the policy documents governing LED implementation, a central theme that runs through them is the importance of the service delivery triangle. This implies a shared understanding that for LED to work, it requires cooperation and partnerships between primarily the government, the private sector and local communities (Meyer, 2013). A dysfunctional service delivery triangle has been seen as one of the key challenges leading to non-performance.

The Constitution of South Africa (1996) provides a foundation for a developmental local government, and recognises the importance of service delivery in which LED plays a pivotal role. Sections 152 and 153 of the Constitution in particular state that municipalities have to provide and manage their administration, budgeting and planning processes in order to ensure that the basic needs of communities are given priority (Act No. 108 of 1996). Besides this direct mandate, the Constitution also mandates local government to provide democratic and accountable government for all communities, ensure service provision in a sustainable way, promote social and economic development, promote a safe and healthy environment, and encourage community participation and involvement in matters of the area.

Drawing from the Constitution, the government also used the White Paper on Local Government (1998) to formally introduce and implement developmental local government. This is a concept whereby citizens drawn from a community are involved in local government issues as a means to ensure sustainable ways to address social, economic and material needs, and improve living standards. According to Barberia and Biderman (2010), the thrust of developmental local government is not so much to create direct jobs, but dwells more on the creation of a conducive environment for investment and business opportunities. Rogerson (2009) suggested that the White Paper provides a crucial model for the implementation of customised LED programmes that are designed to deal with peculiar circumstances as the local level. The White Paper found support in government's 2005 "*Policy Guidelines for Implementing Local Economic Development in South Africa*", which identified the need for a healthy environment for business, and dealt with the challenges of poverty, unemployment and inequality.

While municipalities cannot be responsible for creating employment, the policy document recognises the strategic role that these institutions play in creating an environment that stimulates business. The five year Local Government Strategic Agenda and Implementation Plan (2006) elevated LED to become one of the five key performance areas (KPAs) of local government, yet inasmuch as LED is a KPA, Thwala (2009) agreed with Bailey (2014) that LED is a KPA which depends on the performance of the other four KPAs. For this reason, poor performances in municipal transformation and organisational development, basic service delivery, municipal financial viability and management, and governance and public participation are a recipe for the failure of LED (Afrobarometer, 2012). This is vital for LED implementers to note, as the current measurement of LED performance somewhat falls short of measuring the full extent of the challenge. Recognition of the fact that LED needs a holistic approach implies that appropriate models can be developed that not only focus on or 'isolate LED', but identify it within the broader mandate of service delivery.

While the importance of LED has been clearly spelt out in various pieces of legislation, the onus falls on a number of stakeholders to identify and implement LED initiatives.

1.3 FOCUS OF THE STUDY

This study focuses on Mbombela Local Municipality, and examines, analyses and assesses its capacity to drive and implement LED initiatives. In order to achieve this, the study assesses the LED reporting mechanism, the capacity of the implementers of the LED programmes, the capacity building process, as well as the availability of resources in the municipality, whether human or capital. LED is affected by a number of variables; hence the study focuses on the key role players in the LED framework, partnerships with critical stakeholders, as well as the nature of the interactions, with emphasis on the feedback mechanisms in place. This study further examines the existing institutional make up and design of the municipality, whilst also probing any external relationships the municipality might have with its stakeholders in implementing LED programmes and projects. The implementation modalities of LED in Mbombela Local Municipality will also be examined in terms of the scope of the LED projects, their effectiveness or impact, and the possibility of sustainability. Key aspects relate to implementation mechanism and monitoring and evaluation for sustainability. Finally, the study will present recommendations for the improvement of the implementation of LED initiatives in Mbombela Local Municipality.

1.4 MOTIVATION FOR THE STUDY

There are very few studies on LED in Mbombela Local Municipality (Mahlalela, 2014), thus a study such as this one should assist a number of stakeholders with the implementation process of LED programmes. Among some of the possible beneficiaries from this studies are the implementers of LED at the Mbombela Local Municipality, as well as the various stakeholders involved such as service providers and consultants. An objective understanding of how Mbombela has delivered its LED mandate would further assist the municipality to improve and plan better. LED impacts on service delivery in general (World Bank, 2012), which could also imply that the community members in Mbombela Local Municipality will be direct beneficiaries of the study. In addition, the subject of LED in local governance issues is topical among academics, and this study is expected to contribute to the debate in terms of relevance, effectiveness and impact of LED on affected communities. At a personal level, this study will also assist the researcher as an economic development practitioner to establish how the LED process can be improved in order to obtain the

most benefits for stakeholders. The results should go a long way to help improve the quality of decisions taken at Mbombela Local Municipality, as well as at other tiers of government, such as at the district and provincial levels. The recommendations from this study are generally expected to contribute to the available knowledge on implementing, monitoring and evaluating LED in the local space. Zulu and Mubangizi (2014) acknowledged that rural municipalities bear the greatest brunt of economic stagnation, yet their potential to contribute to economic growth and development remains untapped. It is therefore important for the machinery of government at the municipal level to be assessed, evaluated, capacitated, strengthened and enhanced in order to drive LED initiatives whenever necessary.

1.5 PROBLEM STATEMENT

The Mbombela Local Municipality has been facing a number of challenges, including infrastructure, water, electricity and sanitation backlogs (Mbombela IDP, 2015-16). Providing proper basic services and infrastructure is an important component of LED, but given the volume of additional socio-economic challenges such as high unemployment, low incomes, and high levels of income inequality, the question arises whether the municipality has the capacity to deal with all these challenges at the same time. The latest Mbombela LED Review document (Mbombela LED Strategy Review, 2015) acknowledges the extent of the challenges faced by the municipality, but falls short of identifying the level of capacity available to carry out the LED mandate. In the 2015 LED Review for the municipality, as well as the 2015-16 IDP, the municipality highlights the challenges that the LED department is faced with in addressing a number of planned projects. In addition, a perusal of the IDP documents for the preceding years (from 2010) shows that a number of the LED projects have been on the table without implementation, and have been reviewed a number of times. Could this be indicative of underlying challenges in LED capacity? This study therefore seeks to approach the subject holistically and identify LED capacity challenges in Mbombela, in order to conclude whether capacity is available and if so, to what extent.

1.6 AIM AND OBJECTIVES OF THE STUDY

The study aims to assess the capacity of the Mbombela Local Municipality to drive LED initiatives. The study has four objectives:

- To examine the organisational capacity of the Mbombela Local Municipality to drive LED initiatives.
- To assess the extent to which Mbombela Local Municipality relates and works with stakeholders on LED initiatives.
- To examine the extent to which Mbombela Local Municipality has identified and prioritised LED in its IDP.
- To identify strategies for Mbombela Local Municipality to enhance LED initiatives.

1.7 RESEARCH QUESTIONS

The research questions guiding the study, which are derived from the research objectives, are as follows:

- What is the organisational capacity of the Mbombela Local Municipality to drive LED initiatives?
- How does Mbombela Local Municipality relate and work with stakeholders on LED Development initiatives?
- To what extent does Mbombela Local Municipality identify and prioritise LED in its IDP?
- What strategies can be identified for Mbombela Local Municipality to enhance LED initiatives?

1.8 RESEARCH METHODOLOGY

This research used a qualitative research approach. Generally, in qualitative studies, interviews, focus groups and sometimes observations are used as data collection research strategies, which is in line with recommendations by Sekaran and Bougie (2016). Face-to-face interviews were conducted for the purposes of data collection. Mbombela Local Municipality is facing a practical problem; hence resolving to use the qualitative approach allows the researcher to use the comments, opinions and perceptions of participants to suggest a reasonable way forward for the LED programme in Mbombela Local Municipality. Thematic analysis was used to

interpret and classify the data that were gathered during the research process. The detailed methodology is explained in Chapter Three.

1.9 STRUCTURE OF THE DISSERTATION

This study is organised into six chapters. Chapter One introduced the study and the study context, before presenting the research problem, the research objectives and the focus of the study. This chapter also covered the research questions, the limitations of the study and set the scene of the research in general. Chapter Two, which is the literature review, focuses on the review of literature on LED and its place in local government. A number of theories are explored regarding origins, current trends and best practice models around the world. The literature review was conducted by reviewing journal articles, books and reports on the subject matter and related topics. Chapter Three focuses on the research methodology, including the research design, the methods adopted, the sampling strategy, and the research instrument that was administered to achieve the goals of the study. Chapter Four presents the qualitative findings of the interview process, based on the respondents' interviews. Chapter Five provides a comprehensive discussion of the results in relation to the reviewed literature. The discussion is presented in line with the thematic areas of the study to determine if the study serves its intended purpose. Finally, in Chapter Six, discussions on the key findings of the study are presented and related recommendations are made. The recommendations also include possible implications for future research.

1.10 CHAPTER SUMMARY

This chapter introduced the research based on LED in Mbombela Local Municipality. The chapter outlined the motivation of the study, including the background and context to the municipality. A brief explanation of the LED concept was given, and the context of Mbombela Local Municipality was identified. The nature of the problem was identified, from which the research aims and objectives were defined. In turn, the research questions were derived from the objectives. The chapter also identified the limitations of the study and the structure followed for the research. The next chapter presents the literature review.

CHAPTER TWO: THEORETICAL FRAMEWORK AND LITERATURE REVIEW

2.1 INTRODUCTION

This chapter gives a critical discussion and review of literature on the subject of LED. In recent years there has been an increase in interest in the academic world on the subject of LED, much of which has stemmed from perceptions that LED can bring much needed transformation to previously disadvantaged and poor areas. LED policies have been discussed in boardrooms at the local government levels, in non-governmental organisations and in private companies (Malemela & Yingyi, 2016). Through this literature review, a deeper understanding of the subject area was gained by the researcher so as to guide the overall study in assessing the capacity of Mbombela Local Municipality to drive LED initiatives. The review also assisted to identify the gaps that exist in the literature. Several aspects are covered in this study, including definitions of LED, the policy framework governing LED in South Africa, LED experiences in the rest of the world, the major challenges, and possible LED policy guidelines.

2.2 CONCEPT OF LOCAL ECONOMIC DEVELOPMENT (LED)

Over the past 17 years, South Africa has experienced significant reforms in municipal administration from a political, social and economic development perspective (Turok, 2014; Wekwete, 2014). On the economic development front, rural communities have been worst affected due to their inherited apartheid spatial design, which makes it difficult to have vibrant, sustainable local economic activity (Zulu & Mubangizi, 2014). South Africa's Vision 2030 as espoused in the National Development Plan has brought the economic development trajectory of the country back to the discussion table. It has affirmed the need to localise macroeconomic policy and pay particular attention to sustainable rural development, meaning that development should focus on all corners of the country; even the most rural and spatially challenged communities must partake in economic growth (National Planning Commission, 2012). LED initiatives play a crucial role in the vision of the nation, thus a critical analysis of how they have been undertaken and their future dimensions needs to be carried out. The ability of local municipalities to implement LED should be assessed in order to ensure that implementation of LED does not become a stumbling block (Koma, 2014).

2.2.1 Local Economic Development defined

As a field of study, LED falls under development economics, which focuses on the economic, cultural and political requirements for bringing about institutional change (Ndlovu & Makoni, 2014). This change is expected to result in the distribution of economic benefits to a broad section of the population, i.e. development economics is the branch of economics that is expected to deal with eradicating the poverty trap. It requires that government intervenes, which is usually done by way of policies and strategies. Development economics was defined by the World Bank (2010) as a process to improve quality of life for the poor. One requirement for development economics is higher incomes, while other critical requirements include better education, higher skills, better standards of nutrition, improved health and cleaner environments (Baird, 2011). These also lead to individual freedoms, equal opportunities and rich cultural lives, and ultimately results in reduced poverty levels. The LED concept finds a niche in development economics as it is associated with most of the objectives identified above (Meyer, 2013).

A number of definitions for the LED concept were given in Chapter One, but a summary is that it is a process which involves the local community, business and the local authorities. The objectives are essentially to improve the living standard of the poor or marginalised, which is done by stimulating business activity or employment. According to the International Labour Organisation (2016), local economies need to find solutions and alternatives to improve and strengthen local competitiveness and comparative advantages to compete on a global scale. LED is touted as one potential strategy for local economies that can be used to maximise local resources and local knowledge, leading to benefits for all citizens within a specific geographical area (World Bank, 2016). Some definitions identify LED more with the business models of expanding demand and supply (Malemela & Yingi, 2016), while others see the concept as a collective effort in which business and community needs meet (Swinburn, Goga & Murphy, 2006).

Houghton (2016) located LED within the concept of developmental local government, while Zulu and Mubangizi (2014) considered LED to be a lifeline for small rural communities by way of stimulating economic activity, job creation and economic growth. Maxengwana, Theron and Draai (2015), on the other hand, saw LED as an

integral part of the local municipality's IDP process, while others such as Khumalo (2014) and Matlala and Motsepe (2015) all concurred that LED is a panacea for resolving and eradicating poverty by creating employment at the grassroots. All these definitions do have a common theme, which Meyer (2014) summed up noting that in its totality, the LED concept encompasses economic activities by all concerned stakeholders, which sometimes lead to the creation of partnerships for mutual economic benefit. LED has become a global concept that is generally utilised to address poverty and to create jobs in urban and rural localities, as shown by the spread of academic interest in the subject. As a process, LED requires collaborative efforts among the public sector, private sector and community actors or stakeholders (Koma, 2014). To be effective, LED requires the active involvement of people or beneficiaries at a community level from all sectors.

2.2.2 Why LED?

The LED concept comes with a promise for a better life, which has made it popular not only in South Africa but in many parts of the developing world such as India, Malaysia, Senegal etc. (World Bank, 2016). In some parts of the developed world, LED has been in existence for some time, hence it is not a new concept. A number of the developing countries pursuing LED initiatives are applying modified versions of what has already been implemented in European, American, Asian and African countries (Abozeid, 2017). The popularity of the LED initiatives can be traced to policies by the World Bank, which from time to time supported LED inclined programmes (World Bank, 2013b).

Similarly, in South Africa, the Development Bank of Southern Africa (DBSA) found it profitable to invest in LED programmes and projects. Much of the effort by DBSA is directed towards capacity building programmes, which are rolled out in local and district municipalities. Some of the arguments for LED propose that it should be everybody's business, including local residents, local businesspeople and government (Seduma, 2011; Meyer, 2013). Thus the LED concept has been widely adopted, especially in developing countries, where it is seen as a way to improve quality of life while reducing unemployment, poverty and inequality. This is despite the fact that LED is a relatively new field of research, in which policy formulation,

planning processes and implementation plans are still evolving with various alternative theories and approaches (Meyer, 2014).

A number of academics, government officials and development practitioners in the private and public, as well as the non-governmental, sectors agree that LED plays a crucial role in job creation, poverty alleviation and an improvement in standards of living (Abozeid, 2017). The problem comes with how LED should be implemented to effectively produce the desired benefits. Some authors argue that for the attainment of local development, there is need to address a number of local community aspects at the same time (Abozeid, 2017; Rodriguez-Pose & Tijmstra, 2005). These aspects, which act as key drivers of the local economy, include economic, social, welfare, environmental and political issues. Calls for a holistic and integrated approach were made by Rogerson (2009) and Rodriguez-Pose (2013), with the latter saying that LED finds credence where traditional macro-economic policies have failed, as it facilitates the creation of an enabling developmental environment at the local level. Among other things, LED offers a number of advantages over traditional economic policies, including the ability to empower and ensure local participation, guaranteeing that local people play an active role in their own future (USAID, 2016). Involvement is extended to all stakeholders, including the business community and non-governmental organisations (Afrobarometer, 2012), and LED also has the upper hand in that it maximises local comparative advantages. In this regard it provides a mechanism for developing more resilient economies, creating opportunities out of the abundance of local space.

Due to the fact that South Africa's current development policy is leaning towards a developmental local government agenda, the LED concept has been proactively promoted through the Constitution of South Africa (1996). As a government policy, LED has been used by state institutions to intervene for the purposes of employment creation, the elimination of inequality and the reduction of poverty (Nel & Rogerson, 2016). LED is attractive as it drives the agenda of both 'pro-poor' and 'pro-growth' development. However, different approaches to LED by implementers and academics have seen bias towards either a pro-poor or a pro-growth dimension. A pro-growth policy is identified as a process of creating an enabling environment for economic development, while a pro-poor policy equates to poverty alleviation

through job creation and social-welfare safety nets (Abozeid, 2017). Blakely and Bradshaw (2012) identified two other main approaches to LED, i.e. a corporate centred approach with a focus on formal business and industrial development, and an alternative approach with a focus on the poor section of a community. The approach taken need not dilute the significance of LED, however, and should result in some or all of the expected LED outcomes (Koma, 2014).

The experiences of different developing countries in terms of their LED initiatives are varied and conflicting (UCLG, 2015). Not all developing nations have seen the promised transformation, and a number of local municipalities are still grappling with the development challenges of poverty, unemployment and inequality. A brief analysis in the following sections shows some of the LED experiences over the years.

2.3 THE LED INTERNATIONAL PERSPECTIVE

The concept of LED emerged as a phenomenon in South Africa after the dawn of democracy in 1994. Its strategic importance and relevance for a country of South Africa's stature became embedded through various legislations, which the new government of unity adopted. One of these was the Reconstruction and Development Programme, through which the LED concept found its way into the Constitution (Koma, 2012).

According to Patterson (2008), industrialised countries implemented LED long before the concept became widespread in developing countries, and has taken many forms across different nations with varying results and outcomes. Feser (2014) indicated that in the United Kingdom (UK) and the United States (US), for example, LED has been instituted as a task for the public sector. According to Corona (2012), LED activities were part of a rapidly growing phenomenon in these countries, which has seen a growth in government programmes around the LED domain. The US went on to establish LED as a recognised profession with all the associated amenities, such as holding conferences on LED and instilling requirements of continued professional education in LED, which gave the profession fully-fledged status (Patterson, 2008).

An analysis by Feser (2014) showed that LED took three approaches in the US. The first was on marketing local destinations for investment while offering incentives to takers; the second was a focus on support for small businesses and the encouragement of entrepreneurship; and the third involved integrating efforts for economic development, thus emphasising collaborations, partnerships and stakeholder involvement (Abozeid, 2017). A close review of the South African approaches to LED reveals that these strategies have also found expression in the SA-based LED trajectory.

The UK government also bought into the LED concept, with most of its local authorities establishing offices responsible for this function at their level. This was seen as a shift, since the UK governance system was more centralised than that of the US (Hall, 2014). The UK government established Local Enterprise Partnerships as business structures at a local level, which replaced the Regional Development Agencies in 2010 (Pugalis & Townsend, 2013). The thinking behind this was similar to that employed by local authorities in South Africa, which established LED forums as a means for a municipality, sector departments and the private sector to interact on economic development at a local level. LED forums have had their fair share of criticism however, as they have not done much to realise the full potential of the LED initiatives (Meyer, 2014).

In Africa and much of the developing world, LED has been propelled via a number of aid agencies (USAID, 2016). Whether from the United Nations or international non-governmental organisations, most of the aid focuses on the various aspects of development. Popular focus areas include social development programmes related to the provision of health services, access to education, infant mortality and child-related programmes (Afrobarometer, 2012; Magidimisha, 2012). Aid has also come from developed nations to developing nations through various inter-governmental cooperation agreements. One such developing nation is the UK, which because of the Commonwealth has historic links with many African countries. Through the Commonwealth Local Government Forum (CLGF), which is an organisation that works to advocate for democracy in local government within the commonwealth member states, programmes focusing on improving performance at the local government level have been introduced (Parker, 2016). According to Parker (2016),

the CLGF's work is premised on the view that local governance is placed at the epicentre of local development.

2.4 KEY ROLE PLAYERS IN LED

The LED concept revolves around three major players: local government, the community and the private sector (Mahlalela, 2014), however other authors have identified additional key stakeholders (Seduma, 2011), such as the Department of Cooperative Governance and Traditional Affairs (COGTA) (Benner, 2013). Some of the key functions performed by COGTA include providing guidance, direction and leadership in the formation of policies, which assists in bringing efficiencies to doing business. COGTA 'oils the LED engine', so much so that stakeholders have easy access to the different segments of the process (Meyer, 2014a).

COGTA (2014) also plays a critical role in administering policies, programmes and projects in order to ensure their maximum development and growth. A final role played by COGTA involves the initiation of economic development programmes, which is done by availing funds, establishing regulations, and promoting small and medium enterprise development, social enterprises and cooperatives.

Another key section responsible for providing support for LED is the Chief Directorate under the Department of Provincial and Local Government (DPLG) (Ndlovu & Makoni, 2014). This is usually done through a number of programmes, including developing and reviewing national policies on LED-related initiatives. Their mandate extends to the provision of all types of support for capacity building to provincial and local government (COGTA, 2014). The Directorate is also responsible for managing the LED Fund, which deals with the processing of budgets for LED programmes.

Besides the Chief Directorate and COGTA, another key role player is the Department of Trade and Industry (DTI). Meyer (2014a) argued that the key role of DTI is as per the mandate of the department, which is the promotion of economic growth and the creation of employment opportunities. In this regard, the DTI finds support in the LED National Policy Framework (Patterson, 2008). That the DTI is a

port of call for most budding entrepreneurs is no coincidence, as the mandate of the department is in line with the LED policy framework.

LED role players at the local government level include a wider range of stakeholders, including the district municipalities, metropolitan areas, local municipalities, private stakeholders and community organisations. This group of stakeholders has to collaborate with the business sector, labour and civil society organisations, with the objective of improving outcomes under the LED initiatives (COGTA, 2015). Different types of public private partnerships often emerge from this which can be used to effectively operationalise LED, and each local municipality develops a unique LED strategy which becomes a guide over a period of time for the implementation of LED.

The effectiveness of LED depends to a great extent on a number of variables, some of which are explored below. As identified in this section, one of the key issues that can unravel a LED initiative is a lack of partnerships (Seduma, 2011; Nene, 2016). Most LED strategies, and even government departments, recognise the importance of strategic collaborative partnerships at the local, provincial, regional and even national levels for the support and promotion of LED initiatives (Malemela & Yingi, 2016). The following section discusses some of the other key challenges identified in the literature.

2.5 THE LED IMPLEMENTATION CHALLENGES

Literature abounds with challenges that are said to be major setbacks for the implementation and operationalisation of LED (Nene, 2016; Reddy & Wallis, 2012; Seduma, 2011). Among these challenges are issues of organisational capacity or institutional set-up, administrative hiccups, a lack of cooperation between stakeholders, and a lack of resources (Mahlalela, 2014).

2.5.1 Lack of common understanding

The arguments highlighted above show that LED partnerships are critical for rolling out initiatives. Yet this assumes that the partners have a common understanding of what they aim to accomplish, when the literature shows that LED has been variously defined, and different definitions emphasise different variables of what LED seeks to achieve (Nel & Rogerson, 2016; Hogwood & Gunn, 2012; Turok, 2014). Generally,

the definition of the LED concept has been contested among academics and practitioners in and outside South Africa, which has resulted in these differences manifesting as different approaches to LED. The IDPs of most municipalities, and sometimes even the same municipality, thus do not speak the same LED language (Abozeid, 2017).

The LED strategies developed for different municipalities also bear testimony to this challenge, as they show that there are many approaches to the development of LED (Ndlovu & Makoni, 2014). While several approaches may be taken, a challenge often crops up in the determination of an implementable, effective and sustainable LED strategy (Meyer, 2014b). Often the key question is what will be the role of local government in the LED initiatives. Most municipalities find themselves having to press on because of social capital inadequacies. It is generally recognised that a well-crafted LED strategy does not necessarily result in good implementation, as these strategies often gather dust before another review is instituted (Overbeek & van Apeldoorn, 2012). In addition, as they do not have the same understanding of what LED entails, government officials and LED practitioners have to interpret and apply a number of laws, policies and frameworks on LED. These policy documents and laws have been developed over the years and each bears some weight on the perceived role of LED. However, given that there is no government body to exercise oversight on LED content, especially on what municipalities put in their IDPs, the content that is found in IDPs often resembles project proposals and business plans (Meyer, 2014b).

The role of creating a conducive environment is overshadowed by the need to create what have been labelled 'quick wins', a term for projects that show results in the shortest period of time (Meyer, 2014b). In this regard, most of the LED strategies of local municipalities tend to be project-oriented. This is not in line with the DPLG LED approach, which directs that LED should be about creating an enabling environment for economic opportunities. Yet because municipalities have to deal with low levels of social capital, they are forced to intervene in ways that leave LED as a project-based concept. This also leads to implementation challenges among the municipalities, districts and provinces. There is a seeming admission by stakeholders

that the role to be played by each of these key players is not clearly defined, such that they each place different emphases on different issues (Mahlalela, 2014).

2.5.2 Inability of several local authorities to clearly define a LED strategy

LED needs to be defined within the context of an IDP so that it becomes co-opted with all the other municipal plans (Sekhampu, 2010). It is a legal requirement for the municipalities to show their LED plans in their IDP document, thus including it in the IDP is the first step in assuring possible implementation (DPLG, 2008). Most municipalities, however, face challenges of service delivery; hence LED is pushed to the periphery. For the poor communities, basic service delivery has replaced LED in the form of housing, water, waste management, electricity, sanitation and roads, eclipsing the LED mandate of creating a conducive environment for business and economic activity to thrive (Abozeid, 2017). Part of this problem can be traced to the integration of LED into the IDP process, as IDP concerns itself with the direct delivery of goods and services to citizens.

2.5.3 Increasing urban-rural divide

The urban-rural divide presents a dichotomy in LED, with rural or poorer municipalities finding themselves at a disadvantage. Many of the challenges in the social and economic sectors are experienced in previously disadvantaged areas, presenting as inequality, unemployment and poverty (World Bank, 2016c). For this reason, urban municipalities are experiencing an influx of economic refugees, particularly as the rural municipalities have less opportunity for local people. The differences between the rural and urban areas tend to manifest in employment prospects, real incomes, standards of living and quality of life for individuals (Reddy & Wallis, 2012). The concern that arises in LED performance is how its impact in larger metros differs from the poorer municipalities.

The level of industrialisation tends to vary between municipalities, hence for smaller municipalities, the challenge is attracting and harnessing the right amount of factor endowments to make the area attractive for investors - and sometimes even for its own local citizens (Sekhampu, 2010). In the search for the right formula, municipalities often find themselves competing, with the larger metros being at an advantage due to their stronger LED networks, more effective LED strategies and

better access to improved skills and resources. Big business is attracted to big metros, which can also access more funding and benefit from the use of modern techniques, models and developments in LED processes and practices (Roemer, 2013). In addition, the smaller municipalities struggle due to a lack of LED champions who are responsible for LED promotion (Meyer, 2013). This is a double blow for small municipalities, in that their challenges are magnified due to extraneous factors beyond their control. In most circumstances the smaller municipalities find themselves applying for other funding on an annual basis, which often leads to a cycle in which their service delivery and hence their LED delivery mandate is compromised due to budget insufficiency.

2.5.4 Spatial constraints of economic planning

A major challenge noted in terms of spatial differences is that localities are not endowed with the same kinds of resources, and usually the boundaries of municipalities do not coincide with economic factor realities (Centre for Economic and Social Justice, 2016). At the national level, policy guidelines require that all local municipalities develop and implement their own LED strategies, yet in reality this falls short as the economic activities that exist have strong components which mostly do not correspond with the boundaries of that particular local area. As a result, the national policy guidelines could be fuelling LED lethargy.

It was noted by Meyer (2014) that there are few 'local economies' any more due to the fact that strong spatial components are a result of long value specialisation and the optimisation of economies of scale. Meyer argued that if an area is underdeveloped and secluded, the chances of it being economically self-sufficient at sustainable levels are slim to none, unlike a metro that can optimise its economies of scale. Most policy guidelines, however, do not consider these spatial differences, thus LED policies come with an erroneous assumption that puts the smaller municipalities at a disadvantage. A case in point was discussed by Gabula (2012), who noted that the sector approach, which is used in most of the country's economic and industrial policies, ignores the fact that economic structures of different local areas have spatial differences which require unique solutions. The author points out that such an approach disables any synergistic advantages that may accrue by pooling resources together.

2.5.5 Ineffective relationships between provinces, districts and local authorities

As mentioned, the role of partnerships or collaboration in LED cannot be understated (Hofisi, Mbede, Maredza & Choga, 2013). Collaboration between different government spheres is critical at all stages, as these are responsible for driving LED. In terms of policy, LED planning should be synchronised in the way that it is undertaken by provinces, districts and local municipalities. The main challenge is how to put this into practice, considering that one of the identified problems among the sector departments is 'silo planning' (Harrison & Todes, 2015).

LED plans need to reflect IDP priorities and thus require a concerted effort by all parties who play a role in developing LED strategies (COGTA, 2015). Often, LED officials view the term 'local' in a very literal sense, yet the localness of a LED strategy must encompass the fact that a local economy is naturally and intrinsically connected to the district, provincial, national and even the global economy (Alexander, 2010). In this regard, the different tiers of governance would not need to compete but rather complement their energies so as to broaden the concept of LED (Crescenzi & Rodriguez-Pose, 2011). A clearly defined conception of the local economy means that the different but collaborating stakeholders will have meaningful and symbiotic relationships. At times the interventions at district level are not considered to be local, leading to the efforts of this tier of government being played down.

2.5.6 Lack of effective LED networks in many areas

Networks play a crucial role in LED as they shape the nature of the implementation mechanism. The large metros tend to have the advantage of networks given the size of their private sectors (Reddy & Wallis, 2012); in smaller municipalities where there may be only one dominant company, LED network effectiveness wanes. The presence of LED networks has been noted to add value to the participatory approach in the development of strategies and the diverse roles that private and local authorities undertake in LED (Mahlalela, 2014). Networks also make it possible to improve the existing interactions between the public and private sectors, and facilitate that the local authority takes charge of LED implementation.

LED networks have been used in different ways to harness the synergies and competencies of different stakeholders (Benner, 2013), for example, the Cape Town Partnership was established in July 1999 as a Local Economic Development Agency (LEDA) with partners from amongst the city's residents, the government, businesses, NGOs, and others. Such partnerships must be based on proper studies of suitable partnership models. A number of municipalities use economic development agencies to maximum advantage, giving the agencies a mandate to be action-oriented and results-oriented (UN-Habitat, 2013). Adapting such a model would require a concerted effort by municipalities, as they would need to spend time and money to make the LED functional.

2.5.7 Lack of planning resources and capacity

A major problem highlighted in the LED literature (USAID, 2016; Third World Forum for LED, 2015; Afrobarometer, 2012) is that smaller municipalities often have fewer resources to put towards their LED and IDP programmes, including internal skills, manpower, budgets, and infrastructure. This is not to say that the larger metros have abundant resources, however, as they also have their fair share of challenges. Examples of these include inadequately manned offices or insufficient budgets (Paton, 2014). In addition, at times the LED champions lack the capacity to develop LED plans that address the challenges that are unique to their localities.

Trousdale (2009) noted that there is an apparent lack of planning skills in municipalities, and in particular business acumen, which results in poor quality and sometimes unimplementable LED strategies. Such LED plans tend to be unmeasurable, have poor focus and no timelines, the key drivers of economic development are not involved, and no economic opportunities are identified. In the worst circumstances the LED plans are cut and pasted, being recycled with no prospect for any innovation (Didier, Morange & Peyroux, 2012). Once the LED plans are being implemented, there is little monitoring to ensure that appropriate feedback is received.

LED strategies often come loaded with impressive sounding objectives, but the challenge remains that they do not achieve what they are intended to. The policy guidelines from COGTA seem to be ineffective as most municipalities grapple with

poor collaboration, yet these can be resolved under the ASGISA policy. The onus is on all stakeholders, especially the different tiers of government, to put in place mechanisms to make LED work, but without willpower, the inspiring policies, frameworks and legislation are to no avail.

2.5.8 Other challenges in effective LED implementation

The nature of the challenges with South African LED continues to be debated, however many of these problems occur at the levels of policy formulation, planning, implementation, and monitoring and evaluation, as discussed below.

2.5.8.1 Lack of strategic approach

This issue is related to the lack of collaboration discussed previously. The reason for this challenge can be traced to the fact the most municipalities develop their IDP and LED plans separately, which leads to haphazard implementation (Mbombela LED Strategy Review, 2015). This is evident in SMMEs and cooperative support schemes which are disjointed and ad hoc. Economic analysis, which should be holistic, is a once-off process, rather than involving all sectors to create comprehensive solutions for the municipality's challenges. The LED plans are also often loaded with generic but vague plans on SMME development, skills development, improving business conditions (Malemela & Yingi, 2016; Meyer, 2014b). These plans are not implementable at times, not only because of the resource and skills gap, but because the details of what should be done are lacking.

2.5.8.2 Pro-poor LED vs. local development

The apartheid legacy is often used as an excuse to focus only on pro-poor LED projects in the name of poverty alleviation (ANC, 2001). While this is a noble gesture, effective LED requires a balance in the type of community projects that are developed and implemented. An improvement in living standards requires that market-related initiatives be put in place in order to attract business and create opportunities where otherwise there would be none. When LED is downgraded to poverty alleviation projects and community projects, this militates against its effectiveness, as poverty alleviation is more to do with social development than LED (SALGA, 2015).

Abozeid (2017) argued that most developing nations tend to confuse community development and economic development. In terms of LED, the focus is on creating a favourable business environment, thus LED responds better to shortcomings in the free market by driving the growth of the local economy. When investments have been courted, LED is expected to lead to job creation and ultimately an improvement in income levels. Community development, on the other hand, labours with supporting the most disadvantaged segments of the community, such as providing affordable housing, education, transport, water and electricity, and all associated basic service delivery inputs (Meyer-Stamer, 2003).

Although both activities contribute to a general community/local development process, they differ in their target groups and incentives, with LED targeting local businesses and issues of local competitiveness (Abozeid, 2017). In South Africa, the pro-poor approach has been used in various ways, to the extent of even displacing LED. This approach is distinctive given the unusual circumstances of the nation's history. The pro-poor approach applies different measures and programmes, which are targeted at the poor in areas such as pro-poor tourism in both rural and urban localities (Rogerson, 2006). Similarly, there is more of a LED bias towards pro-poor interventions in other developing nations than in the developed world (O'Neill, 2011). The main challenge of this approach is that focusing on pro-poor policies might divert attention away from effectively pursuing economic growth, yet pursuing growth without considering pro-poor policies may lead to bypassing the poor (Corona, 2012). One way to resolve the dilemma is to ensure that a shared growth strategy consider the distributional consequences of pro-growth policies, to ensure effective wealth-sharing mechanisms that are aimed at the segments that have not yet benefited from economic expansion (Page, 2006).

2.5.8.3 Implementation systems

LED implementation mechanisms require a complex web of plans in the broader planning process, yet a common challenge affecting LED is the absence of proper implementation plans or structures (MBLM, 2015); in most cases implementation is reduced to giving local businesses a stake in the procurement process. While this has an element of involving the local community, the impact is severely limited and

appears as a token of what would be achievable with properly funded and planned LED.

2.5.8.4 Project sustainability

Sustainability in the long run requires that proper funding be put in place, and that market considerations be taken into account in the context of business viability (MBLM, 2015). Sustainability may be lacking on the part of the municipalities, but presents an opportunity to incorporate business partnerships for mutual benefit. Some municipalities have made use of economic development agencies with positive results (USAID, 2016; GTZ, 2015); their role is to infuse a business element in LED projects to ensure that they are sustainable.

2.5.8.5 LED and political considerations

Project prioritisation often falls into the hands of politicians, who may have agendas that contradict the LED goals. In the case of LED projects falling into the ‘quick-win and anchor projects’ trap, municipalities find themselves playing to the whims of the politicians who try to silence growing discontent among the communities (Koma, 2012). Quick win projects are meant to show results in the shortest possible time, yet they normally do not have a long-term impact. When municipalities concentrate on a series of ‘quick-win’ projects, they significantly curtail the capacity of LED to bring about much-needed change in living standards for the sake of pacifying the masses.

2.5.8.6 Institutionalisation

The location of the LED department matters in any municipality; hence it cannot be relegated to a tiny corner office (Mahlalela, 2014). This important department must have substance, which should include being equipped with sufficient human resource skills. Once the skills are available, the LED personnel has to be adequately trained to acquire or elevate their business, financial or project management skills (Oduro-Ofori, 2011). Similarly, centralising LED projects in one office can also assist with issues of coordination, so that implementation becomes manageable. When projects are scattered around a municipality with no single department as a coordinator, this renders most LED strategies redundant. The private sector’s concept of project champions may also need to be adopted, so that

projects do not collapse. Finally, a LED strategy must be diverse and any identified projects must be based on local demand (Vazquez-Barquero, 2011).

As part of implementing their LED mandates, municipalities have generally always developed LED strategies to serve as a blueprint to guide their plans and activities. Yet, Ndlovu and Makoni (2014) questioned the paradigm from which LED strategies are developed, arguing that the LED approach is one of the apparent failures which hamper the implementation of LED programmes. A LED strategy is supposed to provide a clear vision for economic development in a locality, and give strategic leadership in that regard (Rossiter & Price, 2013). Houghton (2016) explained that LED in South Africa has been seen as part of the transformation approach as envisioned by the democratic government, through which the nation addresses some fundamental issues concerning improving the livelihoods of ordinary people, food security and dealing with poverty.

Most LED initiatives have largely been focused on strengthening small scale economic sectors across different industries, with emphasis being placed on agriculture, business development, crafts and tourism, as well as supporting and enhancing the capacity of project beneficiaries (Houghton, 2016), yet this seems inadequate. In order to realise the full potential of LED in a locality, there is a need to encompass the broader economy at an international, national, provincial and local level (Matlala & Motsepe, 2015). This should include the interrogation of other related plans, such as the IDP of a municipality, its spatial development perspective, and other sectoral reflections of the municipal space. The inadequacies of the current LED trajectory therefore call for a new and possibly improved framework that deals with most of the identified challenges in the discussions set out above. Many of the models that have been discussed can provide meaningful insight into the future of LED in South Africa and the rest of the developing world.

2.6 LED IMPLEMENTATION – RECOMMENDATIONS FROM LITERATURE

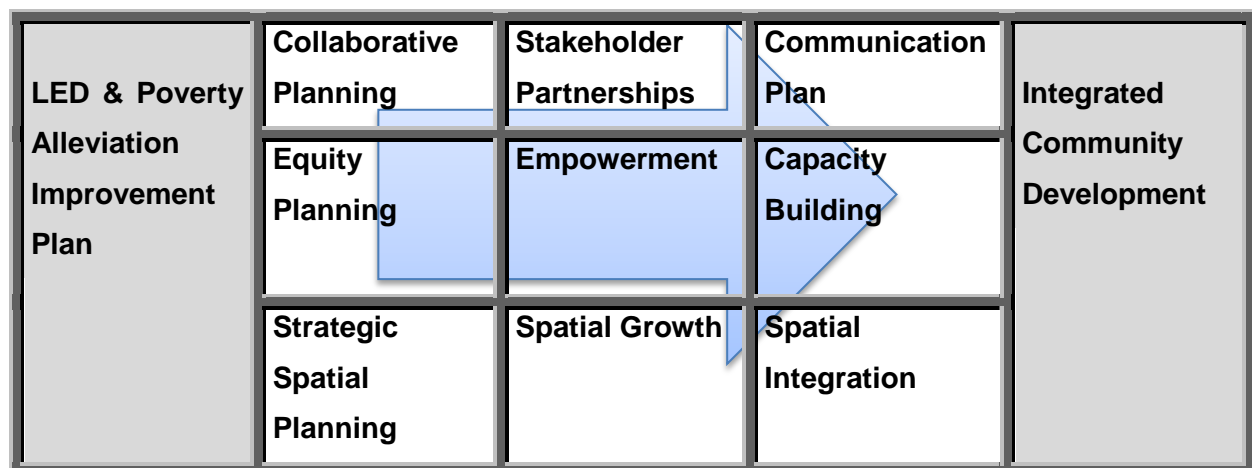
The subject of LED has been widely debated and continues to generate a lot of interest amongst academics and local governments, as LED is seen as one of the possible solutions for many of the economic ills facing developing nations. For this reason, a number of recommendations have been suggested as the best way

forward concerning the implementation of LED. Some of these suggestions recommend the type and scope of the LED projects to be implemented (Mahlalela, 2014), while others are more general and identify frameworks through which LED can be guided (Abozeid, 2017). The remainder are hybrids, which borrow concepts and redesign them for outcomes-based LED (Meyer 2014, Tomlinson, 2003; Trousdale, 2009). In the following section, some of the recommendations for the effective implementation of LED are discussed.

2.6.1 Conceptual framework of a plan to address LED challenges

Mahlalela (2014) adopted a comprehensive approach to addressing LED challenges. Using a conceptual framework to address the many dimensions that impact on LED, the author suggested the use of an ‘LED and Poverty Alleviation Improvement Plan’ (Mahlalela, 2014). The emphasis of this model is on dealing with three major planning dimensions: collaborative planning, equity planning and spatial planning. For Mahlalela, the source of the LED challenges seems to lie in poor planning methodologies adopted by the major role players in LED; however this model falls short by not identifying how other key LED challenges, such as resource constraints or poor infrastructure, are to be addressed. Figure 1 below is an adapted version of the model used by Mahlalela (2014) to capture all the critical planning variables that impact on LED.

Figure 1: Conceptual framework of plan to address LED challenges



Source: Mahlalela (2014: 55)

The model above is expected to bring about empowerment for previously disadvantaged communities through the use of education, training and skills development. The strategy employed by government could involve equity planning and empowerment through effective pro-poor LED strategies. In this regard government can target women, disabled people and the youth using strategies that will work to uplift and benefit them. As good as the model sounds it comes short in terms of recommending small scale LED projects, which may only make marginal differences in people's lives. As discussed earlier, most LED policies give similar vague recommendations for improvement, yet the results are lacklustre or mediocre. In a complex world with a market driven economy, having people surviving on the periphery is not what LED aims to achieve; its objective is rather to make a difference by transforming lives, therefore much better models are required in order to tackle LED shortcomings head-on.

2.6.2 Generic LED strategies

Meyer (2013) recommended a number of generic LED strategies in order to resolve the weaknesses of the current LED strategies. The author asserted that these recommended strategies were a result of on-going research and practical policy formulation conducted in the field since 1994, which could be used in any LED strategy. However, the author was quick to note that with LED a 'one-size-fits-all' approach is not ideal, hence the following generic strategies should be used as general guidelines by LED practitioners, whether in a rural or urban municipal area:

- Strategy 1: Strengthening of internal and external institutional structures and processes (Mbombela IDP, 2015).
- Strategy 2: Strengthening and support of the agricultural sector (Mbombela IDP, 2015).
- Strategy 3: Ensure optimal linkages and support to the mining sector (Meyer, 2013).
- Strategy 4: Strengthening and support of the manufacturing sector.
- Strategy 5: Ensure optimal development of the 'green economy'.
- Strategy 6: Ensure accelerated tourism development (Zonke, 2015).
- Strategy 7: Ensure optimal opportunities for development of the informal sector (GTZ, 2015).

- Strategy 8: Support and development of entrepreneurship and small business development (GTZ, 2015).
- Strategy 9: Support and development of education and skills development (Benner, 2016).
- Strategy 10: Ensure infrastructural development (Mbombela IDP, 2015).
- Strategy 11: Provision of basic needs and social development.

As discussed, having multiple LED projects is a prerequisite for effective implementation, considering that most municipalities face multiple challenges. However, a list of generic strategies such as those highlighted above assumes that the municipalities are endowed with the right type of staff who have the mental capacity to interpret and unravel the strategies for the purposes of implementing LED projects. Most of the projects identified above would require extensive resources to roll them out; some of them are long term and would only bring possible results in five to ten years' time. For an LED strategy to have buy-in from stakeholders, it has to be carefully packaged. Once again, if there is no capacity for packaging, the act of developing the municipal LED strategy becomes a futile exercise.

2.6.3 Focusing on creating an enabling environment for LED implementation

Most of the literature agrees that one of the key objectives of LED is the creation of an enabling environment for economic development, and for the private sector to prosper (Healy, 2008; Abozeid, 2017). In order to fulfil this mandate, Meyer (2013) identified 12 factors which should be the focus of LED practitioners if they are to create an enabling local development environment. These factors include the following: public-private partnership creation, clear and implementable developmental policies, strong local leadership, poverty alleviation and social development initiatives, economic development initiatives, environmental and spatial development actions, infrastructure development, human resource development, entrepreneurial development, transport and access opportunities, agricultural opportunities, and a safe and secure environment (Todtling, 2011; Hofisi, Mbede, Maredza & Choga, 2013). As with the other concepts and recommendations for LED, the challenge for practitioners is how to unpack the 12 factors so that they can be turned into measurable outcomes by local communities.

2.7 CHAPTER SUMMARY

This chapter covered LED concepts, the laws and policies governing LED in South Africa, as well as the challenges faced by practitioners throughout all stages of LED creation and implementation. While effective policies may be available, they do not automatically translate to implementation, thus there are concerns that most of the municipalities in South Africa do not have adequate LED strategies in place to address the issues of poverty, unemployment and inequality. LED currently seems not to be a priority for most local authorities, and limited funding is made available by the national government. Most LED strategies also lack detail, monitoring and evaluation, and small rural municipalities in particular struggle to implement LED because of locational and factor endowment challenges. The roles and functions of LED are sometimes vague, and the stakeholders seem not to open themselves up to partnerships.

An analysis of the literature shows that LED is yet to be fully established in municipal structures, however once this is done, it is expected that the LED units will function as champions for change in the local space, and funds will be made available by the responsible authorities. Local commitment, adequate skills and capacity is, however, non-negotiable for LED success. The next chapter will discuss the research methodology followed in this study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 INTRODUCTION

In this chapter, the design and the methodology used in the study are explained and justified. This includes details of the sample size and the instrument that was used to collect the data, i.e. interviews. The chapter also gives details of the data analysis process that was followed to interpret the results, and explains the nature of data analysis and how the issues of reliability and validity were addressed.

3.2 AIM OF THE STUDY

The aim of the study, as outlined in Chapter one, was to assess the capacity of Mbombela Local Municipality to drive LED initiatives. From this, the below objectives were derived:

- To examine the organisational capacity of the Mbombela Local Municipality to drive LED.
- To assess the extent to which Mbombela Local Municipality relates to, and works with, stakeholders on LED initiatives.
- To examine the extent to which Mbombela Local Municipality has identified and prioritised LED in its IDP.
- To identify strategies for Mbombela Local Municipality to enhance LED Initiatives.

In order to assess the LED capacity of Mbombela, the research design that is outlined in the following section was used.

3.2.1 STUDY SETTING

Mbombela Local Municipality is the seat of the provincial capital of Mpumalanga province. The municipality is one of four in the district of Ehlanzeni. Among other things, the 2011-2030 Mbombela Spatial Development Framework (Mbombela SDF, 2011) shows that the municipality possesses several advantages, including fertile land, a strategic location, great infrastructure and a beautiful environment. The municipality's strategic position includes its proximity to Johannesburg and international capitals such as Maputo (capital of Mozambique) and Mbabane (capital of Swaziland). As a tourism hub of the province, Mbombela is well-positioned for

major tourism development-related initiatives and this is regarded as a comparative advantage the Municipality has (Visser, Pissa, Kleynhans & Wait, 2015). The Maputo Corridor (N4 road) linking Gauteng and the Maputo sea port of Mozambique provides another advantage for the municipality.

The leading sectors in Mbombela Local Municipality include manufacturing, trade, catering, finance, real estate, agriculture and forestry (Mbombela IDP, 2015-16). The Mbombela Local Municipality grew bigger in 2016 when it amalgamated with Umjindi Local Municipality. At the same time the municipality is growing at a fast pace population wise. The municipality continues to face a growing challenge, whereby the amount of resources available is outpaced by the demand for services. LED in particular faces a serious challenge, as the municipality seeks to address poverty in the district. A number of areas in the municipality are rural and require massive assistance in order to elevate them economically. To this extent, the Mbombela Local Municipality has had three LED strategies since 2008, the most current one being the 2015 LED Strategy Review. Unfortunately all three documents show a common and persistent problem, i.e. that the LED initiatives have not yet borne the intended results. Focusing on a management sample, this study sought to assess if the municipality has the capacity to implement its LED initiatives. All the managers interviewed were involved through their daily operations with LED and LED-related activities, and LED was a key performance area and a responsibility for which they were measured.

3.3 RESEARCH DESIGN AND METHODS

Generally, a research design involves how the research engages participants in order to collect data; it shows the methodology used to organise the respondents so that they voluntarily provide the data that are required for the research (Saunders & Lewis, 2012). The research design forms a core part of the research, and was used in the case of this study to guide the critical stage of data gathering in line with the recommendations of Cooper and Schindler (2011). Walliman (2011) noted that there are three types of research designs: exploratory, explanatory, and descriptive.

This study adopted the exploratory research design based on the need to make close links between and among the variables that guided this study. This differs from

an explanatory research design, which tends to describe daily phenomena, giving meaning to events from which links are then made (De Vos, Strydom, Fouché & Delport, 2011). The design chosen also guided the data processing methodologies that were applied. The exploratory research design was used as it allowed the research to make preliminary investigations into the issues governing LED delivery at Mbombela Local Municipality. The researcher needed to use open and flexible approaches in order to delve into new insights in this issue. As argued by Terre Blanche, Durrheim and Painter (2014), the exploratory research design works best when key informants are interviewed, whose opinion is then used to gauge the capacity of the municipality to deliver service.

A qualitative research approach was used to assess the capacity of Mbombela Local Municipality to drive LED initiatives in line with an exploratory research design. The motivation for using an exploratory type of study was to establish all the relevant factors that promote or hinder LED initiatives, so as to come up with possible strategies to assist with improving service delivery within the LED context. The LED mandate for a local municipality is crucial in dealing with issues of poverty, unemployment and inequality (Mbombela IDP, 2015). Using the qualitative research design, this research used appropriate methodologies, which are explained in later sections of this chapter, to collect data.

3.4 RESEARCH PARADIGM

Three of the most well-known paradigms in research are the positivist, interpretive and constructivist paradigms (Schreiber & Asner-Self, 2010). The chosen paradigm for this study in line with the research design and approach was the constructivist paradigm. This is because the perceived realities of service delivery consist of a rather fluid and variable set of social constructions (Terre Blanche, Durrheim & Painter, 2014). From this perspective, the research was able to deconstruct different versions of the service delivery realities in order to establish common themes that govern this phenomenon. The constructivist paradigm allowed the research to start without any established theory, which theory was then built up through the analysis of participant responses. As the analysis progressed, themes and patterns emerged which assisted in developing a theory and understanding of service delivery in Mbombela. In order to achieve such a level of quality, there was a need to engage

in a systematic process of active inquiry so that the issues being studied could be clearly understood. As a result, the process of collecting, analysing and inferring from the data was a rigorous exercise, following the recommendations of Cooper and Schindler (2011). The following section gives a brief discussion of the study setting.

3.4.1 Phenomenological research strategies

Descriptive data, as encountered in research on LED issues, is best analysed using a phenomenological research strategy, in line with suggestions by Cooper and Schindler (2011). Kothari (2013) agreed with this perspective and argued that where the intention of the researcher is to gather and analyse facts, phenomenology is the best approach. This is because the phenomenological strategy assists the researcher to investigate the attitudes, opinions, views and occurrences in a given study. These are not variables that can best be captured in a quantitative way, as in positivism. In a phenomenological research, the objective is to understand the meaning attached to a given phenomenon. Merriam (2010) suggested that phenomenology concerns how subjects make sense of their world and the experiences they have in the world, while Denzin and Lincoln (2012) argued that it is critical that qualitative researchers study phenomena in the natural environment so that they can draw correct meanings.

A major distinction between a quantitative and a qualitative research strategy is the use of statistics in the quantitative approach, whereas descriptive and thematic explanations are used predominantly in qualitative research (Denzin & Lincoln, 2012). Taking these characteristics into consideration, this research used the phenomenological research strategy because it was deemed the most reliable strategy to gather data about the capacity of Mbombela Local Municipality to drive LED. Data were collected from participants in their normal environment at their work places. All of the data gathered were qualitative rather than quantitative, in line with the phenomenological approach.

3.5 POPULATION AND SAMPLE OF THE STUDY

The term 'population', according to Saunders and Lewis (2012), refers to all the elements that are part of the subject of the study. Usually populations are large and

extend beyond the scope of the research, thus a researcher defines the population and from that a sample is drawn. The target population for this study was the officials of the Mbombela Local Municipality. According to the 2015 IDP, the total filled and funded positions in the municipality stood at 1,540 (Mbombela IDP, 2015:80). Given the nature of the research, only a sample of managers was drawn from this population. These managers were selected because they contributed to the implementation of LED at higher levels in one form or another. They were also aware of the strategic challenges and opportunities as they made strategic decisions at the managerial levels and interacted with stakeholders outside of the municipality. These managers could, therefore, provide insight into the direction of LED in Mbombela - past, present and future.

3.5.1 Sampling

The basis of data collection is the sample of the population, who are selectively identified and used to extract the relevant data from which generalisations or interpretations can be made (Lategan, Lues & Friedrich-Nel, 2011). The use of samples is widely accepted in research as they serve a number of purposes, one of the most important being that it is not possible to collect data from the whole population (Dawson, 2009). As a result, a few individuals were targeted as the sample for this research. The selection had to be chosen carefully so as to avoid erroneous data collection arising from bias or an inadequate sample size. As the size of the sample matters, the research strategy chosen was used as a guide to determine the sample size. Taking a cue from Msweli (2011), the choice of using a probability or non-probability sampling method was carefully considered. The final choice was influenced by the need to keep the quality of the data at acceptable levels.

3.6 SAMPLING METHOD

Saunders and Lewis (2012) identified two types of sampling normally used in academic research - probability and non-probability sampling. The choice of sampling usually depends on the methodology selected by the researcher.

3.6.1 Non-probability sampling

The advantage of this method is that it allows the researcher to conveniently select elements to be used in collecting data for a study. The choices selected using this technique presupposes that the researcher has considerable experience in the field of study in order to identify the best candidates for data collection. Without such experience and prior knowledge, the choice of participants can lead to largely inaccurate results. Other crucial points considered in using this method relate to issues of accessibility, timing of the data collection, and the costs of accessing the participants for the study. The sampling methodology does not prioritise giving equal chances to all elements, but rather purposively targets those participants who are likely to yield the most rewarding results (Babbie, 2013). To this end, a researcher can use judgmental sampling as one of their sampling techniques. As highlighted above, this method requires a certain level of professional judgment and knowledge (Babbie & Mouton, 2012).

As it is purposive in nature, Yin (2013) suggested that the method be used in cases where an authority on the subject can select a more representative sample, which will result in more accurate findings than by using other probability sampling techniques. Due to the qualitative nature of this study and the researcher's background in the LED departments of different municipalities, the use of the non-probability method was expected to yield the best results.

The sample was selected using the researcher's knowledge of the roles of different offices and positions in the local municipality, thus the sampling methodology used was purposive and managers were selected on the basis of their roles in LED. Once the sample had been selected, the research instrument was used to gather the relevant data. Using this method, a sample of 16 participants from the management was determined to be the right size for this study. The samples were drawn from Mbombela Local Municipality (8), the Department of Economic Development & Tourism (2), the Department of Cooperative Governance and Traditional Affairs (2), Ehlanzeni District Municipality (2) and the Lowveld Chamber of Business (2).

3.7 CONSTRUCTION OF THE RESEARCH INSTRUMENT

An interview schedule was used as the research instrument, which was accompanied by a covering letter explaining the purpose and significance of the research. The 16 Selected participants had to acknowledge that they agreed with the terms stated in the covering letter. The interview schedule was designed with a number of sections. Questions 1 to 3 form the first section that dealt with the structure of the Mbombela Local Municipality. These questions established if the structure can support the delivery of the local economic development mandate. Participants were also asked to identify the proper location of the LED mandate in the local government sphere. Another aspect of this section of the interview schedule was to establish the key drivers of the municipality's LED agenda.

Questions 4 to 9 formed the second section and dealt with the reports generated for LED purposes, i.e. whether they are sufficient and valuable or relevant. The interviews sought the participants' opinions on whether responsible officials had the requisite skills or expertise to initiate and drive LED programmes. This was a key question at the centre of this study, and the research also sought to establish if the municipality had any capacity building programmes for the officials or councilors responsible for local economic development initiatives. Another crucial issue measured had to do with the availability of resources - human, equipment or financial - for carrying out LED objectives. Specifically, participants were asked to identify the budget levels allocated for LED, whether they considered them sufficient or otherwise, and the reasons therefore.

Questions 10 to 13 covered issues on LED roles, partnerships and feedback from the intended beneficiaries. Thus, besides the capacity and resources allocated, the interview schedule also sought to assess the level of institutionalisation of LED issues among staff at Mbombela Local Municipality. This also included establishing the roles of the different levels of government in driving local economic development initiatives within Mbombela. The participants were further asked to identify the prevalence of non-local government-led LED, as well as key drivers. This entailed identifying key stakeholders that the municipality partners with in driving LED.

Questions 14 to 17 covered the LED projects, the effectiveness or impact of LED, issues of sustainability, and monitoring and evaluation. As the study sought to establish the nature of some of the major LED projects currently being implemented or envisaged to be implemented in the near future, the participants were asked to indicate and comment on the frequency and effectiveness or impact of meetings with LED beneficiaries. In addition, they were asked to elaborate on how the municipality ensures the sustainability of LED projects. This included identifying whether the municipality conducts any monitoring and evaluation at any stage of the project life cycle or after the project.

In the final section of the interview schedule, covered by questions 18 to 21, the participants were asked to give their opinion on the nature of the measures that should be taken to improve LED implementation in the municipality. In addition, they were questioned about the type of support needed from other spheres of government, as well as from other stakeholders, in order to be able to fully drive LED initiatives.

A pilot study involving colleagues at the Department of Education in Nelspruit was first done with the research instrument in order to test its applicability, and once the researcher was satisfied, the instrument was used for the main data collection process. The pilot study assisted in refining the questions used in the research before the main data collection was carried out.

3.7.1 Choice of research instrument

The chosen research instrument as stated above was an interview schedule and it was considered to be the most appropriate for the study in question for a number of reasons. First it was considered as a more natural way of interaction when compared to filling other methods such as filling out a questionnaire. In general the qualitative methodologies utilize this technique for collating data. Secondly interviewing is one of the commonly used source of data for constructionist research. Finally the role of the interviewer in the constructionist research adopted in this study is that the meanings created in the interview are co-constructed between the interviewer and the interviewee (Terre Blanche Durrheim & Painter, 2014). From this point of view the

researcher took the interview data to be a product of a larger social system for which the interviewed participants were acting as representatives.

However the interview schedule is also subject to possible weaknesses of which the researcher was well aware. Among these include the fact that there may be too many questions making the interview stressful. In order to safeguard against this all questions were posed in the form of a discussion rather than a question and answer session thereby allowing the conversation to flow. An interview schedule may have closed or leading questions, and this the researcher prevented by screening each question and getting assistance from the supervisor to check the quality of all the questions. Another disadvantage often cited with interview schedule is that they may have too many probing questions which make the participants very uncomfortable. To prevent this from happening, the instrument used was vetted at different levels by the researcher as well as a project supervisor, and in addition during the interview the researcher only made probes if the participant was showing the body language that they were comfortable to discuss. In as much as possible the participants were not pressed for answers nor were they asked personally intimate questions. In any event the participants were rightly informed to stop the interview at any time if they felt uncomfortable about the questions. As a result the data collection was considered to be credible yielding quality data.

3.8 DATA COLLECTION

The data collection process involves direct interaction with participants in an attempt to collect their views, opinions and facts. Data collection is a process largely dependent on the variables being sought (Neuman, 2013). The objective of the collection exercise was to enable the researcher to address the relevant questions raised in the study. Saunders and Lewis (2012) argued that a carefully crafted data collection process is a device that can be used by a researcher to extract information from selected participants in a mutual understanding way. In other words, the participants will be willing to provide the information without being coerced or hoodwinked. Similarly, Msweli (2011) recommended that the researcher ensures that the process of data collection be engineered to achieve quality outcomes, as data are a crucial aspect of any research. Unreliable data can render

the research invalid, hence the best data collection methods should be considered and used.

Bryman, Bell and Hirschsohn (2011) analysed five data collection methods that can be applied with a qualitative research. These methods include direct observation, participant observation, surveys, focus groups and language-based methods. In this study interviews were used, with an interview schedule giving participants the chance to fully explain issues pertaining to LED. In all but two instances, the interviews were conducted in the offices of the participants. This was thought to be an important factor in order for them to relax and be in comfortable surroundings they were familiar with. The interviews were also conducted at times determined by the participants in order not to crowd their daily schedules, and to allow for enough time as determined by their availability. All 11 participants (only 11 were ultimately interviewed instead of the planned 16) held work positions that directly linked with tasks pertaining to LED activities across different management levels, which deemed the participants suitable to provide broader insights into this research study.

Generally a researcher uses secondary data to establish a frame of reference for their study, thus a major component of the data used in this research came from the literature on LED. This secondary data emanated from a number of sources that addressed different aspects of the subject of LED (Rubin & Rubin, 2012), for example relevant and recent literature assisted with the researcher's understanding of the challenges facing LED, and how these have been addressed elsewhere. The subject of LED is well covered in research and is impacted by a number of policy guidelines from government. The subject is discussed in different fora and therefore the source of the secondary data included published journal articles, local municipality public documents, textbooks as well as various sources over the internet. The collected data were used in the analysis of the capacity of Mbombela Local Municipality to implement LED initiatives.

3.9 DATA ANALYSIS

A crucial part of the research process involves the interpretation and analysis of data. Three strategies available for analysing qualitative data are induction, grounded theory and thematic analysis. The inductive analysis is often used when

the researcher chooses a theory after general observation of a phenomenon and analysis of the observed pattern (Bryman et al. 2011). De Vos et al. (2011), on the other hand, stated that inductive reasoning is used in situations for identified occurrences when a researcher makes a judgment on the population. The thematic analysis was regarded by Bryman et al. (2011) as the most flexible method, which often finds itself being used in both deductive and inductive approaches. For this research, personal judgment was used to determine the themes from the data emerging from the study.

A thematic analysis method was adopted whereby the data were analysed using descriptions and graphs. The data analysis process involved collecting the information, analysing it and sifting it to remove undesirables, in line with Babbie (2013). This process was expected to result in relevant data for the study, which was used to support the conclusions that were drawn for this study. In order to obtain clear and unambiguous data interpretations (Robson & McCartan, 2011), it was necessary to break the data into manageable themes (Terre Blanche, Durrheim & Painter, 2014). For this process, associations, themes, trends, and relationships were established, which resulted in the development of concepts, constructs or variables. Thematic data analysis requires that the raw data be transcribed first, therefore the process of coding the data preceded the data analysis. The researcher had to decide in advance the nature of the variables to be measured so that the correct themes would be used during data classification and analysis. According to Richards and Morse (2007), the process of coding is a vital process as it facilitates the classification of data.

3.10 RELIABILITY AND VALIDITY

Data for this research were measured in terms of its reliability and validity, which relate to the nature of the data being acceptable. Generally issues of reliability and validity are critical, especially from a positivist point of view, but there is increasing use of the concepts in qualitative studies as well (Creswell, 2009).

Issues of trustworthiness cover themes such as the stability, dependability and consistency of data (Creswell, 2009). The concept evokes notions of measuring a phenomenon and obtaining the same or similar results under different

circumstances. Reliability in this case means that when the instrument is applied repeatedly to the same sample, it should yield the same results each time when applied. Issues of data validity and reliability were considered in this research in terms of data credibility, transferability, confirmability and dependability. Data credibility was defined by Saunders and Lewis (2012) as a process of establishing that the results of qualitative research are believable. Credibility in this case was measured from the viewpoint of the participants. The role of the researcher therefore is to describe the study phenomena from the participants' eyes. The concept of transferability suggests the ability of the results to be transferred to another context (Trochim, 2006). This implies a level of generalisation such that results from one setting can be used to interpret a similar phenomenon elsewhere. The assumptions and context of this research were thus defined in order to ensure data transferability. This involved identifying the subjects and the data collection settings. The research participants were clearly identified and the nature of the questions, as well as their purpose, was clearly explained. This would make it possible to compare the results with any other findings in some other similarly placed municipalities, once all the assumptions made in this research are considered.

Another measure of data reliability pertains to the issue of data dependability, which is based on the assumption that results can be replicated elsewhere. Trochim (2006) suggested that dependability places emphasis on the instruments used and the methodology, such that if these are replicated elsewhere, the chances of obtaining similar results are very high. In the context of this study, the researcher made sure to explain the contextual environment in which the data were collected. This should assist any other researchers who need to replicate this study in the same or some other local municipality. Confirmability allows the researcher to provide their unique experience of a research phenomenon, which is then compared with that of other researchers (Trochim, 2016). In this research, different strategies were used to enhance confirmability. These strategies involved thoroughly documenting all the procedures for checking and rechecking the data throughout the study, as explained in various sections in this chapter. It was also ensured that the research instrument questions were thoroughly explained so that any other researchers who need to confirm the findings may be able to make meaningful comparisons. The chapter on findings further provides some important insights into the data collection process.

3.11 BIAS

When data are falsified in a study so that the outcomes do not reflect the true picture on the ground but fulfill the needs of the researcher, this is a case of bias (Babbie, 2013). Often the researcher has an ulterior objective for influencing the results of the study. For this study, the researcher approached the subject of LED as an academic exercise which was divorced from emotions, pre-determined thoughts and the views of all participants, including the researcher. Qualitative research is, however, inherently biased, so attempts to conduct the interviews in such a way as to minimise bias were made. This included careful wording of the research instrument and ensuring that there were no leading questions. Gender neutral language was also used.

3.12 ETHICAL CONSIDERATIONS

Some of the ethical issues that were considered in this research included matters of informed consent, confidentiality, voluntary participation, avoiding placing participants at risk or harm, and anonymity. This is in line with suggestions by Kothari (2013), who noted that the need to inform prospective participants is paramount. This research considered that the participants needed to have clarity on the risks and procedures followed in conducting the study. This was taken into account so as to assist them to make an informed decision regarding whether or not to participate in the study. Each ethical consideration principle is articulated below. An approved ethical clearance letter was also received from the University attached as appendix four.

3.12.1 Ensuring participants have given informed consent

Berg (2014) highlighted that a study should ensure that participants are not in any way coerced into taking part. In this study it was ensured that the participants willingly and voluntarily took part in the research by including an informed consent letter in line with suggestions by Berg. The informed consent letter gave the participants assurances that their involvement was voluntary, and that there were no potential risks associated with them being part of the research. The assurance to participants was supported by clear explanations of the nature of the study and its purpose. De Vos et al. (2011) recommended that the researcher explain the purpose of the investigation, how it will be conducted, and how long the participant will be

expected to be involved as a way of easing any possible tension before they are engaged in the research. To this end, in addition to the explanations given, the participants were also advised of their right to withdraw from their interviews if they felt uncomfortable. In this way the participation was indeed voluntary. As explained earlier, an informed consent letter was attached to the interview schedule, which is attached in this report as Appendix two.

3.12.2. Guaranteeing that no harm comes to participants

One of the fundamental tenets of conducting a research study is to protect participant confidentiality. It is also critical that in the research steps are taken before interviews to inform participants that no harm will arise from the investigation. At the same time, the participants must be informed that they are within their rights to agree to participate or withdraw at any time during the interview if they perceive they are vulnerable. This is in line with the views of de Vos et al. (2011) and Du Plooy-Cilliers, Davis and Bezuidenhout (2014), who argued that the responsibility for protecting participants falls largely on the researcher. Potential harm could be psychological and/or physical, and can occur at any stage of the interview. As far as possible this study ensured that the participants were not exposed to emotional harm, embarrassment, injury, pain and/or impairment as a result of their participation in the study. The participants were protected from harm by conducting the interviews at convenient times and in a conducive environment during working hours.

3.12.3 Ensuring confidentiality and anonymity

In terms of protecting personal information, de Vos et al. (2011) also suggested that participants must be informed about any safeguards relating to the protection of their personal information and identity. To this end, the University of Kwa-Zulu Natal's policy in terms of privacy and confidentiality was taken into consideration, and no names were used in any part of the research, nor will they be disclosed. Confidential information from this study will be kept safe and special codes are used to maintain anonymity.

3.13 CHAPTER SUMMARY

This chapter on research methodology gave an outline of the key concepts and the rationale of the qualitative methodology adopted to conduct the data gathering and analysis processes for this study. The chapter also outlined the research design, research philosophy, research strategy, target population, sampling strategy, data collection instrument and the nature of the pilot study conducted prior to the main research. Different sections of the chapter discussed how the interviews were administered, the data analysis process, and how the issues of validity and reliability of the study were achieved. In addition, the issue of how bias was eliminated, as well as the ethical considerations of the study, were examined.

Chapter Four presents the results from the primary research conducted.

CHAPTER 4: RESULTS

4.1 INTRODUCTION

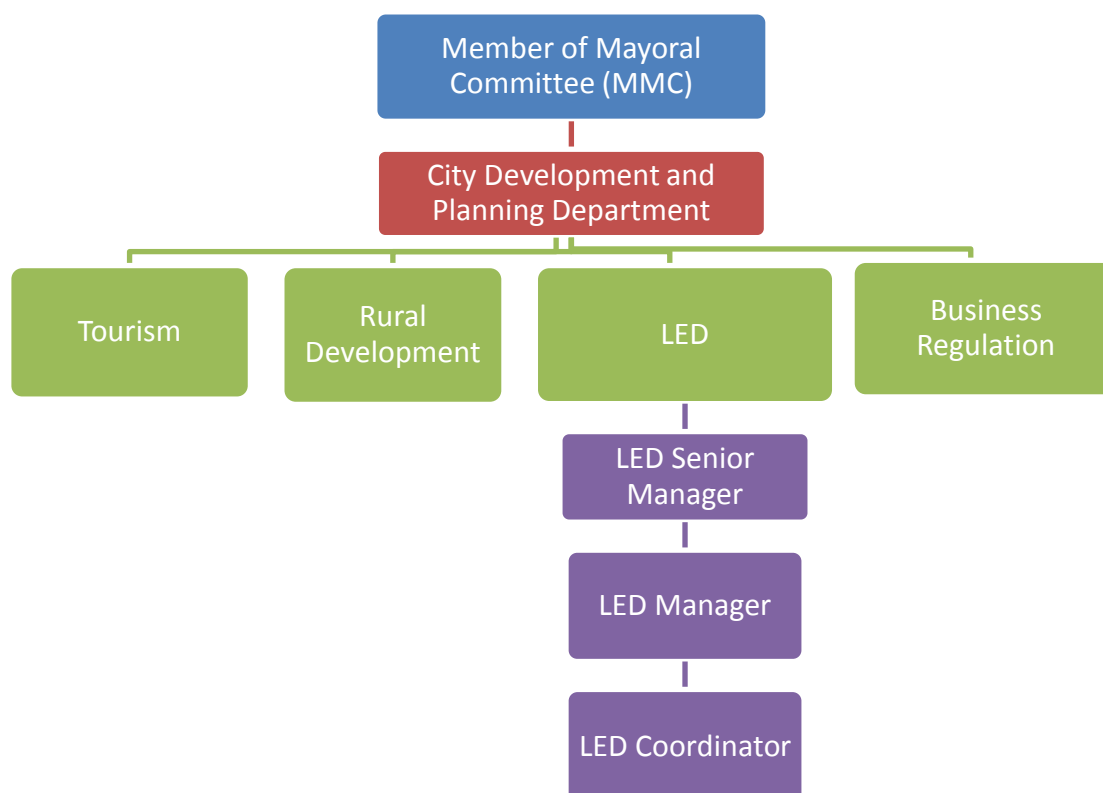
The results presented in this chapter, which are based on the findings of this investigation, provide an assessment of the capacity of Mbombela Local Municipality to drive LED. By examining the perceptions and experiences of the participants, it was possible to evaluate the organisational capacity of the Mbombela Local Municipality, its collaboration with stakeholders and its integration of LED into the IDP, as well as to identify strategies for the municipality to enhance LED initiatives. Furthermore, the participants shared lessons learnt and made recommendations for improving LED implementation in the municipality. The contributions of the participants addressed broad issues and gave deep insights into important matters pertaining to LED. The analysis of the results revealed major themes from which sub-themes were deduced.

Table 1: Themes and sub-themes

THEME	SUB-THEME
Structure of the municipality	<ul style="list-style-type: none"> • Operational efficiency of the LED unit within the municipality • Drivers of the municipality's Local Economic Development agenda
Implementation of the LED strategy	<ul style="list-style-type: none"> • Adherence to LED principles • Value of LED reports • LED projects currently being implemented or envisaged
Availability of resources	<ul style="list-style-type: none"> • Overall availability of resources • Financial resources • Capacity building
Partnerships in LED	<ul style="list-style-type: none"> • Inter-governmental involvement • Private sector involvement
Sustainability of LED programmes	<ul style="list-style-type: none"> • Stakeholder involvement in sustainability programmes post project handling • Monitoring and evaluation
Improving LED implementation	<ul style="list-style-type: none"> • Measures to improve LED implementation in the municipality • Required government support to municipality LED • Required stakeholder support to enhance municipality LED

4.2 STRUCTURE OF THE MUNICIPALITY'S LED

Figure 2: Structure of Mbombela LED



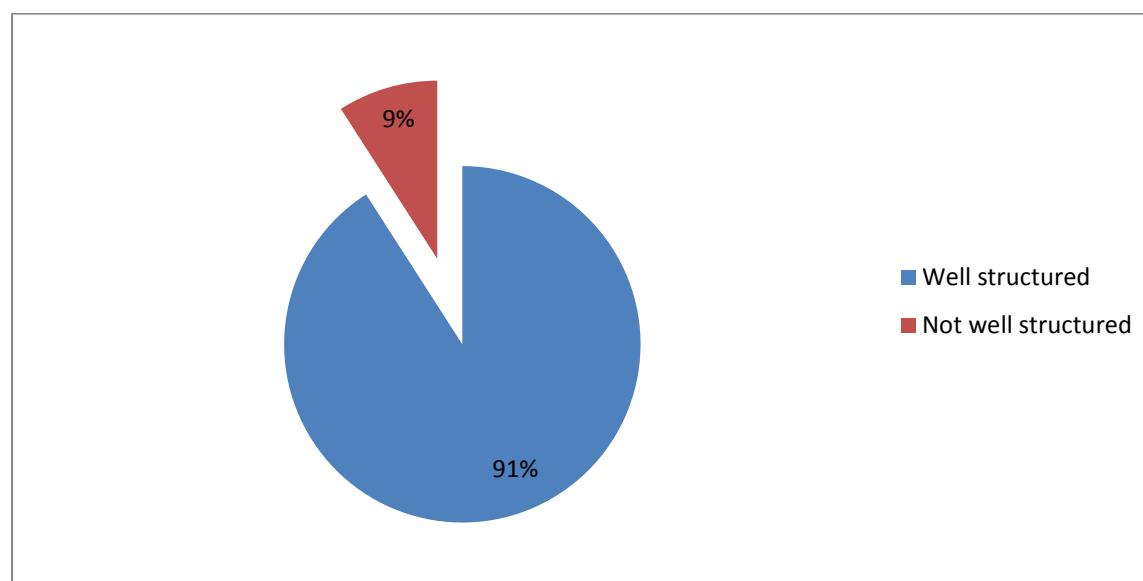
Source: Constructed by the researcher

The participants commonly described a structure as depicted in Figure 2. The LED unit falls under the City Development and Planning department, while other units within this section include tourism, rural development and business regulation. Each unit has a Senior Manager, who reports to the General Manager who heads the whole department. The General Manager in turn reports to the Municipal Manager (MM) and to the Member of the Mayoral Committee (MMC) responsible for the Economic Development and Planning portfolio.

All of the participants but one felt that the Mbombela Local Municipality is well-structured to deliver on its LED mandate, however some highlighted that staffing shortages undermine the functionality of the structure. These respondents noted that there are various vacant posts, which limits the activities and the reach of the LED

unit. Contrary to the other participants, Participant 8 argued that there was a better structure in 2010/2011, stating that the amalgamation of the Mbombela and Mjindi local municipalities has resulted in the structure becoming ineffective. His comments on the shortage of staff and the repositioning of officials corresponded with the other sentiments that the effective functionality of the structure is hampered.

Figure 3: Perception on the structure of Mbombela Local Municipality for LED



Source: Constructed by the researcher

4.2.1 Operational efficiency of the LED unit within the municipality

Some of the participants commented that LED is correctly driven by the city's Development and Planning Department, as it appears in the current structure, because city development and planning is a comprehensive unit that focuses on overall municipal development. They argued that as LED cuts across the development operations of the municipality and informs economic growth, it must not be isolated. On the contrary, other participants expressed that LED would be best driven as a standalone section, instead of just being a sub-unit clustered within another section. They argued that LED is not elevated enough and is thus overshadowed by other seemingly more pressing matters, adding that LED should be driven by the Deputy Municipality Manager's Office or the Mayor's Office, or led by its own specialised General Manager.

According to Participant 2, however, LED should be driven by the private sector. They argued that the role of government should rather be to facilitate a strong collaboration between the relevant stakeholders, emphasising that all government levels should work together. Additionally, the importance of starting LED at the local level was emphasised, especially at the ward level where the actual implementation takes place.

Participant 9 argued:

LED should be within development planning where spatial planning is housed because spatial planning informs economic zones for growth. (P9)

Another participant indicated that:

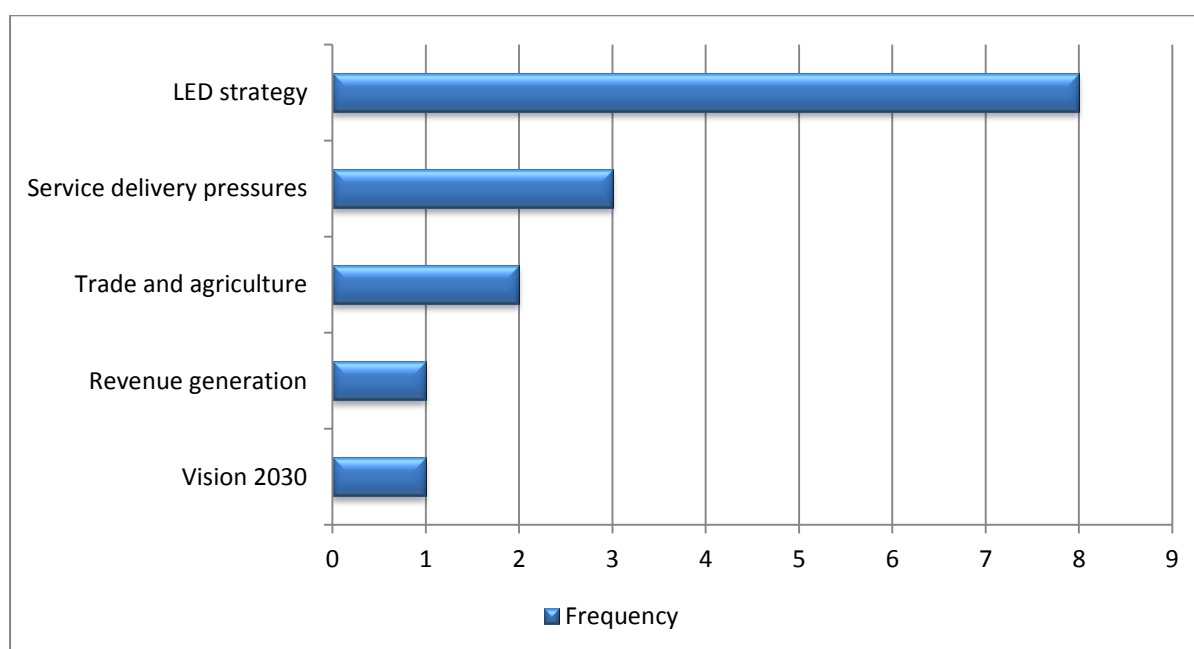
LED should be led by a senior official at the level of a General Manager with experts at management level who will be sector specialists; these must be aligned to thriving economic sectors of Mbombela. (P11)

LED in Mbombela is led and driven by the private sector. (P11)

4.2.2 Drivers of the municipality's LED agenda

The participants listed various drivers of the municipality's LED agenda, with the least cited drivers being Vision 2030 and revenue generation, and the most frequently cited being the LED strategy. One participant was of the view that the municipality's LED agenda is driven by revenue generation, while another participant stated that the municipality has a Vision 2030 document that is aligned to the national, provincial and district plans. Vision 2030 covers broader aspects of planning and development, i.e. it is not limited to economic development, and it includes the provision of basic services and eradicating poverty. It was interesting to note that just one participant mentioned Vision 2030. Another participant raised a concern that the municipal LED strategy crafting consultation process is flawed in that the municipality always concedes and gives into impossible demands instead of giving appropriate advice to stakeholders.

Figure 4: Drivers of the municipality's LED agenda



Source: Constructed by the researcher

The following quotes capture the essence of the concern raised by the participants:

The agenda is reactive and driven by what the majority wants at a particular time and not what the economy needs in order for it to grow. (P2)

The non-core service delivery programmes, which LED is considered to be, always take a back seat while service delivery pressures and demands take priority. (P3)

The majority of the participants identified the LED strategy, which is developed in consultation with stakeholders, as the driver of the municipality's LED agenda. According to some participants, the key economic sectors in Mbombela's LED strategy are agriculture, trade, community service, construction and tourism. There were various criticisms and objections about the manner in which the municipal LED unit develops the LED strategy and the actual focus of the strategy itself. It was stated that the function of developing the LED strategy was outsourced to consultants rather than being an in-house crafted road map, a view which later emerged as a critique on the capacity of the LED unit and their understanding of their role.

The problem is that there's no synergy and no understanding of the role of the LED unit which stems from the lack of understanding of what LED is from the unit itself. (P6)

The LED strategy was only focused on Small Medium Micro Enterprises (SMMEs) hence it has programmes such as sewing, running bakeries, spaza shops, informal trading etc. (P4)

This dependence on consultants was regarded as the reason why the municipality had a draft LED strategy that is yet to be approved by the municipal council, more than a year after the amalgamation. The poor quality of the strategy was ascribed to the narrow consultations and the reactive nature thereof, as alluded to by Participant 2 above.

4.3 IMPLEMENTATION OF THE LED STRATEGY

While they wait for the new LED strategy to be finalised and approved, the participants admitted to continuing to use the old LED strategy of the Mbombela Municipality from before its amalgamation with uMjindi Municipality.

4.3.1 Adherence to LED principles

None of the participants said that the LED principles are aligned and entrenched into the daily management of the municipality; in fact, they indicated that the different units within the municipality operate in silos. The participants concurred that there is parallel planning and implementation, which leads to duplication and competition within the same space. This antagonism is also demonstrated by the lack of consolidated reports to the Council from the units.

Municipal departments and units operate in silos. They are actually competing in the same space. (P11)

It was also noted that political factors hamper the institutionalisation of LED, especially by overriding the arrangements of LED. In some instances, prime agricultural land is diverted for the construction of houses, which contradicts the LED plans.

The economy would dictate a particular direction but political factors would dictate otherwise. (P9)

Legislatively speaking, supply chain processes were viewed as contradicting and hampering LED implementation. Although LED may aim to source some materials or services from local suppliers, in some instances this may not be feasible due to the supply chain prescripts and policies. An example of such a case was given, stating that in a certain project, local brick makers were restricted from supplying bricks because they did not have a SABS certificate of accreditation. The local brick makers thus missed out on the opportunity to benefit from a project that was meant to empower local people. Some of the participants were of the view that seeing the contradictions with the LED principles largely depends on whether the concerned individuals are able to make the correct observations. Against this background, the participants concurred that the municipality does not live by LED principles such as manufacturing and using goods locally, thus economically empowering local citizens.

The municipality and local business tend to have parallel and contradictory plans and programmes when it comes to LED, for example the municipality wants growth to be towards Likazi (the south side of the municipality) whilst business wants it to be towards White River (the north side). (P9)

This was regarded as a serious disjuncture by Participant 9, as spatial planning is important in LED as it is through this that economic zones for growth are identified and set aside.

Things can slip through the cracks since there is no overall picture, council leadership and business leadership are not on the same page. (P3)

Current supply chain provisions hamper the successful delivery and realisation of LED ideals, there's just too much red tape. (P4)

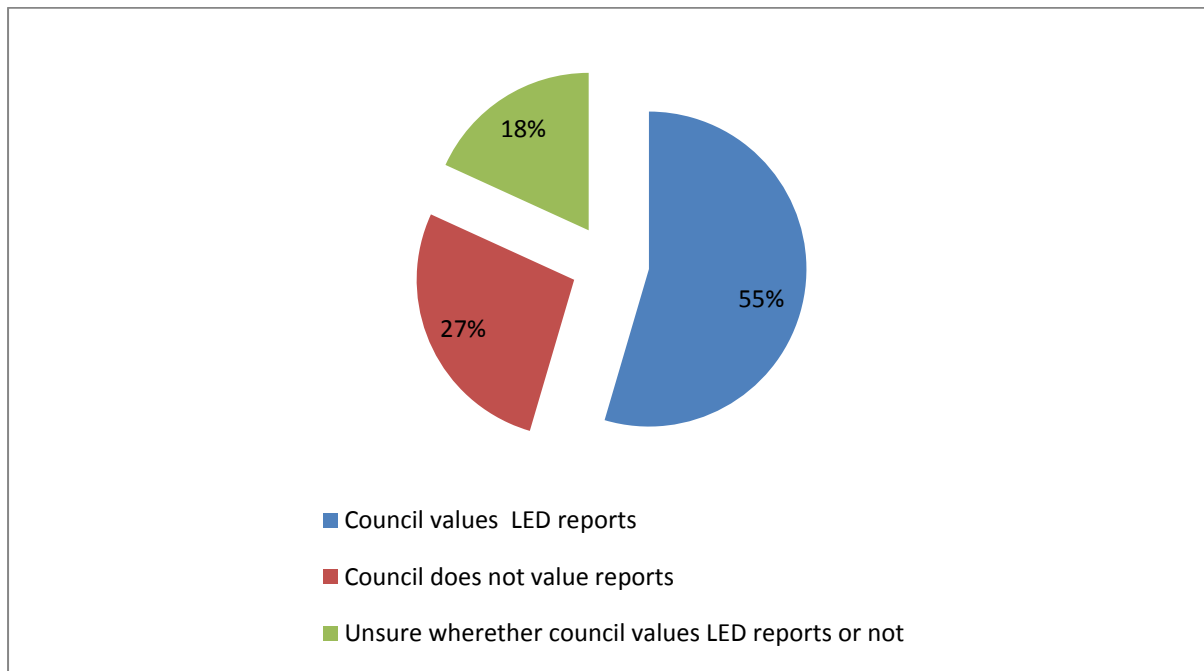
The policy environment, mainly SCM, hampers the meaningful implementation and realisation of LED ideals. (P5)

4.3.2 Value of LED reports

The participants indicated that the portfolio committee on LED receives reports from officials and submits them together with the corresponding recommendations to Council at different time intervals. Some reports are submitted once a month, others once a quarter and other reports are submitted on request. Some participants voiced dissatisfaction that the Council has a limited view on LED, i.e. instead of seeing it as a programme and incorporating its principles in a holistic manner, Council merely views LED as a list of projects. Some participants argued that Mbombela municipality does not want to subject itself to the District Municipality's reporting requirements, thus it does not even submit reports for inclusion in a district-wide LED performance report.

Mbombela does not submit any LED reports to the District Municipality, although they are required to legislatively because the districts have a coordinating and supporting role towards its locals. (P7)

Figure 5: Perceptions whether Council values LED reports



Source: Constructed by the researcher

The majority of the participants believed that the reports are valued by Council, as indicated in Figure 5. It was stated that there had been an increase in budget for LED, which according to the participants proves that Council considers LED reports and programmes to be valuable. Others concurred that Council values LED reports, adding that Council gives feedback, requests further information and sometimes conducts oversight visits for verification.

That the LED budget has been increasing is indicative of a council that is beginning to value LED and the reports thereof. (P9)

Council must strengthen monitoring and evaluation, especially verification of whichever report they receive. (P1)

Some participants stated that feedback from Council is rare, and argued that the reports are submitted for the sake of compliance, not because they are valued.

4.3.3 LED projects currently being implemented or envisaged

On the tourism side, it was reported that the municipality is developing township tourism routes, while the international fresh produce market is also under construction, although this is not a project run exclusively by the municipality. The International Conference Centre (ICC) has long been in the pipeline as well, but is still not complete. There was consensus between Participants 2 and 6 about piggery small scale projects of the municipality, which Participant 2 described as “*silly projects*”. This sentiment was qualified by Participant 6, who stated that the projects created by Mbombela are haphazard without a clear direction and focus.

Mbombela's key attraction is not well defined. (P6)

The municipality has a list of projects which have been there for years but are not being implemented due to lack of funding and clarity of concepts in the main. (P11)

The tendency has been to focus on small projects with no impact just for the sake of reporting and using the minimal budget. (P2)

Most participants stated that visible, tangible LED projects under implementation in the municipal areas are not driven by the municipality, but rather by businesses without the involvement of the municipality.

Economic development in Mbombela Municipality is driven by the private sector, they do not even have any inputs from the municipality mainly because they own serviced land and have the financial muscle to dictate and drive development in general. (P9)

4.4 AVAILABILITY OF RESOURCES

4.4.1 Financial resources

The question on the availability of the budget for LED was asked in an effort to delve deeper into the previous question. The aim was to contextualise the answers of the participants in terms of adequacy or inadequacy of resources, particularly financial resources. With regards to financial resources, there was a general feeling that LED does not have an adequate allocation of money.

There's money at the beginning of the year however it is always shifted to other priorities deemed to be more important than LED in year. (P4)

Some participants cautioned that although money is allocated at the start of the financial year, it is not ring-fenced solely for LED purposes, and is constantly transferred to other pressing matters within the municipality.

Based on the participants' answers to this question, it was observed that none of them knew the actual amount of the budget, yet despite this, they still indicated that the budget is not adequate because LED covers a broad spectrum such as infrastructure and entrepreneurship support. The LED budget, they argued, tends to be used for other priorities such as the payment of Eskom bills and employees' salaries, which are non-core to LED initiatives.

The LED unit in a municipality is not supposed to provide resources. They must facilitate and mobilise these from private investors. (P11)

Thus it was emphasised that LED sections must seek out investments and partnerships to fund big projects, as it is their responsibility to source funding, not to directly fund projects.

4.4.3 Capacity building

There was no consensus on human resources, as some participants said that the unit is understaffed while others felt that there are enough human resources to undertake the LED functions.

Some of the participants were not aware of any capacity building initiatives, while others were aware of such programmes, giving examples of various bursaries that are granted in order for officials to improve their qualifications. These bursaries are not exclusive to fields of study on LED however, but are for any field of study that may be beneficial to the overall activities of the organisation. SALGA was reported to have a capacity building programme for both officials and councillors, and other capacity building training programmes exist that are joint initiatives between SALGA and COGTA. Emphasis is placed on the capacity building of councillors.

The councillors must understand what LED is, its demands, programmes and plans... they need to champion LED. (P10)

The municipality must invest in LED capacity building for the LED unit and councillors so that there can be clarity and better understanding of what LED is, the LED mandate and its importance for Mbombela and in Mbombela. (P5)

The councillors play the role of championing LED, thus their understanding of it was said by the participants to be critical. Creating a conducive environment as well as managing relationships with stakeholders in order to attract investment requires the councillors' full ability and knowledge on LED matters.

4.5 PARTNERSHIPS IN LED

4.5.1 Inter-governmental involvement

Table 2: Roles of different governmental levels in LED

ROLE PLAYERS	PERCEIVED ROLES OF THE DIFFERENT LEVELS OF GOVERNMENT
National	<ul style="list-style-type: none">• Must establish legislation and policies that promote LED.• Must involve local levels of government in the overall comprehensive planning.• Must play a more tangible active role than just convening consultative meetings.
Provincial	<ul style="list-style-type: none">• Institutional support and governance through COGTA. SALGA to do research and advocacy. DEDT to focus on economic opportunities and activities.• Providing resources, not just playing a consultative role.• Capacity building.• Support in developing the LED strategy.• Not actively involved.• Only remembers municipalities when it is time to report.
District	<ul style="list-style-type: none">• To give support and to coordinate functions.• Not actively involved.
Municipality	<ul style="list-style-type: none">• Must develop functional LED programmes unlike current dormant situation.• Does not recognise the district, let alone cooperate.• Does not incorporate other stakeholders and operates in a silo.

Source: Constructed by the researcher

The provincial departments of COGTA and DEDT were said to not support the municipality in delivering LED.

Provincial departments do not play any role in assisting the Municipality on LED matters mainly because they themselves do not have the capacity. (P3)

Mbombela is not open to working with other stakeholders, neither the provincial government nor the district municipality; Mbombela does not cooperate and sees itself as a big brother to others. (P7)

4.5.2 Private sector involvement

There was congruency in the responses of the participants, who all said that non-local government-headed LED is widespread, with the private sector taking the lead as the main driver.

All LED implementation in Mbombela is happening without government. (P9)

However, some participants felt that private sector was intentionally side-lining government. This is because it has the land and the financial resources to drive development in general.

Business in Mbombela behaves like an island and they're untouchable, they undermine the municipality. (P10)

Still others felt that the local government is not open with the business community, saying that trust issues are always emerging whenever they seek to engage with them.

The municipality only remembers the private sector when there's trouble e.g. repayment of Eskom debt, water shortages, lack of cash flow etc. (P1)

To counter this phenomenon of widespread non-local government-headed LED, it was recommended that a viable and inclusive LED forum must be established. In addition, the private sector should be engaged regularly to build relationships, the municipality must get buy-in to collaborate, and municipal leaders must drive such engagements.

Other stakeholders were identified, such as:

- The Kruger Lowveld Chamber of Business and Tourism (KLCBT);
- The National African Federated Chamber of Commerce (NAFCOC);

- Youth Chambers;
- The Department of Mineral Affairs;
- Halls Land Owners and Properties; and
- Land restitution claimants.

Although the participants mentioned various stakeholders that Mbombela municipality partners with in driving LED initiatives, it was noted that the responses were not consistent with those given for questions 10 and 11, i.e. in the previous questions the participants had said that the local municipality operates in a silo without involving other stakeholders. Participant 2 remained consistent with the first answer given, stating that, *“Mbombela does not really partner with other stakeholders; they talk about it but never really do”*, as did Participant 5, who reiterated that the municipality works alone and does not do enough to attract investment. Conversely, it was mentioned by the participants that the government’s red tape and long turnaround times causes the private sector to prefer to proceed at their own faster pace without the municipality’s involvement.

According to some participants, the LED unit within the municipality mainly engages with stakeholders through Mbombela Economic Development Partnership (MEDP) meetings. This was found to be problematic, as it was stated that the LED unit does not participate in the IDP process of its own municipality, nor does it participate in district convened sessions of a similar nature.

According to one participant, Council, through its General Manager, has monthly engagements with local business, with engagements being set up through the newly formed MEDP. A conflicting view, however, was that Council prioritises other matters over LED, and that it should first align its own interests before blaming other LED stakeholders for not supporting it.

Council is not engaging with business at all, it only happens when the municipality feels like it. (P5)

Another participant said that Council has a tendency to only engage business when requesting contributions. Emphasis was placed on how the municipality should take

engaging with business more seriously, and that the municipal leaders, such as the Mayor and MM, should actively partake in the process.

It's important for council to meet with business for business to also gain trust in the municipality. Such programmes need political buy-in and support. (P6)

4.6 SUSTAINABILITY OF LED PROGRAMMES

4.6.1 Stakeholder involvement in sustainability programmes

The Municipal Public Accounts Committee (MPAC) is comprised of councillors, and conducts project visits to provide oversight, give support and unlock any bottlenecks throughout the phases of a project. The frequency of engaging beneficiaries may be quarterly, monthly or as often as required according to a project's needs, and the engagement may be through workshops conducted at ward level where other stakeholders are also invited.

Only one participant felt that there is frequent active engagement, saying that:

Council does not leave anything to chance. (P7)

An opposing view was that Council is not proactive in engaging beneficiaries, especially in the post project phase. Most participants recommended that projects be handed over to businesspeople to run once established, as they have the financial and skills capacity to guarantee sustainability.

The municipality must seek partnerships with business in running and sustaining projects so that these would achieve their objectives. (P1)

Business possesses the skills, expertise, time and resources to run projects and programmes to profitability, Mbombela must really involve them. (P9)

4.6.2 Post project handling

One of the participants was of the opinion that the municipality gives continuous support to projects even after the active funding and implementation phases have ended, hence they are sustainable, however other participants were not in agreement, as they felt that the municipality is not doing enough to ensure sustainability.

Sustainability depends on who initiated the project. (P1)

There are no projects that were implemented and sustained; these remain on paper. (P3)

An example was given of an uMjindi welding cooperative whose products cannot be used as they are not SABS accredited. While the municipality is aware of the predicament, they cannot intervene nor do anything about it, which results in a lost LED opportunity.

4.6.3 Monitoring and evaluation

The participants stated that officials and councillors visit projects to ensure that what is reported correlates with what is happening on the ground. Yet while the municipality has staff who are designated to conduct Monitoring and Evaluation (M&E), some participants said that they were not convinced that this was effective as the M&E team focuses on writing reports. Generally visits are conducted for monitoring, but there is no standard indicators through which project performance can be measured, no feedback is given in this regard, and these M&E reports are not published.

There needs to be tools and well defined indicators that will enable effective M&E. This will ensure that LED principles are institutionalised relative to project implementation. (P11)

It would be beneficial to furthermore have independent evaluators who would gauge performance during and post project phase, these would then feedback for improved performance in other projects. (P6)

M&E is only done during the funding and implementation phase and mainly gives attention to quantity not quality hence projects collapse. (P5)

There should be an impact assessment that is done after the active phase of project implementation is completed however this is not done due to lack of funds. (P8)

4.7 IMPROVING LED IMPLEMENTATION

4.7.1 Measures to improve LED implementation in the municipality

In Table 4, the measures that can be taken in order to improve the implementation of LED in the municipality are detailed. These are based on the participants' perceptions, drawing from their experiences in LED. The themes that were noted from the responses were then grouped into six categories, namely realistic planning, good project selection, prioritising LED stimulating projects, collaboration and stakeholder engagement, political championing and adequate resource allocation for LED.

Table 3: Measures to improve LED implementation in the municipality

CATEGORY	DESCRIPTION
Realistic planning	<ul style="list-style-type: none"> • The municipality tends to be over ambitious in setting goals which far exceed the available resources and capacity (Participant 5). • Keep abreast of knowledge and new developments in the LED field in order to remain relevant, factual and aligned with local and international trends when planning (Participant 11). • Plan for all phases of the project and also conduct monitoring and impact assessment (Participant 11).
Good project selection	<ul style="list-style-type: none"> • Project selection should be done according to good evaluation and selection criteria. Projects should deliver economic and social value (Participant 5). • There must be comprehensive planning in consultation with the local community, business and government (Participant 9).
Prioritising	<ul style="list-style-type: none"> • There should be a focus on initiatives that stimulate economic

economy stimulating projects	<p>activity, not just responding to social infrastructure (Participant 5).</p> <ul style="list-style-type: none"> • There should be clarity on the mandate, roles and responsibilities of the LED unit. LED must not be by-passed by other social matters. LED must be elevated (Participants 6 and 8). • Develop a clear investment strategy with incentives for private business (Participant 9) • The LED principles must be institutionalised and cut across the municipality's activities. An early warning system must be put in place to ensure alignment to LED (Participant 4).
Collaboration and stakeholder engagement	<ul style="list-style-type: none"> • The municipality should encourage multi-stakeholder partnerships in order to pool resources and attract investment (Participants 1, 8, 10 and 11). • There must be better coordination within the various inter-governmental sections. The silo mentality must be overcome (Participants 3 and 10). • The municipality must not get left behind and sidelined by the private sector. The municipality should be an integral participant (Participants 7 and 8). • Be responsive to issues raised by the private sector (Participant 11).
Political championing	<ul style="list-style-type: none"> • Political champions must support the LED initiatives and avoid meddling or bulldozing (Participant 2). • There should be good governance and good leadership based on sound knowledge (Participant 9).
Adequate resource allocation for LED	<ul style="list-style-type: none"> • Adequate resources such as equipment, human resources and finances should be allocated to enable the effective implementation of LED initiatives (Participant 3).

Source: Constructed by the researcher

4.7.2 Required government support for municipality LED

Figure 6: Support from government spheres to drive LED



Source: Constructed by the researcher

The factors listed in figure 6 were shared by the participants when listing the type of support that government spheres can give to municipalities for driving LED. It was noted that each of the stated factors are equally important and have a cyclical effect on each other, yet the municipality needs to be assisted to enhance its planning and delivery capacity. It was noted that the municipality is utilising the services of consultants, which adds a financial burden and time delays to projects. In line with this comment, it was stated that the municipality needs to develop skills transfers and expertise. COGTA must also play an active role to bring all the LED initiatives, as well as the relevant stakeholders, together. A strong view was expressed that:

COGTA does not play any role in Mbombela, it does not assist at all, it is invisible, it does not even attend any sessions convened by the municipality, all it does is place reporting demands on the Municipality. (P3)

Financial resources are a key requirement for the municipality, which must be supported by the national and provincial governments. Political influence must also be used to remove stumbling blocks and give leadership that prioritises LED. According to some participants, government spheres should fast track internal processes and streamline operations to avoid tedious and lengthy procedures that tend to delay implementation. One participant commented that it is not just about government spheres providing support however, noting that it is equally important that the municipality should accept the available support.

Support is offered but not taken or used well because things do not get implemented and there is no improvement. (P1)

4.7.3 Required stakeholder support to enhance municipality LED

The most cited form of support required by the municipality from stakeholders is funding and investment, while input from stakeholders during the consultation process is important for better planning and integrated development. A business-oriented culture and work ethic must be adopted and instilled in the municipality operations, and business intelligence and advice can also improve the LED functionality in the municipality. Finally, there should be joint implementation as well as shared proceeds and acknowledgement for mutual projects.

4.8 CHAPTER SUMMARY

Interviews were conducted with 11 of the 16 initially identified participants, all of whom were engaging and forthcoming with information. The contributions of the participants addressed broad issues and gave deep insights into important matters pertaining to LED. The results presented and discussed above give valuable insight into the participants' knowledge and experience, as well as their respective perspectives on the Mbombela Local Municipality's capacity when it comes to LED. The data collected confirmed that LED is an important programme worth pursuing at local government level in order to address the immediate challenges of poverty, inequality and deprivation. The next chapter discusses the research results.

CHAPTER 5: DISCUSSION OF RESULTS

5.1 INTRODUCTION

This chapter discusses the major findings of the research, which in turn paves the way for the recommendations that will be made in Chapter Six. The objectives of the research were as follows:

- To examine the organisational capacity of the Mbombela Local Municipality to drive Local Economic Development.
- To assess the extent to which Mbombela Local Municipality relates and works with stakeholders on Local Economic Development initiatives.
- To examine the extent to which Mbombela Local Municipality has identified and prioritised Local Economic Development in its Integrated Development Plan.
- To identify strategies for Mbombela Local Municipality to enhance Local Economic Development initiatives.

A number of themes emerged from the research data, and the discussion that follows is categorised in terms of these. The themes include the structure of the LED department, implementation of the LED strategy, availability of resources, partnerships for LED, sustainability of LED programmes, and improving LED implementation. Two of the eight themes have been identified as cutting across the other six, thus they have been integrated into the discussions with the other six themes.

5.2 STRUCTURE OF THE LED UNIT

The issue of structure is generally addressed in management literature, yet LED literature rarely touches on that area, focusing instead on the challenges related to resources. The findings of this study generally show that the current structure at Mbombela Local Municipality and within the LED unit is good. There was also general consensus among participants that as it is, the LED unit should be able to drive the relevant programmes and projects. Questions regarding whether the LED unit has a proper functional or operational structure were relevant, as LED can become crippled without the proper drivers in place. It is therefore pertinent to note the inconsistency in the responses given at this stage, and what the participants said elsewhere regarding the lack of key personnel or drivers in the LED unit.

A key issue that arose from the findings was the need to give the LED unit prominence. This would require that LED be made a standalone unit rather than being a subsidiary function of another department, with some suggesting that it be run from the Municipal Manager's office or even the mayoral office. The logic of this is to elevate LED, giving it a more commanding voice and not relegating it to 'just a coordinating' role, as is the case at the moment. Several departments run LED projects yet the coordination does not yield much because of powerlessness and a host of other challenges. Does this therefore imply that the position of the LED unit in the municipal organogram is not conducive for effective delivery? An analysis of the comments made at various levels seems to point to this.

The adequacy of the LED structure therefore remains a challenge, considering that the municipal's LED strategy tends to be poorly defined; with no consensus on what LED entails, the structure cannot be the correct one for all purposes. Abozeid (2017) showed that a lack of understanding of what LED entails is at the centre of non-performance. The different tiers and officials in municipalities have different understandings of what LED should entail (Ndlovu & Makoni, 2014), whether pro-poor (Rogerson, 2006) or pro-growth (Corona, 2012), or with a corporate-centred or informal approach (Blakely & Bradshaw, 2002). This in turn has major implications for the structural issues, because the nature of the LED approach adopted determines the best structure to be used. For instance, a corporate approach to LED requires a functional structure staffed with people with operational backgrounds who are often found in LED agencies.

While most participants downplayed the structural challenge, it was evident that some felt that LED in Mbombela is focusing on "silly piggery projects, spaza shops and informal bakeries businesses", while others felt that LED must just create a conducive environment for business. Such differences in opinion on the focus area would fade away if the municipality had a well-defined and proper structure that fit its purpose, as the unit would be able to pursue those projects that fit their budget and mandate. In the current situation, the municipality may have staffed the LED unit with personnel who can only make decisions up to the spaza shop level. Creating a conducive environment at the LED level requires that the staff be able to make or give policy directives; as it is, the current structure serves its purpose from one

angle, yet from another dimension it is inadequate. In terms of implementation, however, the critical question is whether LED projects can be implemented successfully under the current structure.

5.3 LED IMPLEMENTATION ISSUES

The findings on LED in Mbombela show that there are a number of implementation challenges. Among the issues noted by participants were concerns about a “silo mentality in planning”, parallel planning, duplication, competition and a lack of consolidated reports. Oduro-Ofori (2011) suggested that concentrating LED projects in one department helps with coordinating issues, and has been applied effectively in Ghana, while Harrison and Todes (2013) showed that lack of systems thinking not only wastes resources, but inadvertently introduces competition between departments that at best should be cooperating. With no consolidation of reports, Crescenzi and Rodriguez-Pose (2011) noted that such disjuncture is bound to scatter the efforts of any other tiers. Mbombela Local Municipality and Ehlanzeni District are two institutions very close to the space where LED must be visible yet they do not work collaboratively in implementing LED programmes.

Implementation is affected by the supply chain policies in Mbombela, which reflects the lack of coordination on LED by different departments across policy levels. The dependency of LED on other KPAs was emphasised by Thwala (2009) and Bailey (2014), who said that LED cannot be executed in a vacuum; hence an integrated approach is required from planning to implementation. Reports by Afrobarometer (2012) also showed that to a greater extent, LED depends on service delivery and is sometimes used to do fire-fighting when there are service delivery protests. The level of understanding required to execute effective LED transcends the normal departmental knowledge, so that the impact of other units can be assessed before challenges crop up.

The implementation of LED in Mbombela is said to be hampered by the Mbombela Municipality Council not having a sufficient knowledge and understanding of LED. Some participants accused the Council of viewing LED as merely a series of projects, which was highlighted by Meyer (2014b) as a challenge that often leads to the trivialisation of LED; the smaller the projects are, the more trivial LED is thought

to be. The present Council has taken more than a year to create a LED strategy which is still not approved; hence the capacity of the LED department to deliver is severely curtailed.

Overbeek and Van Apeldoorn (2012) highlighted the challenge of strategies that gather dust with no implementation taking place. With this trend, local municipalities find themselves having to review LED strategies that were never fully implemented, and resources are wasted as more consultants are paid to review otherwise unimplementable plans. As Meyer (2014) argued, the LED strategy review process becomes compliance-driven rather than results-driven, thus it seems that Mbombela has fallen into the same trap as other municipalities in South Africa (Ndlovu & Makoni, 2014; Seduma, 2011) and elsewhere in the world (Abozeid, 2017).

The results show that the budget for LED has increased over the years, which points to a positive direction for the unit, however whether the increase is due to inflation or indicates an increasing significance for LED is still unknown. More detailed studies are required to establish the impact of the increases on LED in Mbombela. In addition, not all of the participants agreed on the project focus of LED, hence measuring the capacity of the LED unit to implement projects remains a challenge.

It seems that the implementation of LED programmes will remain constrained, as the municipality does not have authority over the LED players. The participants indicated that the LED projects are being driven by the private sector, but not in partnership with the municipality. The importance of partnerships was emphasised by Reddy and Wallis (2012) and Mahlalela (2014), while Benner (2013) noted that networks and partnerships go hand-in-hand as they facilitate the harnessing of synergies.

5.4 AVAILABILITY OF RESOURCES

The findings show that there is a consistent lack of resources for LED, especially human and financial, however some participants highlighted that the resources themselves are not the problem, but rather how they are used. While the human resources may be considered sufficient in certain cases, the participants noted a worrisome trend in Mbombela that funds or budgets are often diverted to what are considered to be more pressing issues than LED.

A lack of resources is a common challenge that has been identified in most LED literature. USAID (2016), Afrobarometer (2012) and the Third World Forum for LED (2015) all generally agree that municipalities lack planning resources of all kinds, including internal skills, infrastructure and budgets. Paton (2014) traced this problem back to poor planning, arguing that it eventually leads to an un-implementable LED strategy.

Resources such as project champions do not form part of the daily human resource requirements, but they are critical. According to Meyer (2013), without LED champions, most LED long term programmes will falter because politicians tend to be in control of council budgets and without political support, noble projects may be watered down and shelved year after year. This problem is related to what Koma (2012) identified as a bias towards 'quick-win' projects versus long term projects. Quick wins are similar to a 'pro-poor' emphasis of LED, whereby the municipality wants to be seen to be doing something in the shortest possible time at the expense of the impact of the project. An emphasis on quick win projects has been traced to politicians pushing for projects so that they can amass votes in the next election (Koma, 2012).

The resource challenges noted transcend beyond physical and monetary issues to include a lack of capacity building resources, a lack of LED networks with the private sector, and generally poor management of LED facilities.

5.5 PARTNERSHIPS IN LED

A problematic observation from the findings has to do with the relationship between Mbombela and the district of Ehlanzeni, which the participants made clear is nothing short of acrimonious. While this relationship shows a structural challenge in the way LED is managed at Mbombela, the fallout between these two state institutions is not good for LED. Between Mbombela and Ehlanzeni the relationship should be symbiotic, which currently is not the case. Mutually beneficial relationships are also needed with business institutions such as KLCBT, NAFCOC, and the Youth Chambers. The reality according to the participants, however, is that the Mbombela municipality only engages the private sector when it is looking for donations or support that favour its operations or needs at a particular point in time. As Mbombela

works alone, other key departments such as COGTA and DEDET are noticeably absent, leaving the LED department vulnerable. This is contrary to the recommendations of Rodriguez-Pose (2010) and Abozeid (2017), who suggested that LED requires a holistic and integrated approach because LED has to deal with economic, social, welfare and political issues simultaneously. LED is not only another KPA among the five, but has the unenviable role of coordinating the other KPAs. In order to create a conducive environment for business, Barberia and Biderman (2010) argued that LED needs to be central, directing and at times dictating, policy directions. At the institutional level, LED plays an advocate role that is often equated with a referee position.

5.6 SUSTAINABILITY OF LED PROGRAMMES

There was consensus among the participants that the municipality has no capacity to sustain LED programmes. A notable example was given of a welding project that is now partially abandoned, which points to weaknesses in the LED model used by the municipality. A lack of skills capacity was cited as being a major reason for why the municipality cannot drive LED projects. Reports by GTZ (2015) described this challenge as a widespread phenomenon, concluding that project sustainability that is dependent on municipal funding is bound to fail. This is because municipalities have other challenges, thus they need to balance the many competing demands from various stakeholders.

Sustainability requires more than funding (O'Neill, 2011) or an expert strategy (Malemela & Yingyi, 2016). Swinburn, Murphy and Gog (2006) and Koma (2014) all recognised that sustainable LED is a collective effort between businesses and the community, stating that it is more complex than the basic models that see LED as just another way of expanding demand and supply. Sustainable LED programmes are engendered in strategic collaborative partnerships at the local, provincial, regional and national levels (Seduma, 2011; Nene, 2016). For local economies that are economically challenged, the piecemeal realisation of LED is ineffective.

5.7 MEASURES TO IMPROVE LED IMPLEMENTATION

LED implementation in Mbombela is facing a number of challenges, thus the participants identified various options that could improve performance. Most of the recommendations or measures suggested tallied with those from the literature, for example the participants suggested that the municipality embark on realistic planning using smart objectives, which is in line with observations made by Malemela and Yingi (2016). Smart planning would also be an effective way to deal with unimplementable LED strategies. The participants further noted that the lack of understanding of what LED is points to a need to institutionalise LED instead of rendering it a corner office job. Mahlalela (2014) made similar observations about Mbombela, noting that the trivialisation of LED leads to employees from many departments undermining LED objectives and projects. Oduro-Ofori (2011) went further to suggest that institutionalisation requires concerted efforts by the municipality to train personnel, not only to manage LED programmes, but also to capacitate them in business, financial and project management, among other essential knowledge platforms.

While some participants complained that LED in Mbombela has a tendency to focus on “silly projects”, Houghton (2016) described this as a tendency to focus on narrow issues, limiting LED to projects in agriculture, business development, crafts and tourism. This has also been linked to the pro-poor focus of LED, which Corona (2012) argued in the long term becomes a disadvantage for economic growth.

5.8 CHAPTER SUMMARY

LED is a mechanism for poverty alleviation and increasing incomes (Baird, 2011), which requires a collective effort. Seduma (2011) painted LED as everyone's business, which necessitates many issues being tackled at once. Developmental local governance, as per South African policy direction, requires that LED play a central role, yet given the challenges and weaknesses observed during this study, it is apparent that many solutions are needed to correct the current LED trajectory.

This chapter discussed the findings of the research in terms of the six themes that emerged during the data analysis. LED in Mbombela Local Municipality is facing

multiple challenges, and the capacity of the municipality at various levels has been called into question.

The following chapter, which concludes this study, gives a summary of the key findings linked to the study objectives. It will then also give recommendations which could assist in making LED a more useful tool for developmental local governance in Mbombela Local Municipality.

CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter presents the conclusion of this study and provides recommendations based on the findings of the study, as presented in the previous chapter. The purpose of this study was to assess the capacity of Mbombela Local Municipality to drive LED initiatives. The study assessed the LED reporting mechanism, the capacity of the implementers of the LED programmes, the capacity building process, as well as the availability of resources in the municipality, whether human or capital.

The literature review interrogated the LED concept, including the policies and legislative frameworks that guide its implementation in South Africa and the world at large. In conducting this study, a qualitative research approach was followed with purposive sampling being used to select the participants. Eleven semi-structured interviews were conducted as a way of collecting data, which were then thematically analysed and the findings thereof presented

6.2 SUMMARY OF KEY FINDINGS

This section summarises the key findings of the study and compares them against the objectives. The study had four fundamental objectives:

- To examine the organisational capacity of the Mbombela Local Municipality to drive LED.
- To assess the extent to which Mbombela Local Municipality relates and works with stakeholders on LED initiatives.
- To examine the extent to which Mbombela Local Municipality has identified and prioritised LED in its IDP.
- To identify strategies for Mbombela Local Municipality to enhance LED initiatives.

6.2.1 Objective 1

To examine the organisational capacity of the Mbombela Local Municipality to drive Local Economic Development

The study found Mbombela Local Municipality to be well structured to implement LED programmes given the human and skills capacity it has. This structure, however, was found not to be useful when it comes to decision making and giving due attention to LED-related matters. Although the financial side is not considered to be sufficient, the budget set aside for LED has been increasing over time, which is seen as willingness on the part of the municipal leadership to support LED. In order for the municipality to implement coordinated programmes, it should have a clear blueprint that guides LED, which is also known and supported by relevant stakeholders. Yet this study found that the municipality does not have an approved LED strategy that guides its programmes, and the new Mbombela municipality, which was established in August 2016, has still not adopted and finalised its LED strategy, thus a draft strategy is being used.

Capacity challenges do exist at Mbombela in terms of its ability to drive local economic development issues. Lack of capacity in this case refers to the inability of the officials given the LED mandate to coordinate the work of this important department among themselves and with other sector departments and the private sector organisations. Capacity challenges at Mbombela go beyond possessing requisite skills but also encompass the need to harness all the identified LED stakeholders and bring them to produce tangible LED programmes and projects despite the challenges faced. At the moment if the LED unit cannot show that they possess an economic punch sufficient to gain the respect of different internal and external stakeholders, then the capacity of the officials is brought to question. Possessing a huge or increasing budget without the respect or cooperation of the key stakeholders is not likely to make up for lack of LED initiatives.

As highlighted in the discussions, the municipality does possess a structure which could form the basis for driving LED initiatives. However the capacity of the LED unit to deliver in a politically charged environment such as Mbombela, largely depends

on support from the political side as well as the operational departments. This seems to be lacking and hence the capacity of the municipality to drive LED is questionable.

6.2.2 Objective 2

To examine the extent to which Mbombela Local Municipality has identified and prioritised Local Economic Development in its Integrated Development Plan

The Council receives reports about the performance of the municipality on its LED KPAs at different intervals. The study found that Council values these reports, which is supported by the increases in LED budgets over time. On the other hand, the study also found that Council does not understand what its role is on LED. This was supported by the view that LED budgets are often redirected during the course of a financial year to other priorities that are deemed to be more pressing and more service delivery focused than LED. A need to enhance the capacity of councillors in particular so as to deepen their understanding of LED was found to be critical. This, the study found, will elevate the LED function in the municipality, thus building the much needed capacity of the municipality to drive LED initiatives. This would also ensure support and buy-in from the political leadership, which is expected to champion the LED agenda for the benefit of the people of Mbombela.

6.2.3 Objective 3

To assess the extent to which Mbombela Local Municipality relates and works with stakeholders on Local Economic Development initiatives

The study found that the involvement of stakeholders, in both the public and private sectors, is crucial for the success of LED. Different government units and departments have responsibilities for the implementation of effective LED programmes, however the provincial departments of COGTA and DEDT were found not to be playing a meaningful role and not supporting the municipality as expected. In addition, the municipality itself was found not to be open to collaborations with provincial government departments and the district municipality of Ehlanzeni, thus private stakeholders were found to be driving LED programmes on their own in Mbombela, without any active or visible involvement from the municipality. This has affected the LED trajectory of the municipality, with the private sector driving it in a

particular direction and the municipality planning for it to be towards another. The study also found that the Council does not prioritise stakeholder engagements for the benefit of growing the local economy, and it does not value active partnerships and stakeholder involvement in LED and economic growth.

6.2.4 Objective 4

To identify strategies for Mbombela Local Municipality to enhance Local Economic Development initiatives

It was revealed through the study that the Mbombela Local Municipality is not currently driving or leading major LED projects. The provincial government of Mpumalanga is establishing the Mpumalanga International Fresh Produce Market in Mbombela, a project in which the local municipality is a partner. The study also revealed that the draft LED strategy of the municipality includes programmes which have been discussed over many years but which have not materialised, such as the establishment of an International Convention Centre (ICC) and a Special Economic Zone (SEZ) in the Kruger Mpumalanga International Airport (MKIA) precinct. The municipality's monitoring and evaluation (M&E) systems were also found to be insufficient, which has led to the unsustainability of LED projects and programmes. Key common strategies identified to assist the municipality in strengthening LED included improved stakeholder engagement, joint planning with private and public role players, adequate mobilisation of financial resources, and sound political leadership and governance of the institution itself. The need for the municipality to clarify and craft its LED path was found to be critically important so as to guide the implementation of the improvement strategies and rally all efforts towards a known, common and shared vision for LED in Mbombela.

6.3 RECOMMENDATIONS

Having interrogated and reviewed the literature extensively and undertaken this research, the following recommendations are made in relation to the findings:

6.3.1 Involvement of stakeholders in LED

Stakeholder involvement is essential for the successful implementation of any development programmes. Mbombela Local Municipality needs the effective

involvement of governmental and non-governmental stakeholders in its LED implementation programmes, from the planning through to the implementation and reporting phases. The municipality must capitalise on the significant government presence in the city and its centrality to the international markets of Mozambique and Swaziland. As discussed by Reddy and Wallis (2012), the establishment of sound and mutually beneficial LED networks plays a crucial role in LED implementation, as they inform the nature of the implementation mechanism. Strengthened relations must be established between Mbombela Local Municipality, the Ehlanzeni Districts, and the Provincial Departments of Cooperative Governance and Traditional Affairs and Economic Development and Tourism. Private sector involvement must also be enhanced, and support for the success of the Mbombela Economic Development Partnership must be mobilised and unreservedly given by the political leadership of the municipality.

6.3.2 Elevation of the LED unit in Mbombela

LED needs to be given enough prominence in Mbombela, both from within and without the municipal structures (Mahlalela, 2014). Economic growth and development, job creation, investment promotion and attraction require a concerted effort from leadership at the higher level. The city cannot afford to treat LED as a secondary function given its socio-economic challenges, thus the institutionalisation of LED should be fostered, as it can alleviate the underdevelopment and poverty challenges faced by the people of Mbombela.

6.3.3 Training and capacity development

The LED unit should continuously be empowered in order to take LED implementation in the City of Mbombela to higher levels. This is imperative for both officials and councillors in a municipal environment, particularly as councillors must have a thorough understanding of their municipality's LED trajectory in order to support and champion its course. As political champions, they must understand LED and be focused on LED goals. Political interference must be avoided; instead politicians must use their influence for the benefit of LED. According to Hu, Mason, Williams and Found (2015), training and capacity development play a critical role in business improvement programmes of any kind, with finance, business and project

management skills being some of the key skills necessary in a LED-focused environment.

6.3.4 Adoption of a growth-focused LED strategy and sector plans

Mbombela Local Municipality must adopt a growth-focused LED strategy through which it can elevate the LED function and present its plans, with which it can mobilise support and stakeholder involvement. There should be a focus on the sectors that have the most potential for growth, which can be done by developing anchor sector plans and strategies. For a big and growing city like Mbombela this is imperative; significant investment must be made in planning and drawing out a clear economic development path for the city. Investment promotion and attraction, manufacturing, agriculture, small business development and support are some of the sector specific areas of focus identified by this study.

6.3.5 Resourcing of LED programmes

A municipal LED strategy should be well resourced in order for it to bear fruit. As part of capacitating the municipal LED function, the availability of financial resources remains a key enabler and cannot be underestimated. The municipality must thus seek viable partnerships in order to implement its plans, hence the recommendation to develop an investment strategy for this purpose. It is expected that a LED strategy for a municipality like Mbombela would be multi-faceted, and would inform the resource requirements and provisions for the municipality.

6.3.6 Sustainability of LED programmes

The successful implementation of LED programmes requires effort and clarity on the part of LED practitioners in municipalities. Much investment is made in LED programmes in terms of time and limited resources, thus they cannot be allowed to deteriorate due to lack of use. Sustainability plans must be put in place with viable strategies that will preserve their longevity. These should be implemented together with the private sector in particular, given its proven business experience in running programmes to profitability. This will be easier if the private sector is involved in programmes from the beginning, as recommended above.

6.4 AREAS FOR FUTURE RESEARCH

LED remains a pertinent issue on the South African development agenda. At the time of finalising this research, the South African Government had convened a National Dialogue on LED for further engagement and debate on the subject, while the Mpumalanga provincial government also put the subject of LED on the agenda of its Executive Council as a matter for discussion. This has signalled a serious need for interaction between the different spheres of government on the subject of LED.

An assessment of the extent to which LED as a key programme of government is implemented in Mpumalanga Province should further be interrogated, both at the municipal and the provincial levels. Future studies could also focus on the impact of LED programmes implemented by the Mbombela Local Municipality on the livelihoods of local people. The municipality has many rural nodes, thus the efficacy of LED programmes in these areas could also be examined and explored.

6.5 CHAPTER SUMMARY

The main aim of this study was to assess the capacity of Mbombela Local Municipality to drive LED initiatives. The study had four main objectives, i.e. to examine the organisational capacity of the Mbombela Local Municipality to drive Local Economic Development; to assess the extent to which the Mbombela Local Municipality relates and works with stakeholders on LED; to examine the extent to which Mbombela Local Municipality identified and prioritised LED in its IDP; and to identify strategies for Mbombela Local Municipality to enhance LED.

The above recommendations were made in order to elevate, enhance and strengthen LED implementation capacity in Mbombela Local Municipality. According to Meyer (2013), LED should be everybody's business, because if successfully implemented, it will have an effect on all sectors of society. LED initiatives should not be viewed as stand-alone programmes as they form part of the key drivers of a local economy, including economic, social, welfare, environmental and political aspects (Abozeid, 2017; Rodriguez-Pose & Tijmstra, 2005). It is the belief of the author that implementing these will change the trajectory of the LED programmes currently driven by the municipality.

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APPENDICES

APPENDIX 1: GATEKEEPER LETTERS



April 26, 2017

To Whom It May Concern:

PERMISSION TO CONDUCT RESEARCH AS PART OF THE MBA QUALIFICATION

Name: Mapule Mirriam Mashiteng

Student No: 216073456

Dissertation Topic: "ASSESSING THE CAPACITY OF MBOMBELA LOCAL MUNICIPALITY TO DRIVE LOCAL ECONOMIC DEVELOPMENT INITIATIVES"

We confirm that the above student is registered at the University of KwaZulu-Natal for the MBA Programme. It is a requirement of the MBA that the student undertakes a practical research project in her final year of study.

Typically this project will be a "practical problem solving" exercise, and necessitates data gathering through questionnaires or personal interviews.

Your assistance in permitting access to your organization for purposes of conducting the research is most appreciated. Please be assured that all information gained from the research will be treated with the utmost confidentiality. Furthermore, should you wish any result/s or findings from the research "to be restricted" for an agreed period of time, this can be arranged. The confidentiality of information and anonymity of personnel will be strictly adhered to by the student.

If permission is granted, kindly confirm this by signing off on the following:

"I am aware of the nature and extent of the document and I am satisfied with all the obligations imposed therein."

Please note that additional information or conditions can be supplied by you.

Name in Full: MR TSIETSI PETER NYONI

Designation: HEAD OF DEPARTMENT

Company Name & Stamp: COATA

Thank you for your assistance in this regard.

Yours sincerely

Dr Cecile Gerwel Proches (Supervisor)
Graduate School of Business and Leadership, UKZN
Durban, South Africa



University of KwaZulu-Natal

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Durban, 4000, South Africa

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Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville



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INYUVESI
YAKWAZULU-NATALI

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"I am aware of the nature and extent of the document and I am satisfied with all the obligations imposed therein."

Please note that additional information or conditions can be supplied by you.

Name in Full: Mr. Muzumile Wiseman Mkhize

Designation: HEAD OF DEPARTMENT

Company Name & Stamp: DEPT. OF Economic Dev. & Tourism

Thank you for your assistance in this regard.

Yours sincerely

Dr Cecile Gerwel Proches (Supervisor)
Graduate School of Business and Leadership, UKZN
Durban, South Africa



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Please note that additional information or conditions can be supplied by you.

Name in Full: Mduduzi Lucky Mkosi

Designation: SENIOR MANAGER LED, TOURISM & RURAL DEVELOPMENT

Company Name & Stamp: EHLANZENI DISTRICT MUNICIPALITY

Thank you for your assistance in this regard.

Yours sincerely

Dr Cecile Gerwel Proches (Supervisor)
Graduate School of Business and Leadership, UKZN
Durban, South Africa

EHLANZENI DISTRICT MUNICIPALITY
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If permission is granted, kindly confirm this by signing off on the following:

"I am aware of the nature and extent of the document and I am satisfied with all the obligations imposed therein."

Please note that additional information or conditions can be supplied by you.

Name in Full: Malinda Erimbeek

Designation: Chief Operational Officer

Company Name & Stamp: Kruger Lawveld Chamber of Business & Tourism

Thank you for your assistance in this regard.

Yours sincerely

Dr Cecile Gerwel Proches (Supervisor)
Graduate School of Business and Leadership, UKZN
Durban, South Africa



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Website: www.gsbl.ukzn.ac.za

Founding Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville

CORPORATE SERVICES

Enquiries: F Banda

TO : MUNICIPAL MANAGER
CC : OFFICE OF THE EXECUTIVE MAYOR
MMC: CITY PLANNING AND DEVELOPMENT
GENERAL MANAGER: CITY PLANNING AND DEVELOPMENT
FROM : GENERAL MANAGER: CORPORATE SERVICES
DATE : 16TH May 2017
SUBJECT : REQUEST TO CONDUCT RESEARCH - LED

The above subject matter refers

Background

Training and Skills Development has received a self-explanatory request, from a local community member, Ms Mapule Mashiteng, who is currently registered with the University of KwaZulu-Natal to conduct a research in the City of Mbombela, with the following dissertation title: "Assessing the capacity of City of Mbombela to drive Local Economic Development Initiatives."

Motive

The said incumbent intends to administer the research through structured one-on-one interviews with the following identified Municipal Leaders and Officials:

- I. The Honorable Executive Mayor
- II. MMC : responsible for Economic Development
- III. Director responsible for Economic Development
- IV. IDP Manager
- V. Two -LED Practitioners

Kindly be advised that the information obtained from this research will be treated as strict and confidential and be utilised for academic purpose only.

All applicants will be fully informed about the purpose of the study and also assured anonymity and privacy during the study.

Your assistance on the above regard will be highly appreciated.

Page | 1

REQUEST TO CONDUCT RESEARCH - LED

Kind Regards



FT BANDA
MANAGER: TRAINING AND SKILLS DEVELOPMENT

Supported/Not Supported

JP RAMAPULANE
SNR MANAGER: PM & SKILLS DEVELOPMENT

Approved / Not Approved

NM SEANEKO
MUNICIPAL MANAGER

Recommended/Not Recommended

EM NKOSI
GENERAL MANAGER: CORPORATE SERVICES

Page | 2

APPENDIX 2: INFORMED CONSENT LETTER

UNIVERSITY OF KWAZULU-NATAL GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

MBA Research Project
Researcher: Mapule Mashiteng (0829972041)
Supervisor: Dr Cecile Gerwel Proches (0312608318)
Research Office: Ms P Ximba (0312603587)

Dear Respondent,

I, **Mapule Mashiteng** am a Master of Business Administration student, at the Graduate School of Business and Leadership, of the University of KwaZulu-Natal. You are invited to participate in a research project entitled: “ASSESSING THE CAPACITY OF MBOMBELA LOCAL MUNICIPALITY TO DRIVE LOCAL ECONOMIC DEVELOPMENT INITIATIVES”.

The aim of the study is to assess the capacity of Mbombela Local Municipality to drive Local Economic Development. Through your participation I hope to understand the problem better. The results of the interview are intended to contribute to improving the delivery of Local Economic Development programmes in the Municipality.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this interview. Confidentiality and anonymity of records identifying you as a participant will be maintained by the Graduate School of Business and Leadership, UKZN.

If you have any questions or concerns about participating in the interview or about participating in this study, you may contact me or my supervisor at the numbers listed above. The interview should take about 45 minutes to an hour. I hope you will take the time to participate.

Sincerely

Investigator's signature _____ Date _____

This page is to be retained by the participant

**UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP**

**MBA Research Project
Researcher: Mapule Mashiteng (0829972041)
Supervisor: Dr Cecile Gerwel Proches (0312608318)
Research Office: Ms P Ximba (0312603587)**

CONSENT

I..... (full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project.

I understand that I am at liberty to withdraw from the project at any time, should I so desire.

I hereby consent/do not consent to record the interview.

SIGNATURE OF PARTICIPANT: _____

DATE: _____

This page is to be retained by the researcher

APPENDIX 3: INTERVIEW QUESTIONS

INTERVIEW QUESTIONS

1. How is Mbombela local municipality structured to deliver on its local economic development mandate?
2. Within local government, where should local economic development be driven from?
3. What drives the municipality's local economic development agenda?
4. How often does council receive reports on local economic development and projects run by municipality's local economic development department? And are these considered valuable or just compliance driven? Please elaborate.
5. In your opinion, do you think officials have the requisite skills/expertise to initiate and drive led programs?
6. Does the municipality have any capacity building programs for officials responsible for local economic development initiatives? And for councillors?
7. Does the local economic development unit have enough resources (i.e. human, equipment, financial etc.) to carry out its objectives?
8. How much is the budget allocated for local economic development programs? In your opinion, is that sufficient to run meaningful local economic development initiatives? Please elaborate.
9. To what degree are local economic development principles institutionalized within the daily management of the municipality? E.g. are there warning lights when council takes decisions which undermine the principles of local economic development?
10. What are the roles of the different levels of government in driving local economic development initiatives within Mbombela? Please share examples.
11. How widespread is non-local government-led Local Economic Development and who are the key drivers? Please share examples.

12. Who are the stakeholders that Mbombela Municipality partners with in driving Local Economic Development initiatives?
13. How often does council engage with local business on Local Economic Development? And with sector departments?
14. Are there any major Local Economic Development projects currently being implemented or envisaged to be implemented in the near future, i.e. 12 – 24 months? Please elaborate.
15. How often does the Municipality conduct meetings with Local Economic Development Project beneficiaries to assess the effectiveness and impact of these?
16. How does the Municipality ensure the sustainability of Local Economic Development Projects?
17. Does the Municipality conduct any monitoring and evaluation at any stage of the project life cycle or even post?
18. What measures do you think should be taken to improve Local Economic Development implementation in the Municipality?
19. What kind of support does the Municipality need from other spheres of Government in order to be able to fully drive Local Economic Development Initiatives?
20. What kind of support does the Municipality need from other stakeholders in order to be able to fully drive Local Economic Development Initiatives?
21. Is there anything else that you would like to add?

APPENDIX 4: LETTER FROM EDITOR

PO Box 68648

Bryanston

2021

1st December 2017

To whom it may concern,

This letter is to confirm that I am a professional editor and proof reader and that I have edited Gugu Mashiteng's article, the title being: *Assessing the Capacity of Mbombela Local Municipality to Drive Local Economic Development Initiatives*.

For any queries, please contact me on jenniferrenton@live.com.

Yours sincerely,

Jennifer Renton

APPENDIX 5: SUPERVISOR'S PERMISSION TO SUBMIT

University of KwaZulu-Natal

College of Law and Management Studies



**UNIVERSITY OF
KWAZULU-NATAL**
**INYUVESI
YAKWAZULU-NATALI**

Supervisors Permission to Submit Thesis/ Dissertation for Examination

Name: Gugu Mahiteng	No: 216073456	
Title: Assessing the capacity of Mbombela Local Municipality to drive Local Economic Development Initiatives		
Qualification: MBA	School: Graduate School of Business and Leadership	
	Yes	No
To the best of my knowledge, the thesis/dissertation is primarily the student's own work and the student has acknowledged all reference sources	X	
The English language is of a suitable standard for examination without going for professional editing.	X	
Turnitin Report %	7%	
Comment if % is over 10%:		
I agree to the submission of this dissertation for examination	X	
Supervisors Name: Dr Cecile Gerwel Proches		
Supervisors Signature:		
Date:	30 November 2017	

APPENDIX 6: ETHICAL CLEARANCE



08 June 2017

Ms Mapule Mirriam (Gugu) Mashiteng (216073456)
Graduate School of Business & Leadership
Westville Campus

Dear Ms Mashiteng,

Protocol reference number: HSS/0710/017M

Project title: Assessing the capacity of Mbombela Local Municipality to Drive Local Economic Development Initiatives

Full Approval – Expedited Application

In response to your application received on 07 June 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and FULL APPROVAL for the protocol has been granted.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....
Dr Shamila Naidoo (Deputy Chair)

/ms

Cc Supervisor: Dr Cecil Gerwel Proches
Cc Academic Leader Research: Dr Muhammad Hoque
Cc School Administrator: Ms Zarina Bullyraj

Humanities & Social Sciences Research Ethics Committee

Dr Shenuka Singh (Chair)

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APPENDIX 7: TURNITIN REPORT

Final Dissertation 26 November 2017

by Mapule Mashiteng

Submission date: 26-Nov-2017 06:48PM (UTC+0200)

Submission ID: 885121335

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