

**THE SUSTAINABILITY OF LOCAL ECONOMIC DEVELOPMENT  
PROJECTS IN KGWALE VILLAGE IN THE BLOUBERG MUNICIPALITY,  
LIMPOPO PROVINCE**

BY

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SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS  
FOR THE DEGREE

MASTER OF DEVELOPMENT

AT THE

TURFLOOP GRADUATE SCHOOL OF LEADERSHIP

UNIVERSITY OF LIMPOPO, SOUTH AFRICA

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2013

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## DECLARATION

I, **SYDNEY ELIAS SEANEGO**, hereby declare that this mini-dissertation titled **THE SUSTAINABILITY OF LOCAL ECONOMIC DEVELOPMENT PROJECTS IN KGWALE VILLAGE IN THE BLOUBERG MUNICIPALITY, LIMPOPO PROVINCE** hereby submitted to the University of Limpopo for the degree **Master of Development** (degree and field research) has not previously been submitted by me for a degree at this or any other University; that it is my own work in design and in execution, and that all secondary material contained herein has been acknowledged.

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Sydney Elias Seanego

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Date

## **DEDICATION**

This research is dedicated to my God the almighty, “Modimo wa go phela”, for giving me all the strength, courage and wisdom to finish this study.

To Christina Mokgatjane Seanego, my beautiful wife, friend and sister for the continued support and understanding. You are the best and you are incomparable. Thank you very much.

To Makwena Calvin Perfect Seanego, my son and your family, my beautiful and beloved daughters, Ramokone Shiela Seanego, Kgabo Chantel Seanego and Kwena Molebogeng Iris Seanego. This is for you all. I hope you learned a lot from this.

**ISAIAH 59: 1-3**

## **ACKNOWLEDGEMENTS**

The following people made this challenging study easier and my heartfelt gratitude goes to them:

- My living God, the faithful God, God of the Father, the Son and the Holy Spirit for affording me the strength, courage and brains to work on this project.
- Christina (Mokgatjane), my beautiful wife, friend and sister for the continued support and understanding. You are the best and thank you very much.
- Dr Moyo, my supervisor, for guiding and mentoring me during my studies.
- Dr Nkealah for editing my work.
- My parents, Calvin and Cecilia, and my siblings for continuously supporting me and believing that I will make it.
- The community of Kgware village and their Headman.
- The employees of Blouberg Municipality and COGHSTA and everybody who assisted me in this work.

## **ACRONYMS/ABBREVIATIONS**

IDP	Integrated Development Plan
LED	Local Economic Development
COGHSTA	Department of Corporate Governance, Human Settlements and Traditional Affairs
M & E	Monitoring and Evaluation
ISRDS	Integrated Sustainable Rural Development Strategy
NEPAD	New Partnership for Africa's Development Plan
UN	United Nations
DPLG	Department of Provincial and Local Government

## **ABSTRACT**

Since the mid-nineties, Local Economic Development (LED) has been the focal point for the South African government led by the African National Congress. The aim of LED is to redress the injustices of the apartheid regime and to enable previously disadvantaged groups to be incorporated into the formal economy and to involve them in poverty alleviation programmes. So far, the government has spent millions of rands in funding LED projects, with the primary goal of ensuring poverty alleviation.

The purpose of this study was to investigate the sustainability of LED projects in Kgwale village (Devilliersdale) in the Blouberg Municipality, Limpopo Province, with the main aim being to establish the factors that enhance the sustainability of projects vis-à-vis those factors that hinder the sustainability of projects. A qualitative study was conducted with 18 participants who were members of the three (03) projects and with three LED project managers from the Blouberg Municipality, the Department of Corporate Governance, Human Settlements and Traditional Affairs and the Department of Health and Social Development. Data was obtained through semi-structured one-to-one interviews, focus group interviews and observations.

The findings of the investigation mostly confirm what other researchers have already discovered, such as the role played by the educational level of beneficiaries of these projects in the success of the projects. Only one person who was a manager of the two (02) projects, namely, the Moselatlala/Farming and Moselatlala/Brick-laying projects, had a post-matric qualification. This however was in education, which is not relevant to LED. None of the Sewing Project members had Grade 12. All the three projects did not keep accounting records and did not use the services of the independent auditor to audit their projects.

Most members in these projects were women, as in most projects in rural areas. The Sewing Project could not last for one year. This indicates that the members did not

have interest in sewing, because they did not receive proper training and sufficient support. The researcher sees this as an indication that the members lacked patience and perseverance. In the Moselatlala/Farming and Moselatlala/Brick-laying projects, the members stuck to the projects despite the fact that the projects were not yielding results. They did not see these projects as get-rich-quick schemes where people will easily earn a lot of money without much effort. The members worked tirelessly, hoping that one day they will earn salaries, until they decided to share the resources which they had acquired because they realised that their efforts were meaningless. The researcher suggests that further in-depth research be conducted on the factors that lead to LED projects collapsing instead of sustaining themselves, creating employment and being financially and economically viable.

# CHAPTER ONE

## ORIENTATION OF THE STUDY

### 1.1. Introduction

Local Economic Development (LED) is one response to the development 'impasse' which shares certain similarities with the post-development argument about the need to focus on more localised, innovative grassroots initiatives (Escolar, 1995; Nel, 2001). Zaaijer and Sara (1993: 129) define LED as "a process in which local governments and/or community based groups manage their existing resources and enter into partnership arrangements with the private sector, or with each other, to create new jobs and stimulate economic activity in an economic area". The World Bank (2006) mentions that the purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process whereby there is a collective partnership between the public, business and non-governmental organisations to create better conditions for economic growth and employment generation in order to reduce poverty. Within the context of this study, LED is the key concept discussed while the sustainability of LED projects in Kgwale village is the area of focus.

Nel (1999) and Rogerson (2000) mention that there are two main approaches to LED, namely, authority based and community based LED. These approaches can be categorised into pro-poor growth approach, which responds to issues like globalisation, business support and property development, and pro-poor approach which focuses on poverty alleviation, community-based development promotion, business development and locality development (Nel, 2001; Nel & Rogerson, 2005).

According to the Brundtland Report (United Nations, 1987), sustainable development can be described as development that meets people's needs at the present time

without making it impossible for future generations to meet their own needs. Furthermore, the report states that human beings are at the centre of concerns for sustainable development, and are entitled to a healthy and productive life in harmony with nature (United Nations, 1987). There are three principal components of sustainable development, namely, economic growth, social equity and protection of the environment.

In a memorandum of 19 November 2003, cabinet of the Republic of South Africa noted that the following needed to be addressed: an improvement of the dissemination of information to the poor about benefits and services to which all citizens are entitled; to assist the poor to access and benefit from the services that could materially improve their lives; to provide an interface or bridge between municipalities and communities; to enhance the existing local government structures so as to improve the level of participation between communities and the Integrated Development Plan (IDP), Urban Renewal Projects and Integrated Sustainable Rural Development Programme. The aim of this cabinet memorandum was to ensure that issues of service delivery play a critical intervention role in linking communities to services rendered by the government.

## **1.2. Background of the study**

Blouberg Local Municipality is a mountainous area located within the Capricorn District in the Limpopo Province. It is a small municipality with lots of development potentials. It is characterised by rural areas, and therefore technological advancement is essential for its development so that it becomes more efficient and effective in its communication.

The Blouberg Local Municipality covers an area of approximately 5054 square kilometres. It is situated about 95km to the western side of Polokwane. It covers a wide geographic area up to the Botswana border. Its portion straddles the Tropic of Capricorn. Since the Limpopo Province, and the Capricorn District in particular, is a territory characterised by high levels of unemployment and chronic degrees of

household poverty, the Blouberg area also has the country's lowest levels of income. The Blouberg Local Municipality has 139 settlements and 21 wards, with a population estimated at 161 322 inhabitants. It is today one of the least developed regions of the Limpopo Province (Blouberg Local Municipality Revised IDP 2004/2005).

According to the Blouberg Local Municipality's IDP for June 2004, the high level of unemployment in the area impacted negatively on society as it led to an increase in crime. Poverty was also at the core of the society's moral decay as it was the root cause of the proliferation of prostitution and substance abuse among the youth. In an attempt to address these problems, the Blouberg Local Municipality came up with projects that were aimed at improving the livelihoods of its inhabitants in areas such as education, infrastructure, water, sanitation, energy, housing, refuse removal or waste management, roads and public transport, and communications. Kgwale village is situated approximately 54km to the western side of Senwabarwana, which is part of the territory of the Blouberg Local Municipality. There are approximately 82 households with around 270 people in this village. The projects that were initiated in Kgwale village are the Sewing Project, Agricultural Project, Stone Project, and Marula Project. The objectives of these projects were to address the pro-poor growth, to alleviate poverty, and to increase agricultural income.

### **1.3. Significance of the study**

The findings of this study will be useful to both the government and the Blouberg Local Municipality in improving the sustainability of LED projects in Kgwale village. The study also contributes to knowledge on how to sustain LED projects.

### **1.4. Statement of the problem**

In terms of the South African Constitution Act 108 of 1996, Sections 152 and 153, and the Local Government Municipal Structures Act 117 of 1998, a municipality is compelled to adopt an IDP that promotes environmentally sustainable development. In an attempt to promote LED in rural areas, the South African government produced a policy document. There are projects that were put in place in Kgwale village that

were not sustained. Despite the assistance of LED initiatives, LED being a good strategy used by the government to achieve development at local levels, it is apparent that some projects in this village have not been successfully sustained. The number of unemployed and unskilled people as well as the high rate of poverty in this village bear testimony to this point.

As earlier noted, the projects that were introduced in Kgwale village are the Sewing Project, Moselatlala/Agricultural Project, Moselatlala/Brick-laying Project, Stone Project, and Marula Project. These projects were established to alleviate poverty in this village between 1995 and 2005, according to a source from the Blouberg Local Municipality. The status of government in development as stipulated in the 1998 White Paper on Local Government still remains a challenge to many local spheres of government in the country, and certainly a big challenge in Kgwale village – an area which has been neglected for many decades, even by the post-democratic dispensation. This state of affairs is what motivated the researcher to undertake this investigation.

### **1.5. Aim of the study**

The aim of this study was to investigate the underlying reasons why the local economic development projects in Kgwale village have not been sustainable.

### **1.6. Objectives**

The specific objectives of the study were to

- review the performance of LED projects in the area;
- assess the sustainability of the projects; and
- analyse the underlying factors which explain why they have not been sustainable.

### **1.7. Research questions**

The research questions for this study were as follows:

- To what extent do LED projects assist the people of Kgwale village?
- What is the participatory level of the community of Kgwale village in LED programmes?
- What is the financial viability of LED projects in Kgwale village?
- What is the economic viability of LED projects in Kgwale village?
- Were the people of Kgwale village consulted prior to the implementation of LED projects in their village?

## **1.8. Theoretical framework: the concept of sustainability**

### **1.8.1. Local Economic Development in South Africa**

LED has emerged in South Africa as one of the major post-apartheid development options which is being carried out in local communities with the encouragement of national government, articulating a strong community focussed and pro-poor emphasis (Nel, 1999; Nel and Rogerson, 2005). As Nel (2001) argues, LED endeavours have arisen from local economic crises and the initiatives of local leaders and the communities they represent. It is apparent that South Africa is not only faced with the inequalities that were created by apartheid but also with the challenges of neo-liberalism and globalisation. Nel and Rogerson (2005) argue that the need for targeted pro-poor LED in South Africa is evident by the high levels of poverty that require specific interventions.

### **1.8.2. South African policy context on Local Economic Development**

The Constitution of South Africa Act 108 of 1996 preserves the right of all South Africans to the service required to maintain a basic quality of life. The Constitution entrusts local government with the responsibility of service provision to its communities and the economic and social well being of its inhabitants (South Africa, 2002: 3). The 1998 White Paper on Local Government introduced the concept of developmental local government which is defined as “local government committed to working with citizens and groups within the community to find sustainable ways to

meet their social, economic and material needs and improve the quality of their lives” (South Africa, 1998: 17).

The White Paper also gives support to basic service subsidies, community organisations (through finance, technical skills or training) and linkage policies that directly couple profitable growth and investment with redistribution and community development in lower income sections of municipalities. In addition, local government is required to take a leadership role, involving and empowering citizens and stakeholder groups in the development process, to build social capital and to generate a scene of common purpose in finding local solutions for sustainability (Human Sciences Research Council, 2003). Rogerson (2003) comments that in terms of the mandate to developmental local government, the establishment of pro-poor local development strategies is critical and central for sustainable urban development as a whole, particularly in dealing with the apartheid legacy which has created widespread poverty.

The statutory principles for making these concepts operational are found in the Municipal Systems Act 32 of 2000. A key feature of this Act is the promotion of “Integrated Development Planning” (IDP) which is regarded as a key element in LED.

South Africa is considered as one of the few countries in the sub-Saharan African region that has been officially embarking on LED projects for more than a decade. A focus on LED strategies was introduced shortly after the discrimination era. Although many projects may be considered to be community development or so-called pro-poor LED projects, the larger metropolitan areas in South Africa, such as Johannesburg and Durban, have initiated LED interventions similar to those in Western Europe, North America and parts of Latin America and Asia (Nel and Rogerson 2005). According to Rogerson (2002), the official conception of LED in South Africa accommodates elements of what in the international literature is referred to as market-led and market-critical approaches towards LED.

According to Nel and Humphreys as cited in Nel (2001), the concept of LED is attracting considerable attention in government and policy circles. Even though the

concept is still relatively new in South Africa, it enjoys much wider acceptance and credibility and it is currently being initiated in variations which range from typical, Northern-style 'urban entrepreneurial' approaches pursued by the major cities to a host of community and NGO initiatives which share much in common with strategies pursued throughout the developing world (Nel, 2001).

In adopting LED as a strategy, the South African government is encouraging people at all levels of society to participate in economic decision making which explores creativity and builds entrepreneurship at all levels of society. Given the challenges that the country faces in job creation and poverty eradication, LED builds a platform for bringing 'all hands on deck' in working towards solutions. It is an acknowledgement that creativity, innovation and involvement of all groups are needed and can contribute to solutions. Another important reason for adopting LED as a policy is the push to democratize at all levels. LED can be described as a decentralization mechanism which allows local and regional governments and their communities (business, labour and society) to create new jobs and stimulate economic growth in an area. In South Africa, LED tends to have a more distinctive pro-poor orientation, and the degree of national state endorsement of local-level action is particularly noteworthy (Rogerson, 2003; Nel, 2001).

In South Africa, the LED policy focused on joint ventures between government, the private sector and local communities. The element of survival and self-reliance on indigenous technical knowledge, production systems and livelihoods are key characteristics of the strategy (Nel, 1999). Nel (1999) has the view that the single most important purpose for LED in many poor (rural) communities is to make a living in order to survive, rather than to participate in the global economy. LED also features prominently in the country's Urban and Rural Development Strategies. Some of the key principles underlying the LED strategy in South Africa include the following:

- Job creation and poverty alleviation;
- Targeting previously disadvantaged people and marginalized communities in rural areas;
- Community involvement and local leadership; and

- Use of local resources and skills.

While the South African government is trying to ensure the successful implementation of LED, there are still challenges facing the country, such as some confusion on what LED exactly is as well as its limited capacity.

### **1.8.3. Integrated Development Plan**

The IDP is a five-year strategic development plan for a municipality and serves as the principal strategic management instrument (South Africa, 2001; South Africa, 2002). The IDP approach was introduced in 1996 by the Department of Provincial and Local Government as a form of strategic planning for local government in South Africa. It is one of the key tools for empowering local government to cope with its new developmental role and is the principal planning instrument that guides and informs all planning and decision making in a municipality. Local government in its currently demarcated form has only existed since the end of 2000; its terms of the Municipal Structures Act 117 of 1998 and the first comprehensive IDPs were only completed in 2002 (South Africa, 2001; United Nations, 2002).

Integrated development planning is a function of municipal management and is part of an integrated system of planning and delivery. The IDP process is meant to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development, and institutional transformation in a consultative, systematic and strategic way. It is for these reasons that it is not only meant to inform the municipal authorities on key issues, but also to provide assistance on the activities of other spheres of government, link service providers, NGOs and the private sector which have interest to operate within the municipal precinct.

In line with the National Department of Corporate Governance, Human Settlements and Traditional Affairs (COGHSTA) and the Municipal Systems Act 2000, the IDP approach has to conform to specific methodological principals. It has to reflect the priority needs of the municipality and its residents and ensure that available resources are used in an objectively orientated manner. This means that the plan should be strategic and based on informed and implementation-oriented process.

IDP must not be ambiguous but specific enough to inform business plans, budgets, and land use management decisions within the municipality. This process is facilitated through the application of specific methodological tools, designed to support the integrated development planning process (South Africa, 2002).

#### **1.8.4. The purpose of IDP**

The municipalities cannot effectively and efficiently function without an IDP. An IDP helps the municipality to make more effective use of scarce resources at its disposal. It assists the municipality to speed up delivery due to the time frame that will be set in the IDP. It attracts investors locally, regionally and possibly abroad. It attracts additional funds. IDP helps a municipality to strengthen democracy and enhance institutional transformation. It is important in that it helps to overcome the apartheid legacy at local level. It promotes intergovernmental coordination and cooperation. It fosters more appropriate service delivery by providing the framework for economic and social development within the municipality. By doing so, it contributes towards eradicating the development legacy of the past, by being the local strategic mechanism to restructure our cities, towns and rural areas. Integrated development planning ensures that

- i. a shared understanding of spatial and development opportunities is created,
- ii. specific pro-poor strategies are being pursued,
- iii. an overview of planned public and private investment is provided,
- iv. mechanisms to promote social equality through participatory processes of democratisation, empowerment and social transformation are put in place, and
- v. instruments to address sustainability in its three facets, namely, ecological, economic and social, are created.

## **1.9. Definition of concepts**

### **1.9.1. Community development**

The word 'community' is used a lot in academia. Sometimes it is not understood or used properly. The word community means a group of people who live in the same area, or a group of people with a common background or with shared interests within society (Mtapuri & Thabethe, 2010). There is lack of agreement over what the goals of development should be. This situation has led to different theories and strategies which try to explain what development is and how it can be achieved. It is probably correct to say that differences in the meaning of development contribute to the difficulties experienced in finding solutions to the challenges faced by the mass of the people. Nevertheless, development approaches can be divided into two categories, namely, growth-centred and people-centred approaches. In the growth-centred approach and theories of development, economic growth constitutes the most important goal.

Community development aims to promote human development, empower communities and strengthen their capacity for self-sustaining development. Community development cannot be separated from economic development because the two concepts aim at economic growth where the community is directly involved. Community development has characteristics that separate it from other concepts, namely, felt needs, meaning that community development seeks to address the felt needs of the people. It must be the local community themselves who must define their needs and not the government or a non-governmental organisation (NGO). Any government or NGO that wants to be effective in its development efforts must engage in dialogue with the intended beneficiaries to determine their needs. Community participation means that the community of Kgwale village's participation forms the basis of community development.

It is important to note that community development is directed at promoting better living for people in their local communities, especially the marginalised and disadvantaged rural communities such as Kgwale community. Therefore, community development directs us to local communities and assists us to determine whether

there is any real improvement in people's lives at this level. An educative process is necessary, which means that for the community to meet its objectives it must be an educative process and it must continuously improve the ability of the people to deal with the challenges confronting them. There are several ways in which the community of Kgwale village can participate in community development in order to make projects sustainable.

### **1.9.2. Training on sustainability of LED projects**

Sustainability of LED projects could be successful if community development workers in Kgwale village were given tasks of offering training to the local community. LED projects cannot take place without the inclusion of community development workers because they have many tasks and roles to play in the initiation and implementation of LED projects. If development is to happen and sustainability be maintained, community development workers must be fully hands-on in every step of the process. They also have a duty to train people to become motivators, mobilisers and advisors for people who want to be in charge of their own lives. This is so because the learning process is a vital aspect of community development. Community development requires that as many role players as possible be available to share similar types of training in LED projects so that projects can be sustainable.

It is however expected that the trainers in LED projects be in possession of special skills, capabilities and talents that are not common. They must have motivational skills to attract local community members to be a willing part of projects so that they can also feel that they are the owners of projects. Trainers must also have a great deal of practical experience. There must also be opportunity for interaction and dialogue between community development workers and local community members.

The community development worker can become a facilitator of a process of knowledge creation by the community members. However, the community development worker should be ready to accept challenges encountered during the initiation and implementation of LED projects and regard these challenges as an opportunity to learn. The community development worker should have faith in

humankind and show humility, because dialogue cannot take place without such skills and abilities.

### **1.9.3. Benefits of community participation in LED projects**

Participation aims at empowering the community. As a result, individuals, their communities and organisations gain mastery over their affairs. People-centred empowerment strategies emphasise human and social development. Empowerment, as a collaborative process, should enhance individual and collective capacities, improve efficacy, and address inequalities. Where poverty is implicated or involved, it should promote social and economic justice and contribute to people's wellbeing, as it assists individuals and groups to gain a critical understanding of themselves and their environments. It should also develop collective identities and social solidarity and empower people to gain resources and power, enabling them to achieve individual and collective goals, to achieve greater equity, and to enhance individual and collective capacities to sustain their achievements.

Participation in LED projects and co-operational community approaches further promise to advance intergroup relations and may result in a feeling that is equally shared by all the community members of Kgwale village. This may lead to strategic integration of people from different backgrounds into joint community projects in contributing to increased dedication of individuals and groups, and participation can thus be described as the "engine of community life". This brings a notion that genuine partnership among dedicated community members is a successful way of bridging and overcoming variations and creating inter-community wellbeing. If genuine partnership amongst members of Kgwale village is achieved, people in Kgwale village can experience the benefits of active participation by suggesting and receiving ideas, discussing issues that affect them, engaging with others and providing recommendations, which will contribute to the capacity to function as one unit or team. The partnership can result in active involvement of all participants and final agreement of all principal parties to an issue, which increases the likelihood of successful identification of community with LED projects and community life in general.

Participation in LED projects also creates the belief that a disadvantaged and/or divided community such as the Kgwale community will have the capacity and ability to help itself through newly established connections or networks. In an attempt to achieve the community's desired positive outcomes for community projects, the community has to be encouraged to work together. It needs to develop structures and a network wherein every member of the community has a specific role to play, so that they can all contribute in the projects and be genuinely valued by others. There should be a sense of inclusiveness, building of trust and appreciation, as well as a common sense of purpose. These are issues of importance that should be fostered within all LED projects.

The environment can be made enabling for community members to learn technical skills necessary for them to carry out their LED projects. These skills could be in various types of farming, sewing and marula projects. In addition to the latter, they can acquire administrative skills through community development projects. They can learn to keep proper records of what their activities involve, conduct meetings, and manage time as well as people. The community of Kgwale village can also learn, through LED projects in their area, to resolve their conflicts and to address problems together. It is through their participation in LED projects that the community of Kgwale village can acquire confidence in itself and learn to become self-reliant. The educative aspect of LED illustrates the interrelationship between various dimensions of development. Through their joint learning (social aspect), members of the community of Kgwale village increase their opportunities of implementing their LED projects successfully (economic aspect).

All community development projects are built on needs and resources. Therefore, the starting point of any project is a resource or a need. An approach of community development can be done from a problem-solving or an asset-building angle. An asset-based approach is important in making sure that community development is a success. Asset-based community development focuses on what the communities have instead of what they need. The aim is to build from within and focus less on what can be added from outside. According to Kretzmann and McKnight (1993: 6), communities can begin to assemble their strengths into new combinations, new structures of opportunity, new resources of income and control, and new possibilities

for production. An asset, according to this approach, is not only physical objects or money but also includes personal attributes and skills and the relationships among people through social, kinship, or associational networks.

According to a statement from the Community Development Foundation, community development is a structured intervention that gives communities greater control over conditions that affect their lives. However, this does not bring a solution to all the problems faced by a local community, but it does assist in building up confidence to deal with such problems or challenges as effectively as any local action can. Community development discharges the duties at the level of local groups and organisations rather than with individuals or families. The range of local groupings and organisations representing communities at local level constitutes the community sector.

According to Pro-poor LED in South Africa (2006), economic development is clearly perceived and defined very differently by various municipalities. For example, Ethekhwini (Durban) defines it as building a globally competitive region so that all communities can benefit from economic growth, while for Johannesburg the focus is on creating a conducive environment for investment. For Mangaung (Bloemfontein), it is about having both market and pro-poor initiatives. The most sophisticated statement of focus was provided by Cape Town which stated that economic development is the process through which partners from the public, business, labour and non-governmental sectors work collectively to identify, utilise and harness resources to grow and transform the economy in specific local areas, through implementing specific projects that build on opportunities and/or address economic development constraints.

According to the Integrated Development Plan 2011-2016 for the Blouberg Local Municipality, Blouberg Local Municipality has a LED strategy which identifies the key drivers of the local economy (Blouberg Local Municipality, 2011). This is mainly agriculture which involves an abundance of land mainly utilised for agricultural development. The Blouberg area consists of two economies in the farming sector: the established and commercial white farming community and the less established and subsistence black farming community. The strategy also identifies game farming

as one of the pillars of the agricultural sector, particularly the one practiced in areas around Alldays and the surroundings farms, which include livestock and game farming, crop and vegetable farming. Tourism is also the key driver of the local economy due to the Municipality's rich cultural and heritage background. This is evident in the rock art paintings at the Makgabeng Mountains, the Malebogo/Boer battlefields which have been declared a Provincial Heritage Site, the footprints of the missionaries at areas such as Leipzig and Milbank, the existence of the two nature reserves (Malebogo and Blouberg), and the game farms which attract international tourists. Retail and SMME development is the other key driver that recognises the need for job creation through SMMEs and retails as pillars of growing the economy and creating jobs.

However, the strategy notes that the local retail sector has not been doing well in sustaining itself and recommends that the municipality be proactive in the coordination of the retail and business sector and come up with ways of sustainability support. It identifies nodal points such as Eldorado, Alldays and Senwabarwana as areas where major retail should be encouraged. The last key driver is mining deposits which have a potential of growing the economy and creating sustainable jobs if explored and mined to the maximum. Potentials of mineral deposits are found in areas such as Harriswich (Platinum) and Arrie and Steamboat Farms (pencil and coal, gold and other minerals). There is also a large potential for sand mining within the Blouberg area, in places such as Indermark and Eussorinca.

Community development is a skilled process and part of its approach is the belief that communities cannot be assisted unless they themselves agree to this process. This was supposed to have been the case with the community of Kgwale village. There should have been proper consultation with all community members about the decision to initiate LED projects in their area, and the role that they are expected to play in the projects. Therefore, community development has to look both ways: not only at how the community is working at the grass roots, but also at how responsive key institutions are working to the interests of local communities.

Community development is crucially concerned with issues of powerlessness and disadvantage. It offers a tendency which is part of a process of social change

(Working Statement on Community Development from the Standing Conference for Community Development). Community development's key purpose is to build communities based on justice, equality and mutual respect. It involves changing the relationship between ordinary citizens and people in positions of power and authority, so that they can participate in issues that affect their lives. It starts from the principle that within every community there is a wealth of knowledge and experience which, if correctly and appropriately used, can be channelled into collective action to reach the community's desired or common goals.

Development is about the community members and the way they live, not about objectives, things or services given to them. It is a process in which a community strives to make it possible for all its members to satisfy their fundamental human needs and to enhance the quality of their lives. The fundamental needs involve understanding, participation, creativity, identify and freedom. These are not things that can be satisfied merely by providing services. For LED projects to be complete and sustainable, they must involve the beneficiaries of Kgwale village and assist them to develop skills in order to understand the real causal factors of their problems or challenges. They must also help community members to take initiative, be creative, and participate in and organise activities. LED projects are also about reflection and action where community members need to be taught about both. They involve a long-term improvement and changes for people and their target community areas and include the community's rights to get justice and equal opportunity in all areas and levels of life. They must be focused on improving people's lives, interests, and whatever they share. They also include the elevation of people's economic situation, knowledge and skills to meet their fundamental human needs and enable them to achieve self-reliance, understanding and sustainable changes in life. LED projects in Kgwale village are supposed to be approaching development in ways that are lasting, rather than depending on continual external assistance and intervention. Sustainable development is indeed the roots for growth and development.

#### **1.9.4. Community participation**

According to De Beer and Swanepoel (1998) , community is often defined in terms of geographic location, of shared interests and needs or in terms of deprivation and

disadvantage. Implicit in the use of the concept is either the image of traditional African village or the urban slum or squatter settlement. McKay (1999: 14) defines the concept of community as a group of people who have things in common. She states that the communities can be loose-knit or close-knit. Communities are said to be close-knit if there are strong bonds between its members. By contrast, they are loose-knit if there are no strong bonds between members. Most rural communities are close-knit because members work close to one another. They exercise the spirit of Ubuntu. LED projects can only be sustainable if the environment is conducive enough to build participation in the projects that are available to the community.

The community of Kgwale village was supposed to be mobilised to participate in development efforts or projects, but there must be a clear view of what participation really means, what it really is. The community of Kgwale village cannot be mobilised and then restricted in its participation or being prescribed its participation. That is pure tokenism. Many people often confuse participation with involvement. These two are different because participation means that the community is mobilised to participate, to do so completely, in all aspects of projects at their disposal. They become part of the decision-making and planning of the project. They will also be part of the implementation and evaluation of the projects. If necessary, they decide on projects' course adaptations, to keep projects on track. In fact, they participate fully in the management of projects. On the other hand, involvement means that they are simply part of the projects without being recognised as the main or key participants in the projects and without being allowed to own the projects.

Community participation means that the community must be encouraged to welcome participation and to embrace it. It must be identified where the community can fit into the process easily. The environment in Kgwale village must be able to offer a variety of job opportunities to enable every community member to find roles that fit their talents and interests. Community participation and community empowerment in LED are inseparable in that the two concepts have similar techniques of engaging the community in participation, namely, by personalising contact with community members through face-to-face conversations, increasing community involvement in the LED projects, providing a reluctant community a safe way to explore participation, recruiting of new community members to the board or committees,

involving community members in specific community activities, allowing community members make decisions that affect them, and ensuring that the community buys in to board actions or activities.

Community participation has been singled out as one aspect that is not present in many community development projects. The people at grassroots level are often not consulted on issues of development. In many cases, the people who claim to be knowledgeable about the problems affecting the rural people are those who make development plans in urban areas. In such cases, it is often noticed that development projects designed by them are often not compatible with the needs of the rural poor, and this attitude does create a serious problem (McKay *et al.*, 2000).

#### **1.9.5. Beneficiary participation**

Beneficiary participation in planning, preparation and implementation in any project is very important for the project's sustainability. The Integrated Sustainable Rural Development Strategy (ISRDS) indicates that beneficiary participation in the selection, execution, supervision and financing of project investments ensures that investments respond to true, perceived needs, and generate cost savings and increased accountability at the local level. Participation in priority setting and design of projects enhances organisation (either of the community or household), heightens awareness of available programmes and services, facilitates participation and increases cost-effectiveness.

According to Ngobese and Cock (1995), participation is essential at all stages of any project in order to ensure optimal benefit to those individuals most in need. Bremmer & Visser (1995) contend that participation encourages co-operation, negotiation of skills, learning to debate, finding of purpose, and most importantly decision-making. Community members or participants become active change-agents, engaging in collective, self-reflective inquiry. Self-belief is created in participants to bring about change within their own lives (Todhunter, 2001), thus addressing the core of social vulnerability. The community is furthermore directly involved in the design, generation, implementation, interpretation and dissemination of data and information with regard to project operations (Gardner, 2004). Income-generating projects with a

people-centred approach provide communities with the opportunity to generate additional income, and gain self-respect and dignity (Mavalela, Schenck & O'Neil, 2002). According to Moller, Senekal and Kruger (2002), a people-centred approach ensures that individuals become active participants, thus providing themselves with opportunities and not simply receiving benefits. Community participation takes place when the individuals of the community become actively involved in the development process. Participatory techniques acknowledge individuals to be knowledgeable of their own circumstances and immediate environment, and to be able to address their challenges (Khanlou & Peter, 2005).

#### **1.9.6. Participation in projects**

Participatory management of LED projects means that the community members of Kgwale village should be full partners in the initiation of the projects and should play a leading role in the management of the projects, since they would be affected by the changes the projects aim to bring. Local people have a much better understanding of their own circumstances, needs and aspirations than anybody on the outside. It is believed that the people can make better decisions within the framework of their own understanding of their situation. This is one major reason why the local community should participate in local economic development projects. In addition, it is their democratic right to participate in decisions that affect their lives. Their exclusion from participation in project issues is a violation of their human right and dignity. Community participation in projects means that local community members must take part in the management of their own lives and their own environments; in this instance it means local economic projects.

Community participation in local economic development projects includes

- identifying and making decisions on issues, needs and problems they consider important or believe need some change,
- implementing projects aimed at changing unacceptable situations in a positive way,

- evaluating and adjusting the project and its processes in order to see if they are successful in addressing their needs and in changing their circumstances for the better, and
- taking full responsibility for and control over projects and processes they have embarked upon.

For LED projects to be sustainable in Kgwale village, there must first be active community participation which is key to building an empowered community because it leads to critical community success. It means that the community of Kgwale village must be involved in community activities, meaning that business is not merely run by an elite leadership, but it is the work of everyone. The community of Kgwale should be open to involvement by all groups, and responsibilities should be divided up so that the special talents and interests of contributing organisations are appropriately engaged. There should be a decentralisation of power and responsibility.

If the community of Kgwale village were to be engaged in participation in the projects at their proposal, they would conduct their business openly and make it public. The Blouberg Local Municipality was supposed to inform them about community work and the opportunity for personal involvement in clear and meaningful roles. For the projects to be sustainable, all people in the community must be invited and welcomed because they all have some kind of skill, experience and potential to improve their lives in various forms.

They must be invited regardless of colour, age, level of education, occupation, personal reputation, disability or religion. Sustainable development requires that participating communities not sit back or sit by passively, waiting for a diverse group of citizens to present themselves, as it was the case in our apartheid past where people were stopped from stepping forward in deciding about issues that affected them. The community of Kgwale village, if they were really participating in the LED projects, were supposed to operate openly and with an open mind. They were not supposed to be controlled by a single organisation or group, namely, the development or change agents. The active participation of Kgwale community members would enable their leadership to be used in facilitating discussions on a

diversity of viewpoints, as opposed to the use of development or change agents who may focus on pushing their own agenda which is likely to be detrimental to the local community.

These projects cannot be made sustainable unless there is Community Economic Development which is based on developing community self-reliance, through human resource development and skills enhancement. The main objective of this strategy is poverty alleviation by improving the capacities of disadvantaged communities to create sustainable livelihoods for themselves. It is all about addressing the pro-poor growth challenges, especially in the rural areas because they have been forgotten for too long.

Community Economic Development focuses on combining employment training, human services and enterprise development to enhance access for job creation, careers and self-sufficiency for disadvantaged communities (United Nations Division for Sustainable Development, 2002). This means that the aim of this strategy is to equip and capacitate communities in disadvantaged positions to take advantage of existing job opportunities, and to create new job opportunities by establishing small businesses.

#### **1.9.7. Community upliftment**

One of the most important aspects of projects in South Africa is that they should include some form of community upliftment and development. The development Facilitation Act 65 of 1995 sets out certain guidelines for community development and land usage. In order for a project application (business plan) to be successful, the project team should take integrated development into consideration to ensure that part of the project will involve the community and create capacity building or employment (Knipe *et al.*, 2011).

# **CHAPTER TWO**

## **LITERATURE REVIEW**

### **THEORETICAL PERSPECTIVE AND EMPIRICAL EVIDENCE OF LED PROJECTS IN SOUTH AFRICA**

#### **2.1. Introduction**

In South Africa, the prevalence of poverty and inequality is more evident in rural areas than in urban areas. The gap between the rich and the poor continues to widen. The poor are victims of cultural destruction, social injustice and economic debt, while their chronic struggle for the basic human rights to clean and healthy environment continues. They are, as such, the greatest threats to global sustainable development in the 21<sup>st</sup> century. An articulation of a vision of sustainable development in Africa is rooted in the New Partnership for Africa's development plan (Nepad) and will be based on a fresh set of human, spiritual and economic values that address the central issues of poverty and inequality.

This literature review presents the different theoretical approaches to sustainability in the context of LED projects. It also examines the available evidence on how sustainable LED projects have been achieved. In particular, it explores how different scholars measure sustainability. This is crucial, as the researcher will use the information to design measures for the sustainability of projects in Kgwale village. Prior to this study, there was no analysis of the sustainability of projects in this area. The researcher may provide solutions about strategies depending on the nature and extent of the LED projects. The researcher is mindful that the aim of sustainability of projects is to alleviate poverty in the rural areas, empower communities and capacitate them with skills so that they can depend on themselves.

## **2.2. Legislation on LED**

During the apartheid era, most rural people enjoyed little or no benefits from LED projects. The new democratic dispensation introduced new legislation in order to bridge the gap that existed with respect to the development of rural communities. The laws that were introduced are, among others, the Constitution of the Republic of South Africa Act 108 of 1996 (Sections 152 and 153 in particular) and the Local Government Municipal Structures Act 117 of 1998. In 1996 the South African Constitution made local economic development an obligation for local authorities, and in 1998 the White Paper on Local Government introduced the notion of developmental local government, with LED as a key mandate.

The 2000 Municipal Systems Act legislated municipal LED functions as part of Integrated Development Planning (Rogerson, 2011: 481). Nevertheless, studies show that municipalities remained uncertain on what LED means, how to organize it, and what to do about it in practical terms (Meyer-Stamer, 2002). Until there is consensus among practitioners in local authorities on what LED is, progress will inevitably be slow (Sibisi, 2009).

## **2.3. Theoretical framework: the concept of sustainability**

### **2.3.1. Definition of key concept: sustainable development**

According to the United Nations Division for Sustainable Development (2002), sustainability is a normative concept, meaning that it expresses a desirable state. It is desirable for a species to thrive; likewise a country's economy, and its education and health systems. Sustainability thus refers to the ability to continue over time, which requires resilience in the face of setbacks. It is a desirable state that refers to the robustness of something and its continuing ability to do whatever it does effectively (Gordon, 2010: 6).

According to Cole (1994: 227), sustainable development is an idea that links environmentalism and development, and has come to the fore as people's concern for the environment gains greater prominence. Sustainability looks to achieve the

best outcomes for human and natural environments, both now and in the indefinite future. It relates to the continuity of the economic, social, institutional and environmental aspects of human society, as well as of the non-human environment (Cortez, Britz & Mullins, 2011).

According to the Brundtland Report (United Nations, 1987), sustainable development seeks to meet the needs and aspirations of people at the present time without compromising the ability of future generations to meet their own needs and aspirations. Moreover, sustainable development is a process of change in which factors such as the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with future as well as present needs (United Nations, 1987). Sustainability is the ability of a development project to maintain or expand a flow of benefits at a specified level for a long period after project inputs have ceased (Wash Technical Report No. 94).

The concept of sustainable development has been clearly defined in the Brundtland Report as noted earlier. There are two key concepts that are contained in this report: the concept of needs, which includes the essential needs of the poor which should be given priority, and the idea of limitations that are imposed by technology and society on the ability of the environment to meet those needs.

Most of the rural poor are trapped in a vicious cycle, in which poverty and the destruction of natural resources reinforce one another. These people have very few alternatives, which means that they are left with no option but to pursue unsustainable production systems such as cultivation on steep hillsides and slash-and-burn. These people cannot break this cycle because of limited access to markets, new product information, support services, and more suitable and appropriate technologies.

There is interrelatedness between rural poverty and marketing deficiencies. Four of the five main poverty-causing processes mentioned by Haralabous and Georgakarakos (1993) involve either the lack of access to domestic and international growth market or the non-existence of support services for production and marketing

activities of the small farm sector (Ostertag & Smith, 1998). The small-scale farmers are being given little attention to identify market opportunities that would make it economically feasible for smallholders to adopt sustainable alternatives.

The sources cited above, namely, Cole (1994), Gordon (2010) and Cortez, Britz and Mullins (2011), share certain similarities in terms of what they define as sustainable development. Gordon (2010) looks at it in terms of the management of resources for future use and their maintenance for the benefit of future generations. Cole (1994) links environmentalism with development and looks at how sustainable development can be used to achieve best results for human and natural environments both now and in the future. Finally, Cortez, Britz and Mullins (2011) speak about the benefits of sustainable development which include an improvement of the quality of life, a healthy environment, a prosperous economy and social equity.

### **2.3.2. Legislative framework**

The South African legislation that gives direction to Sustainable Development and Environmental Management are contained primarily in the following Acts and their regulations:

- i) The Constitution of South Africa Act 108 of 1996
- ii) The Municipal Structures Act 117 of 1998
- iii) The Municipal Systems Act 32 of 2000 and its Regulations
- iv) The Development Facilitation Act 67 of 1995
- v) The National Environment Management Act 107 of 1998.

The above mentioned legislation was drafted after 1992 when Agenda 21 and Local Agenda 21 came into existence. The principles and objectives of Agenda 21 and Local Agenda 21 could therefore be incorporated into legislation.

### **2.3.3. The Constitution of the Republic of South Africa Act 108 of 1996**

Section 24 (Chapter 2 of the Bill of Rights) states that:  
“Environment”

Everyone has the right –

- (a) to an environment that is not harmful to their health or well-being, and
- (b) to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that –
  - (i) prevent pollution and ecological degradation,
  - (ii) promote conservation, and
  - (iii) secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development

This is in line with the definition of sustainable development by the Brundtland Commission which was coined and accepted in 1992 at the Earth Summit during the acceptance of Agenda 21.

#### **2.3.4. Local Government: Municipal Structures Act 117 of 1998**

The preamble to the Act reads as follows:

- Whereas the Constitution establishes local government as a distinctive sphere of government, interdependent and interrelated with national and provincial spheres of government,
- Whereas there is agreement on the fundamental importance of local government to democracy, development and nation-building in our country,
- Whereas past policies have bequeathed a legacy of massive poverty, gross inequalities in municipal services, and disrupted spatial, social and economic environments in which our people continue to live and work,
- Whereas there is fundamental agreement in our country on a vision of democratic and developmental local government, in which municipalities fulfil their constitutional obligations to ensure sustainable, effective and efficient municipal services, promote social and economic development, encourage a safe and healthy environment by working with communities in creating environments and human settlements in which all people can lead uplifted and dignified lives,

- Whereas municipalities across our country have been involved in a protracted, difficult and challenging transition process in which great strides have been made in democratising local government, and
- Whereas municipalities now need to embark on the final phase in the local government transition process to be transformed in line with the vision of democratic and developmental local government.

Section 19 of the Act specifically deals with municipal objectives and reads as follows:

19.(1) A municipal council must annually review

(a) the needs of the community,

(b) its priorities to meet those needs,

(c) its processes for involving the community,

(d) its organisational and delivery mechanisms for meeting the needs of the community, and

(e) its overall performance in achieving the objectives referred to in subsection(1).

19.(3) A municipal council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

### **2.3.5 Local Government: Municipal Systems Act 32 of 2000**

An Integrated Development Plan (IDP) is legislated by the Municipal Systems Act 32 of 2000 (MSA) and supersedes all other plans that guide development at a local level (DPLG, 2000).

The Municipal Systems Act 32 of 2000 defines Integrated Development Planning as one of the core functions of a municipality, and defines minimum requirements for the contents and processes followed in developing an IDP.

The synopsis of the Act reads as follows:

To provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal access to essential services that are affordable to all, to define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures, to provide for the community participation, to establish a simple and enabling framework for core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government, to provide a framework for local public administration and human resource development, to empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts, to provide for credit control and debt collection, to establish a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment, to provide for legal matters pertaining to local government, and to provide for matters incidental thereto.

### **2.3.6 Local Economic Development (LED)**

Helmstring (2001) defines LED as “a process in which partnerships are forged between local governments, the private sector and community-based groups to create jobs, manage existing resources and stimulate the economy of a well-defined territory”. Similarly, Canzanelli (2001) defines it as a participatory process that encourages and facilitates partnership between the local stakeholders, enabling the joint design and implementation of strategies, mainly based on the competitive use of local resources with the final aim of creating jobs and sustainable economic activities. This notwithstanding, the success of any LED initiative is dependent in its

participatory and consultative processes between stakeholders and the local community.

From another perspective, LED is the process by which public, business and non-government sector partners work collectively to create better conditions for economic growth and employment generation. The aim is to improve the quality of life for all.

The practicalisation of LED means working directly to build up the economic strength of a local area to improve its economic future and the quality of life of its inhabitants. Prioritising the local economy is crucial if communities are to be able to compete in this fast changing world. The success of communities today depends upon them being able to adapt to the fast changing and increasingly competitive market environment (City of uMhlathuze Local Economic Development Strategy 2008-2011).

What is important about LED is that it tends to revolve around issues of job creation, empowerment, the pursuit of economic growth, restoration of economic viability and diversification in areas subject to recession, and establishment of the locality as a vibrant sustainable economic entity.

In a South African context, Rogerson (2003) holds a view that LED tends to have a distinctive pro-poor orientation, and the degree of national state endorsement of local-level action is particularly important. LED in South Africa refers to actions initiated at the local level, typically by a combination of partners, to address particular socio-economic problems or to respond to economic opportunities (Human Sciences Research Council, 2003). In South Africa, LED is now the mandate of the local government, although it can also occur as a result of private or community-level initiative.

Over the past decade, decentralisation, a phenomenon defined as the transfer of political authority, resources and personnel from the national to sub-national jurisdictions, has progressively gained prominence across the developing world. Under the combined motivation of structural adjustment programmes (SAPs) that sought to reform the public sector, of market liberalisation and of the globalisation

process, LED planning has acquired much significance as a wave of decentralisation has swept across developing countries (Rogerson, 2004).

### **2.3.7. The purpose of LED**

LED is about poverty alleviation through sustainable LED projects. It focuses on strengthening livelihood strategies and increasing people's options. LED projects are mainly aimed at relieving poverty amongst the community in which such projects are based. They also advance education, particularly amongst young people and the unemployed. They also promote skills development of all kinds, particularly such skills as will assist the community in obtaining paid and sustainable employment.

### **2.3.8. LED challenges**

There are various developmental challenges that inhibit the success of LED initiatives in South Africa. Steeply rising unemployment, growing income poverty and increased social exclusion are basically the economic challenges facing LED. More specifically is the tendency for poverty and unemployment to be concentrated mainly within the black population in urban peripheries and rural areas, which present major challenges. Coupled with that are the problems of continuing low levels of education and training which effectively prevent the poor from accessing those economic opportunities that arise (Rogerson, 2003).

While national policy and legislation makes local government a central actor in LED at the local sphere, the reality is that local government does not have the capacity to undertake this crucial role on its own and is inherently not well-suited to play a leading role within certain domains of LED, given its organisational structure and operating culture (Roefs *et al.*, 2003; Meyer-Stamer, 2002).

Furthermore, LED initiatives are, in practice, being undertaken by a range of actors with various interests, resources and objectives. This results in a lack of co-ordination and missed opportunities for synergy of initiatives, and the challenge is to bring these together within convergent locality strategies (Rogerson, 2003).

### **2.3.9. Project conceptualisation**

The projects should adhere to the development principle of social facilitation as a critical success factor, because ignorance of this factor may lead to the failure of projects to impact on job creation, poverty alleviation and the eradication of inequality. LED projects should not be the ideas of individuals copied from elsewhere, because this is likely to lead to the application of a project that is not suitable to a locality or environment. It must be noted that environments and their conditions vary from one to another, in terms of what the needs of the community are, the capacity of its members to support the project and type of land the community possesses. In the case of Kgwale village, arable land is necessary for crop production for the Agricultural Project as well as for the Brick-laying project. A suitable place and sufficient space is also necessary for the Sewing Project.

The Blouberg Local Municipality, Kgwale community and all beneficiaries should be informed about the contents of the plan for the LED projects. The implementing departments should have the technical know-how with respect to the selected projects, namely, Moselatlala project (Agricultural Project and Brick-laying project) and the Sewing Project. This will avoid problems with the implementation, monitoring and evaluation processes.

Project conceptualisation must include community participation. This is so because the success of LED projects depends on the understanding and cooperation of the local community. The municipal officials must also be involved in order to create an effective method of providing sustainable rural development. The affected community members must be active partners in the projects from start to finish, that is, they must take part in choosing assets, planning assets, deciding about location of assets, selecting beneficiaries and managing implementation. The traditional authorities must also be actively involved so that service delivery can be enhanced.

The institutional framework must also be considered in the implementation of the projects. They include:

- National Department of Corporate Governance, Human Settlements and Traditional Affairs,
- Provincial Department of Corporate Governance, Human Settlements and Traditional Affairs,
- Blouberg Local Municipality, and
- Provincial Local Economic Development Forum.

The Department of Corporate Governance, Human Settlements and Traditional Affairs must ensure that all the administrative requirements of the Local Education and Treasury regulations are strictly adhered to. The Provincial Department of Corporate Governance, Human Settlements and Traditional Affairs (LED section) must effectively deal with administrative matters of the National Department concerning the recommendations of projects and dissemination of information to the municipalities, including the Blouberg Local Municipality. The LED section must also assist with the monitoring and evaluation processes on the implementation of projects. The Blouberg Local Municipality, having been the custodian of all the projects in Kgwale village, must deal with administrative issues on behalf of the beneficiaries, that is, Kgwale community members.

### **2.3.10. Strategic planning**

This refers to an organisation's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue its strategy. It is necessary for the organisation to understand its current position and the possible avenues through which it can pursue a particular course of action, in order to determine its direction. Generally, strategic planning involves three questions:

- (i) What does an organisation do?
- (ii) For whom does an organisation do it?
- (iii) How does an organisation excel?

### **2.3.11. Basic incomes**

An income does not always improve one's quality of life, but it can assist to some extent. South African economic growth did not succeed in addressing the vast inequality in incomes, which made government to initiate grants for the poorest households. The purpose of LED projects in Kgwale village was, among other things, to alleviate the hardship experienced by the people.

### **2.3.12. Improving basic services**

Providing basic services to the community of Kgwale village is a huge task, not only because of the apartheid backlog but also because of the rapidly growing population. The Blouberg Local Municipality, like any other municipality in South Africa, is struggling to deliver. It has therefore sought to hand over the responsibility through various forms of privatisation, such as LED projects that were put in place in Kgwale.

### **2.3.13. Meaningful jobs**

LED projects are meant to create meaningful jobs. They are aimed at creating employment. The community of Kgwale village was anticipating that LED projects will bring more jobs to the people because most of them did not work before, and those who worked did not have sustainable jobs. Meaningful jobs are jobs which have potential to sustain the income of members of the local community. They will depend to some extent on these jobs that were created by LED projects. The community of Kgwale will have learned a lot from the projects and understood what and how they must do in order to make a meaningful living out of the local jobs that were created by the LED projects.

### **2.3.14. Project viability**

Financial viability means that a poverty alleviation project, such as the LED projects in Kgwale village, must be able to exist, be capable of development and able to survive without any outside assistance. This means that the project must produce

commission which will be sufficient to benefit all its stakeholders. There should be an assigned competent project manager who will make a feasibility study in order to establish the practicability of the project. The selection of the project manager must not be based on the person's availability but on his/her skills, knowledge, competence and ability to manage projects. The project manager should establish the strengths, weaknesses, opportunities and threats in the projects to determine the financial viability of these projects. He/she must focus on the dimensions of development, namely, the political, social, economic and environmental factors to evaluate the possibility of success.

### **2.3.15. Financial viability**

The financial viability of a project is imperative for the soundness of an organization's financial health. There is a close relationship between financial analysis, which focuses on the financial viability, stability and the profitability of the project, and economically viable projects. Moreover, a regular financial analysis ascertains timely changes in the strategies of a project for its betterment. There are tools which may assist the project in streamlining its structure towards optimization and which will provide access to comprehensive financial information. These may empower the project managers with strategic information on the performance and profitability of the project. The tools are as follows:

- The return on investment, that is, the yearly return calculated on the total investment needed for the project. A project cannot be viable if the return on investment is less than the cost of investment.
- Determining if the project generates a surplus that is adequate to meet recurring repayment obligations.
- Finding out the break-even point, the point of activity where all costs (variable as well as fixed) are recovered from the sales values. There is a rule of thumb that lowering the break-even point betters the proposition.

A financially viable poverty alleviation project is characterised by financial growth, which means that the beneficiaries of Kgwale village must have commission or benefit on their products, the benefits to be more than the costs, and it must have the capacity to establish financial growth. It must be able to create employment, be competitive and employ local labour. It must also create a skilled labour force. The beneficiaries of the project or the community which the project is intended to develop must have access to the financial market, access to markets, access to information, access to resources and infrastructures. LED projects must be able to produce goods and/or services within a given period (per annum).

### **2.3.16. Economic viability**

Economic viability means that LED projects in Kgwale village should exist or be capable of developing and surviving without outside assistance. This means that the community must be encouraged to participate and be consulted. There must be a bottom-up system of engaging the community. The community must be empowered and trained about the LED projects in question. Empowerment means that the community must be able to make key decisions about the projects and occupy leading positions in the projects' leadership structures. Employment growth, income generation, capacity building and food security are other key factors that must be considered in determining the economic viability of LED projects.

To achieve economic viability in projects, the LED project manager in charge of leading the projects must first do a feasibility study about the projects, which means that he/she must determine the practicability of the projects in order to determine their success. The manager must concentrate on the principles of simplicity, measurability, assignability, realistic outlook and time frame for the planning of the projects. He/she must be sure to focus more on the economic, technological, administrative, feasibility and social acceptance in order to be on top of the task. He/she must avoid political interference and concentrate on building continuous trust between the project management and the ordinary people.

LED project managers must be conversant with the local language, culture, practices and traditions of the local people in the project. For LED projects in Kgwale village to be seen as economically viable, they must address issues of poverty alleviation, such as job creation, income generation, benefit or profit achievement, and empowerment of the local communities, taking them out of the deprivation trap. These projects must have the capacity to reduce the dependency of the Kgwale community on outsiders and encourage independence, so that the community members can gain confidence and dignity. They must take cognisance of the fact that the community members have their own felt needs which can best be defined by them and that the outsiders must not dictate terms and conditions for them.

Thus, for LED projects to be sustainable, project managers must plan, organise, lead and control the activities in these projects. The project management skills of project managers must centre on what they must do, when to do it and how to do it.

### **2.3.17. Project life cycle**

A well structured project must have a life cycle, which includes project identification or definition, planning, executing and delivery. During the definition phase, a project manager should identify the project relevance and its appropriateness or suitability to develop the target population or beneficiaries. The planning phase requires that a project manager knows exactly what his/her intentions are about the projects. The executing phase requires the manager to properly carry out the activities in the projects to alleviate poverty in the targeted community. The delivery phase requires him/her to identify suitable land for crop farming, to prepare land, to source funds, to train the community about their project, to plant crops and weed the unwanted plants, to find a proper location for the Sewing Project and to locate proper storage for the equipments of the Moselatlala projects, that is, both the Agricultural and Brick-laying projects. The project manager should have certain goals he/she aims to achieve to in order to determine his success in managing LED projects and this

success involves accomplishments in harvesting, profit making and income generation.

### **2.3.18. Technical and socio-cultural dimensions of project management**

The technical and socio-cultural dimensions of project management are two sides of the same coin. The fact that project management is the means by which projects are managed and change is achieved means that there are skills, tools and techniques for leading, defining, planning, organising, closing and controlling a project, both efficiently (resource utilisation) and effectively (client satisfaction). For every project to succeed, the two aspects – technical and socio-cultural – must be considered and satisfied.

The technical dimensions include: scope of project or the contents of a project; work break down structure or the subdivision of work project into smaller work elements; schedules or plans for carrying out activities of a project or procedure of a project network; resource allocation which involves the assigning of team members according to their skills, experience and qualifications; baseline budgets or the budget allocation to the project; and status reports, which means that there must be a report about the status of the project, with details as to whether the project was successful or not and the reasons behind its success and/or failure.

By contrast, the socio-cultural dimensions include: leadership, problem solving or ability to listen; avoid creating typical chaos; addressing burning issues; teamwork which includes coordinating a team so that the team members can complement one another; negotiation which includes an ability to reach an agreement on project issues; politics which involves acknowledging the leadership of the host environment; social aspects or accustomisation to the host environment; and customer expectations, that is, the achievement of the project objectives and goals.

The two dimensions of project management are regarded as two sides of the same coin because they are complementary to each other in a sense that one cannot function effectively and efficiently without the presence of the other. The technical side of project management is a requirement for training every project manager who wants to be successful and is regarded as the science of project management, while the socio-cultural dimensions are regarded as the artistic way of project management by project management practitioners.

### **2.3.19. Project sustainability**

An investment of time, resources and commitment at all levels of the organisation is required to make a project sustainable. The researcher suggests some measures that are needed for the achievement of sustainability in a project and the maintenance of improvement thereof. There must be a transformation of the project governance into an established governance structure that addresses issues around the maturity of projects at all levels of the organisation. The Blouberg Local Municipality should have long-term vision and goals for the LED projects in its territory, and frequently revisit and reaffirm these goals. It must develop wide participation to weather staff changes. For the sustainability of LED projects to take place, power must be shared so that every staff member can take responsibility for ownership of projects.

The Blouberg Municipality must implement an ongoing training and education plan which should incorporate change and project management in the area. It must implement a marketing plan to continually promote LED projects and raise awareness on the value and benefits of the projects, and it should coordinate with other initiatives in order to achieve municipal developmental goals. The sustainability of LED projects can be achieved if community capacity building in respect of the projects identified is done. This involves the following steps: preparation of the community to run the LED projects, which means that there should be development of the operational domain; assessment of community capacity, that is, how the community understands and accepts the initiation of the projects; strategic planning and implementation of the projects in conjunction with the community; and re-

assessment of the status of community capacity building with respect to the LED projects.

### **2.3.20. Dimensions of project sustainability**

Khan (2000: 3) mentions that there are several dimensions to project sustainability, such as continued operation and maintenance of project facilities. This means that the projects in Kgwale village must receive the necessary support (both budgetary and institutional) to enable them to maintain the required level of facilities. Continued flow of net benefits, that is, the costs and benefits under varying conditions, have to be weighted properly and the project has to guarantee an acceptable level of financial and economic return. There has to be continued community participation. In the case of the LED projects in Kgwale village, the beneficiaries did not actively participate in the initiation of the projects. They were mostly passive participants who were mere recipients of terms and conditions. That is, terms and conditions about the projects were dictated to them by the outsiders. There was no equitable sharing and distribution of project benefits. The projects must incorporate mechanisms that guarantee equitable access to and distribution of project benefits on a continuous basis. The community members of Kgwale village were not afforded opportunities to access project resources, and shares were not equally distributed among them.

### **2.3.21. Levels of sustainability in a project**

Sustainable development can only be effectively monitored if it is put through various levels, such as level of continuation of delivery of project goods and services. The goods and services in Kgwale were perhaps not properly maintained because there was no marketing strategy for clients and potential clients to buy into the projects' initiatives. There were no changes stimulated or caused by the projects. It appears that there was no significant improvement in the livelihood of the beneficiaries of the projects in Kgwale. It is also apparent that there were no new initiatives emanating from the projects since the number of people who were working on projects continued to decline, causing projects to collapse and poverty to continue.

### **2.3.22. Indicators of sustainability**

The indicators of sustainability in LED projects can be defined as ways to measure how well a community is meeting the needs and expectations of its present and future members. Indicators can be used to measure progress towards building sustainable LED projects. Sustainable measures are committed to the development and growth of sustainable communities. However, sustainability cannot be developed and imposed on a community by someone outside the community; it must be endogenous, not exogenous. It needs to be developed and implemented by the community itself, otherwise it will not succeed. Outside experts can only provide assistance at crucial points, or assist to move the process along, but ultimately people in the community of Kgwale village are experts in their area because they know what they want. The community of Kgwale village is expected to be the driving force behind becoming a community with a sustainable quality of life for all the people, now and for generations to come. The community, with the assistance of outside experts, must be able to measure what the village wants from the LED projects in the area.

The researcher used the following indicators to determine the sustainability of the projects in Kgwale village:

- The number of years in which the project has been in existence
- The capacity of production of the project
- The consistency with which the beneficiaries earn their salaries
- The number of people involved in the project
- The state of the project's infrastructure

### **2.3.23. Sustainability analysis**

Sustainability analysis is the identification and analysis of the degree of presence or absence of the factors that are likely to impact, either positively or negatively, on the prospects of sustained delivery of project benefits (Khan, 2000). The analysis covers the following aspects:

- *relevance*: if it was relevant to initiate such projects in the area;

- *acceptability*: if the community was fully behind the projects in their area;
- *economic and financial viability*: if the projects created jobs for the continued benefit of the community;
- *environmental sustainability*: if projects did not harm the environment in any form;
- *implementation and monitoring strategy*: if there was proper supervision; and
- *post-implementation operation and maintenance*: if maintenance was continuous even after the funding.

These factors will be further explored in the report about the full status of the sustainability of LED projects in Kgwale village.

#### **2.3.24. Sustainability strategy**

Sustainability strategy is a follow-up action to sustainability analysis and is expected to indicate the way several elements of sustainability are to be identified, assessed and incorporated into a project or a programme, from the design stage. The strategy is expected to specify numerous complements or constraints to sustainability and make provisions for their incorporation. The strategy should be made from the project life span, that is, the design or formulation, implementation, operation and maintenance stages of a project.

#### **2.3.25. Sustainability of projects in Kgwale**

This study holds the view that a project is sustainable if it is profitable and beneficial to the community through its economic rate of return, which means that projects in Kgwale were supposed to be seen as improving significantly and yielding positive results by creating sustainable jobs in the community. It appears that planners, managers and monitors of projects were not aware of issues that are important for project sustainability and did not assist in incorporating the elements of sustainability both at the design stage and throughout the life of the projects.

Moreover, it appears that the LED projects in Kgwale did not receive enough funding. The community was also not fully engaged or involved in terms of their input in the projects in matters such as decision-making and planning. There was no professional support, as it was only the local community members who did the day-to-day running of activities. The community did not have a shared ownership; they only provided labour in the projects. In addition, there was no networking or partnership that was built with various organizations, which could have assisted the project leaders to support and learn from each other.

#### **2.3.26. Contribution through job creation**

The researcher holds the view that LED projects cannot be sustainable if they do not contribute to job creation. The employment of members of local communities in LED projects contributes to poverty alleviation.

#### **2.3.27. Entrepreneurial opportunities**

The significance of LED projects is that they are able to create entrepreneurial opportunities for local communities, to enable people to take part in business ventures such as sewing, agriculture, building construction, catering and plumbing.

### **2.4. Review of evidence from literature**

The various sources cited in this chapter define sustainable development in more or less the same way in that they all mention the environment, the economy, and future generations which will benefit from current development. The researcher agrees with these sources' explanation of what sustainable development means but defines it as the continuous benefits which a community obtains from development projects through the community's full participation, ownership and key decision-making in the projects. It is about the community's ability to depend on its members, not on outsiders, for sustainability. However, for projects to be sustained, they must be seen as (1) promoting growth, employment and food security, (2) reducing poverty, and (3) creating provision for the effective and efficient management of resources.

The researcher's view of sustainable development is that it is concerned with the relationship between economic activities, the use of natural resources and the quality of life achieved. It includes everyone's access to the skills, knowledge and information needed to enable them play a full part in the development of their society. It also requires including all community members in areas of responsibility in businesses, administrations, political offices, societies and private households.

Based on the observation of the researcher, it is apparent that projects that were initiated in Kgwale village did not meet the basic requirements of project management, namely, project planning, management and monitoring. The technical aspects of a project, which include the scope of a project, work breakdown structure, schedules, resource allocation, baseline budgets and status reports, were not put in place.

## **2.5. Identifying gaps in the literature**

The researcher has realized that although development practitioners and scholars highlight the importance of community participation, capacitation, skills transfer and dialogue in a bottom-up approach to development, all these factors seem to have been ignored in the implementation of development projects in Kgwale village. It appears that the community of Kgwale village did not have full control over the projects in their area. The reason for this view is that most projects could not last for a long time. In addition, skills were not transferred from the project managers or leaders to Kgwale village community members. It appears also that revenue was not raised, or if it was raised, there was no proper financial management of it.

The policies and legislation which the South African government has put in place for the establishment and implementation of LED are very impressive. However, when one looks closely at the situation in the country, one can see immediately that there is a big mismatch between policies and legislation and the actual situation on the ground. It is clear that communities are not properly consulted prior to the introduction of development projects in their area, and project leaders have little knowledge about what to do, when to do it and how to take leading roles in order to

sustain projects. Basically, they lack skills in terms of the socio-cultural and technical aspects of projects.

It appears that the objectives of IDP in the Blouberg Local Municipality have not been met. These objectives are to make more effective use of scarce resources, speed up delivery in the area, attract additional investment, attract additional funds, strengthen democracy and hence institutional transformation, overcome the apartheid legacy at local level, and promote intergovernmental coordination in the area. The researcher believes that the community of Kgwale village was not given the opportunity to

- inform the Blouberg Local Municipality what their development needs are;
- determine the municipality's developmental direction;
- provide a channel for communicating with their councillors and governing body; and
- provide a mechanism through which they can measure the performance of the councillors and the municipality as a whole.

There is no study that has been conducted on the sustainability of LED projects in the Blouberg Local Municipality, particularly in Kgwale village. This is the reason behind the researcher's interest in the chosen study. Ultimately, this research hopes to fill a gap in the literature on LED projects in local communities in South Africa.

## **2.6. Conclusion**

This literature review has shown that LED projects were established to counter the effects of apartheid policies, tendencies and practices, which focused mainly on favouring the white South Africans. The existing government policies indicate that LED projects should satisfy the needs of the beneficiaries who cannot independently provide for their needs. However, there are still challenges that are faced in implementing LED projects in communities. It must be noted that it is not always possible to implement LED projects that would satisfy all beneficiaries, even though ideally that should be the case.

This chapter has introduced the concept of local economic development and its emergence in wealthy and poor countries. It has also highlighted the legislative setting and policy concept of LED in South Africa in order to foster an understanding of government's commitment to LED. Furthermore, the chapter outlined the types of LED projects in Kgwale village, the project life cycle, dimensions of project sustainability, levels of sustainability in projects, and indicators determining the sustainability of projects in Kgwale village.

# CHAPTER THREE

## RESEARCH METHODOLOGY AND DESIGN

### 3.1. Introduction

The field work for this study was completed in 2013. The purpose of this chapter is to describe the research methodology and design that were followed in the process of carrying out this study. The chapter also outlines the research study area, population and sampling method, data gathering instruments and data analysis method. The ethical principles as well as measures that were followed to ensure the trustworthiness of the study are also presented in this chapter. The investigation centred on the sustainability of LED projects in Kgwale village in the Blouberg Local Municipality where various LED projects were initiated. The aim of the study was to establish the underlying reasons why LED projects in the area have not been sustained.

### 3.2. Research methodology

A research methodology is the method of collecting data and the processing thereof within the framework of the research process (Brynard & Hanekom, 1997: 270). The research methodology for any study can be qualitative or quantitative or both. For this study, the researcher employed both qualitative and quantitative research methods in the collection and analysis of data.

#### 3.2.1. Qualitative research

The study was qualitative because the researcher wanted to understand the perceptions, feelings, attitudes and opinions of the respondents about the sustainability of LED projects in Kgwale village. The researcher used focus group interviews as a method of collecting data from the participants. This method has several advantages: (1) it is a less expensive way of getting information; (2) the

researcher can clarify aspects of questions; (3) it gives participants an opportunity to discuss their opinions or experiences collectively; (4) it can replace self-reporting questionnaires; and (5) it can be used through telephonic conferencing.

Another reason why this study employed a qualitative research method was because it is a method used to collect information about issues that are not easily measurable or countable (McKay, 1990: 1). Wimmer and Dominick (1983: 19) describe qualitative research as a method used to analyse a phenomenon without specifically measuring its variables. According to Mouton and Marais (1990: 153), the qualitative research approach is the approach that does not use statistics but the researcher can, for example, make use of case studies where findings are interpreted and contextualised within the social, cultural and historical background of those cases. For this study, the qualitative approach, which is based on the qualities of human behaviour, was relevant and appropriate because the investigation hoped to analyse the theoretical issues around the lack of sustainability of LED projects in Kgwale village. Rudenstan and Newton (1992: 31) regard qualitative research as useful in categories for understanding human phenomenon that gives meaning to events. In line with this, it is possible that the results of this investigation and its recommendations might be of assistance to the sustainability of LED projects in South Africa.

The qualitative approach is also the primary instrument for data collection and analysis where the researcher is personally involved (Meriam, 1988: 18-20). In this case, the researcher was directly involved in the process, and the outcome of the research has been presented in narrative rather than numeric form. The respondents were all stakeholders, namely, the beneficiaries of the projects, tribal authority, LED officials in the Blouberg Local Municipality, and ward councillors. A qualitative research design was used because it is subjective in nature, it is a flexible and explorative method, it investigates day-to-day events and behaviour, it allows for insiders' views, and it focuses more on validity. According to Smith and Hunt (1997: 206), the qualitative method is a holistic approach because the researcher is interested in the views, feelings and perceptions of individuals.

Qualitative research uses unstructured interviews and detailed observation processes to gain deeper insights into the views of the subject (Welman, Kruger & Mitchell, 2010). For this study, face-to-face interviews were conducted with the respondents because they had first-hand knowledge of LED projects in Kgwale village and could therefore provide reliable information. The respondents described what they knew by expressing their perceptions, views and feelings with regard to the sustainability of LED projects in their area. This method allowed the researcher the opportunity to seek further clarification of information from respondents, an opportunity which is absent in other methods.

### **3.2.2. Quantitative research**

Quantitative research is described as a method used to collect information about issues where numeric measurements are used in order to arrive at the findings (Denzin & Lincoln, 1994: 4). In this method, data is collected by means of scales, test surveys and questionnaires. Both structured and unstructured questionnaires can be used. The quantitative method was used in this study to determine the number of LED projects that were initiated and implemented, those that had collapsed and those that were being sustained in Kgwale village.

### **3.2.3. Triangulation**

The concept of triangulation is described as a combination of both the qualitative and quantitative methods of research (McKay, 2000: 20). The aim of this approach is to improve reliability and validity of the findings of the research. Triangulation was used in the investigations into the sustainability of LED projects in Kgwale village to enhance the validity, reliability and representativeness of the findings. According to Cohen *et al.* (2000: 112), triangulation might be defined as the use of two or more methods of data collection in the study of some aspects of human behaviour in order to enhance confidence in findings. Arguably, triangulation has been generally considered a process of using multiple perceptions to clarify meaning and verifying the repeatability of an observation or interpretation.

Methods used to gather data for this study were observation, taking photos, tape recordings, semi-structured interviews and focus group interviews. Sometimes triangulation is used to refer to all instances in which two or more research methods are employed. Mouton and Marais (1990: 91) note that, as a general principle, the inclusion of multiple sources of data collection in a research project is likely to increase the reliability of the observation. This prompted the researcher to pursue a triangulation technique during the collection of data because he used semi-structured questionnaires, focus group interviews, documentation, observations, and visual evidence. The researcher considered various methods of collecting data because he wanted to reinforce the analysis as being valid, reliable and generally applicable to the population from where the sample was taken.

### **3.3. Research design**

De Vos *et al.* (2002: 137) state that the definitions of research design are rather ambiguous. Generally, a research design is a plan or blueprint according to which data are collected to investigate the research question in the most economical manner. This study will employ the qualitative research design known as case study. The design is more appropriate for the study because it will provide a detailed understanding of why some LED projects in Kgwale village have not been sustainable. According to Mouton (1998: 108), the rationale for having a research design is to plan and structure a research project in such a way that the eventual validity of the research findings is maximized by either minimizing or, where possible, eliminating potential error. The aim of this study is to determine the sustainability of LED projects in terms of their capacity to improve the livelihoods of the people of Kgwale village as well as to establish the reasons why LED projects have not been sustained.

#### **3.3.1. The study area**

The study was conducted in the Limpopo Province, one of the nine provinces of South Africa. The Limpopo Province is divided into five district municipalities, namely, Capricorn, Sekhukhuni, Waterberg, Mopani and Vhembe. The Capricorn

District has five local municipalities, namely, Polokwane, Aganang, Molemole, Blouberg and Lepelle Nkumpi.

The Blouberg Local Municipality is comparatively large in terms of the physical landscape, covering 5054 square kilometres. It is situated on the north western part of Capricorn District Municipality. It shares borders with seven municipalities, namely, Polokwane, Aganang, Molemole, Waterberg, Mogalakwena, Lephalale and Makhado. The Blouberg Local Municipality is situated approximately 95 kilometres from Polokwane, the capital city of the Limpopo Province. It is situated at 23c east longitude (Blouberg Local Municipality Revised IDP 2004/2005 Final June 2004).



Photo depicting the Blouberg Local Municipality in Senwabarwana (© Seanego SE)

The municipality was established in 2000 after the amalgamation of the Northern District Council and Bochum/Mydarling Transitional Local Council. It has 121 settlements and 21 wards, with Senwabarwana and Alldays considered semi-urban. The area has increased after the formalisation of the incorporation of Tolwe and Vivo within the jurisdiction of the municipality. The municipality has a population estimated at 161 322. The inhabitants of the area are mostly the Bahananwa people, Batlokwa

people, and a small portion of Vha-Venda, Afrikaner and English-speaking people in the rural farms. The area has a rich history of physical resistance to the early 19<sup>th</sup> century Boer colonial incursion. The introduction of the Bantustan and trust systems met with unabated community disapproval. The consequences of this particular stance resulted in both the central and Bantustan governments depriving the communities around Blouberg of basic infrastructures and related developmental needs. Hence, it is today one of the least developed regions of the province. Kgwale village is found in Devilliersdale, which makes it an integral part of the Devilliersdale bought farm. The Devilliersdale farm longitude is -23.2333 or 28.8000/28 48' OE. The altitude is 1051. Time zone from sunrise is 05:34 and time zone at sunset is 18:56. The population is approximately 3 321 for a 7km radius.



Photo depicting a Devilliersdale community project. Kgwale village is part of Devilliersdale. (© Seanego SE)

The study area is Kgwale village in the Blouberg Local Municipality. The population of Kgwale village is 270, according to a community survey (December 2010). The researcher chose to investigate the LED projects in Kgwale village because it is an area where all the projects have collapsed and where projects did not improve the

livelihoods of beneficiaries. There is also no study that was ever done about the LED projects in this area.

#### **3.3.1.1. The vision of the municipality**

The vision of the municipality is that a municipality must be a participatory municipality that turns prevailing challenges into opportunities for growth and development through optimal utilisation of available resources (Blouberg Local Municipality Revised IDP 2004/2005 Final June 2004).

#### **3.3.1.2. The mission of the municipality**

The municipality's mission is to ensure delivery of quality services through community participation and the creation of an enabling environment for economic growth and job creation (Blouberg Local Municipality Revised IDP 2004/2005 Final June 2004).

#### **3.3.2. Population**

The target population for this study consists of 82 households in the community of Kgwale village, civic leaders, community based organizations, tribal authority, youth structures, community development workers, the relevant Blouberg Local Municipality officials who are involved in LED projects, and community development managers.

#### **3.3.3. Sampling**

A sample is a sub-set of the whole population which is actually investigated by a researcher and the characteristics of which will be generalized to the entire population (Bless, 1995: 86). The researcher wanted to understand the population from which the sample was drawn and to define facets of the population, which is the reason why the researcher isolated a sample for the study. According to Babbie and Mouton (2006: 166), the sample is selected based on the researcher's knowledge about the population and its elements, as well as the aims and objectives of the

study. The sample for this study was 40 households. The researcher will use non-probability sampling through purposive sampling for this study. The advantage of this method is that it allows the researcher to choose people with expertise or people who are knowledgeable about the issue being studied. LED officials, NGOs, the community members of Kgwale village, infrastructure managers and other relevant stakeholders in the Blouberg Local Municipality are all included in the sample for this study.

Purposive sampling was used to include the participants from a total population of 270 households. A total number of 40 households took part in the study. The 40 households were included in the one-to-one semi-structured interviews and the four focus group interviews, with ten participants in each group. A total number of 18 participants were interviewed until data saturation was reached. The 18 participants were also part of the focus group interviews. Purposive sampling was done by choosing the sample that had elements which were of interest to be studied (De Vos et al., 1998: 198). The use of non-probability purposive sampling was appropriate because only participants with the potential to provide relevant data for the study were included.

Furthermore, purposive sampling method refers to a sample in which the researcher deliberately obtains unit of analysis in such a manner that the sample obtained may be regarded as being representative of the population being studied (De Vos *et al.*, 2005: 69). The researcher used this sampling method because it allowed him to use his skills and prior knowledge to choose the respondents (Bailey, 1982: 99). Moreover, with the sample there was a better chance of a greater response rate and greater cooperation from the respondents, which may result in more accuracy.

#### **3.3.4. Inclusion criteria**

Inclusion criteria, according to Katz ( 2006: 38), refers to eligibility criteria such as age, residence, health status, marital status and certain characteristics that the researcher wishes to study. The inclusion criteria in this study were as follows:

- i) The participants could be males, females or children as long as they were eligible to be the beneficiaries of LED projects.
- ii) The employees of COGHSTA and officials from Blouberg Local Municipality who had worked in the LED section for some years, as they had some experience about the case that was being studied.

### **3.4. Data collection**

This is the most time consuming part of the research. Nevertheless it must be done because without data, it would be impossible to broaden one's understanding in order to be able to explain the unknown and or to add knowledge to the already existing knowledge. Data collection method refers to the procedures which specify techniques to be employed and activities to be conducted in implementing a research study (Grinnell, 1993: 275).

Data collection methods appropriate for qualitative research were used. Interviews and observations were conducted to collect data with which to answer the research questions. Secondary sources such as the Integrated Development Plan, annual reports and statistics reports were also collected. Due to the multiple data collection methods employed in the study, the triangulation method was applied.

The purpose of triangulation is to collect information from multiple sources with the aim of getting corroborating facts (Bless, 2006: 86). In line with this, face-to-face interviews were conducted with the beneficiaries, local tribal authority, and LED officials in the Blouberg Municipality to gather information about their feelings, opinions, and perceptions on the sustainability of LED projects in their area. The interviews were recorded and an analysis of the recordings was undertaken at a later stage. Appropriate software was used for the analysis of the data.

#### **3.4.1. The semi-structured one-to-one interviews**

Semi-structured one-to-one interviews were used with the aim of determining the sustainability of LED projects at Kgwale village. A central question was posed in the same way during the semi-structured interviews so that the participants could give

detailed descriptions about the case that was being studied. The interviews were conducted in an area which ensured privacy. A tape recorder was also used during the interview sessions. A central question, which was a broad opening statement, was asked to initiate the discussion (Brink, 2006: 152). The central question was “Describe the sustainability of LED projects in this village”.

Probing questions were used to get clarity about unclear issues in the initial response during the semi-structured interview sessions, and even during the focus group interviews (Brink, 2006: 152). Probing questions were based on the interview guide, which was compiled prior the interview sessions. Data saturation was reached during the semi-structured interviews as well as the focus group interviews.

The interview guide was divided into three sections:

**Section A:** Closed-ended questions were used to obtain biographical data from respondents. They included items such as gender, age, and level of education.

**Section B:** Closed-ended questions were also used to assess the socio-economic status of the beneficiaries, such as their qualifications, employment, type of work, and their accessibility to basic services such as water, electricity, schools and clinics. In some cases, participants had to choose between yes or no responses, or between strongly agree, agree or disagree.

**Section C:** This section included a central question and probing questions were used to determine the need for LED projects in Kgwale village.

During the collection of data, the following communication techniques were employed:

**Reflection of feelings** wherein the researcher repeated what the participants said with respect to the case study (Powers & Knapp, 1995: 143). The participants were given ample time to describe the sustainability of LED projects in Kgwale village.

**Paraphrasing** was done by restating the participants' descriptions in simple but fewer words, without adding new ideas to the message. This was done particularly at the end of each semi-structured interview session and focus group interview session.

**Tracking** was done to show interest and give the participants courage to say more by following the content and the meaning of their verbal and non-verbal conversation.

**Using silence** was a means to allow both participants and interviewer to think, to motivate the participants to talk more and share their knowledge about the sustainability of LED projects in Kgwale, and to make a decision about what could be added to what had already been said (Henning, Van Rensburg & Smit, 2007: 125).

**Probing** assisted in stimulating the participants to provide additional information in order to clarify what should be described in full and to clarify answers (De Vos, 2001: 309; Babbie & Mouton, 2009: 253).

### **3.4.2. The focus group interviews**

These are interviews conducted with a group of people. They are a means of gaining better understanding about how people in a group feel or think about an issue. De Vos (1999: 306) holds the view that the purpose of using focus group is to promote self-disclosure among participants. De Vos *et al.* (1999: 306) quoted Krueger as defining a focus group interview as a carefully planned discussion designed to obtain perceptions on a defined area of interest in a permissive, non-threatening environment.

Focus group interviews were used in this study to obtain a range of ideas that participants had about the sustainability of LED projects in Kgwale village. They allowed the respondents to explain their thoughts and to put these thoughts into a context which relates to their personal experiences. In addition, they provided

interpretive insights into what people felt as they performed certain tasks and how they arrived at those feelings.

The stakeholder participants who were included in the study were COGHSTA officials, Blouberg Local Municipality officials, ward councillors, CDWs, traditional authority and beneficiaries of LED projects in Kgwale village. The ward councillors and traditional authority assisted in communicating with the 40 participants and arranging the venue for the meetings.

There were four focus groups established, with 10 participants per group. The groups mainly composed of beneficiaries of the LED projects. The environment was conducive to the comfortable and free expression of ideas and opinions by the participants, thus allowing the researcher to obtain useful information.

In establishing the focus groups, principles of developing questions for focus groups, as mentioned by De Vos (2003: 314), were considered to ensure that clear and thoughtful questions were the foundation of high-quality focus research, and that the questions were clear, the wording direct, forthright, comfortable and simple. Clear questions should be short, one-dimensional, and free from jargon. The researcher also used the interview guide or moderator's guide during the semi-structured interviews, and open-ended questions as broad opening statements were asked at the beginning to initiate the discussion (Brink, 2006: 152).

The central question was an open-ended question, which was phrased in a neutral and positive manner and all participants were asked the same introductory question to encourage all of them to talk at an early stage. A wide range of techniques were used to link questions, in order to move the discussion along. Probing or follow-up questions were used in most instances to explore in detail the individuals' responses to the introductory questions. There was an avoidance of loaded questions, leading questions and double-barrel questions. Open-ended questions were mostly preferred, because they allowed participants as much freedom as possible to answer. There was no constraint to yes or no answers.

### **3.4.3. The moderator's guide**

For the focus group interviews in this study, a moderator's guide was used to facilitate the discussions. The moderator's guide is the outline of the discussion which is to be carried out during the focus group interviews (Health Communication Unit, 2002: 13). The researcher prepares the guide by writing down all topics to be discussed and organising them into a logical sequence for discussion. The questions in the moderator's guide flow from the issues or questions the researcher wants to explore. According to the Health Communication Unit (2002: 14), the questions in the moderator's guide should be general in nature, with suggested probes that could be used to stimulate discussion and elicit details. The questions should move from the general, easy and non-threatening to the more specific, focused, and value-laden. The guide should be divided into the introduction, warm-ups, key content section, summary and closing (Health Communication Unit, 2002: 15).

### **3.4.4. Observation method**

Observation technique was formerly known as field research. Barbie and Mouton (2001: 276) notes that by going directly to the social phenomenon under study and observing it as completely as possible, researchers can develop a deeper and fuller understanding of it. According to Bailey (1982: 245), observations can be made about the quality of the respondents' dwelling, the presence of various possessions therein, and the respondents' general reaction to the study.

The researcher combined interviews with observations and took photos. The assumption was that if the findings obtained with all these methods corresponded, then the validity of those findings and conclusions would have been established. Silverman (2006: 291) asserts that by looking at an object from more than one standpoint, it was possible to produce a true and certain representation of the object.

The researcher carried out passive observations at the place where the Agricultural Project and Brick-laying project, known as Moselatlala, was taking place as well as where the Sewing Project was taking place, with the permission of the beneficiaries to assess their status. The researcher made careful observations on aspects such as

anything that was left after the projects had ceased to exist. The researcher ensured that his presence did not affect the respondents' perceptions of the questions or the answers given (Bailey, 1982: 245). The interviewer was a neutral medium through which questions and answers were transmitted. The interviewer ensured also that his attire matched the attires of the people he was interviewing in order to make the environment more suitable and conducive for the activity.

The presence of an observing, thinking researcher is the biggest advantage of the observation technique. The researcher was taking notes while he was observing. In his notes, he included empirical observations and their interpretations. He kept record of what he knew had happened as well as what he thought had happened.

#### **3.4.5. Documentation method**

De Vos *et al.* (1999: 320) state that documentation data denotes the analysis of any material or written information about the phenomenon being researched. Many documents are not written with the purpose of researching particular issues. Numerous non-personal documents, such as internal office memoranda and minutes of meetings, are documented with the purpose of facilitating the on-going operations of organisations. Mass media documents, such as newspapers, magazines and newsletters, are another category of documents, and they are primarily documented with the purpose of keeping the public informed about certain issues relevant to them. However, if these documents are studied and analysed for the purpose of scientific research, the method of documentation becomes operative as a data collection method.

The researcher collected numerous documents, namely, government documents, IDP reports, reports from the Blouberg Municipality, and LED reports from the Blouberg Local Municipality and COGHSTA. De Vos *et al.* (1999: 324) point out that the advantage of document study is that the researcher does not have a personal contact with the respondents.

### **3.4.6. Visual evidence**

The researcher took photos so that the reader can have a clear picture of the locations where LED projects were situated. In support of this practice, though with reference to something else, Silverman (2006: 245) states that “by showing a series of photos of a given ritual on one page and related text on the opposite page, readers were encouraged to see and read the story simultaneously”.

### **3.5. Trustworthiness**

The researcher maintained trustworthiness by using Guba’s model (De Vos *et al.*, 2006: 346; Babbie & Mouton, 2001: 276) which has the following criteria:

#### **i) Credibility**

The researcher ensured credibility by means of prolonged engagement with participants on the research topic, which is the sustainability of LED projects in Kgwale village. He pursued this until he reached data saturation during the semi-structured interviews and focus group interviews. Moreover, observations were made and photos were taken throughout the study. The researcher used triangulation of data collection, as mentioned in De Vos *et al.* (2006: 296). Participants interviewed were purposively selected and they satisfied the research study inclusion criteria (De Vos *et al.*, 2006: 346).

#### **ii) Transferability**

The researcher gave the participants an opportunity to describe what they know about LED projects in Kgwale village. The study findings were not generalised to all LED projects in the Blouberg Local Municipality but were limited to Kgwale village (De Vos *et al.*, 2006: 346). The researcher used triangulation of data collection methods in the verification of the truth of data collected from the participants and the study area.

#### **iii) Conformability**

The findings of this research were the products of the investigation and did not arise from the researcher’s bias. Bias was minimized through the involvement of an

independent coder. Raw uncategorised data were forwarded to an independent coder who then allocated the codes from the original raw data supplied by the researcher. The researcher thereafter scheduled a meeting with the coder to discuss and to reach consensus on the categories, which were independently developed (Brink, 2006: 285; De Vos, 1998: 351; Babbie & Mouton, 2001: 278).

### **3.6. Data analysis**

Data analysis is conducted with the aim of reducing, organising and giving meaning to data (Burns & Groove, 1997: 43). The data for this study were analysed in an effort to detect consistent co-variables. The researcher identified reasons provided by participants for the non-sustainability of LED projects in Kgwale village, assessed consistency about how the participants responded, and drew inferences from the findings. The process involved a systematic organisation of the interview transcripts, field notes, observation notes and other accumulated materials so that they were able to answer the research questions.

### **3.7. Ethical considerations**

The most important principle of research is that participants should not be subjected to any form of harm by their participation in a research project. The researcher has a responsibility to ensure that the research being undertaken is ethically considerate (Bless, 2006: 140). In this study, the researcher made sure that the participants' rights to self-determination were respected. The informed consent of the participants was obtained before they were subjected to interviews. According to Soothill, Henry and Kendrick (1996: 184), an informed consent is consent that is obtained after the participants have been adequately instructed about the risks and benefits involved in the research project. This research was planned and executed in a way that fostered justice and beneficence and excluded harm and exploitation of participants. The participants were told that they could terminate their participation in the study if they felt that they could not continue. The participants were made aware that they were not forced to answer any question if they felt it was violating their rights of confidentiality. Participants were informed that field notes would be written during interview sessions. They were also notified that a voice recorder would be used to

record all the interview sessions and that the recordings would be made available only to the researcher, the appointed independent coder and the researcher's supervisor.

The confidentiality and anonymity of participants were protected throughout the study. Participants were informed that they would be allocated numbers as their real names would not be used (Seale, Gobo, Gaubrium & Silverman, 2004: 233; Cormack, 2001: 57). Their informed consent was signed by the official from the Blouberg Local Municipality and the Kgwale traditional authority.

### **3.8. Conclusion**

This chapter has presented a description of the research methodology and design that were used to address the research objectives in this study. The researcher used a qualitative descriptive and explorative approach to guide the research. Triangulation of data collection methods was employed to collect data. Data collection methods included semi-structured interviews conducted with a moderator's guide, focus group interviews, documentation, passive observation and visual evidence. This combination of methods contributed to strengthening the trustworthiness of the findings. The findings would enable the researcher to draw conclusions from the research and to make recommendations. The researcher used non-probability purposive sampling to include participants in this study. The sample for this investigation was determined by data saturation.

Chapter Four presents the research findings, analysis and interpretation. The responses from all the beneficiaries of LED projects in Kgwale village are presented, analysed and interpreted.

# CHAPTER FOUR

## RESEARCH FINDINGS, ANALYSIS AND INTERPRETATION

### 4.1. Introduction

This chapter presents the findings of the study which was conducted about sustainability of LED projects in Kgwale village in the Blouberg Local Municipality. The findings are presented below, enhanced by literature review to develop and contextualise the findings within existing literature. The objective of the discussion of the findings is to provide a line of reasoning or evidence showing the necessity to recommend strategies that might be used to assist beneficiaries of LED projects in Kgwale village.

The sample for the study comprised 40 households purposively chosen and interviewed until data saturation was reached. These 40 households were drawn from a population of 82 households in Kgwale village. Semi-structured one-to-one interviews were conducted with six (06) government officials and focus group interviews were also conducted with the participants. The criteria used to identify the government officials were based on their experience and number of years working with LED projects.

A qualitative research design was employed and the study relied extensively on semi-structured interviews, focus group interviews, documentation, observations and visual evidence. Great care was taken during the data collection to ensure that there was no deviation from the aim of the research which was to investigate the underlying reasons why all the LED projects in Kgwale village in the Blouberg Local Municipality were not sustained, despite documented high unemployment rate in the area.

The presentation of the results in this chapter has been grouped into three categories:

- Category one relates to information that was collected from beneficiaries of LED projects in Kgwale village through one-to-one interviews and information collected from focus group interviews on the sustainability of LED projects;
- Category two is information obtained from the officials in the Blouberg Local Municipality and the Department of Health and Social Development who were responsible for LED.
- Category three is information collected through passive observations and through informal discussions with beneficiaries of LED projects which was recorded as field notes.

The researcher took photos of places which were identified as LED locations to enable the readers to have a clear picture of how the places look like.

#### **4.2. Profile of respondents**

The following is how respondents were composed:

- Households who were beneficiaries of LED projects;
- Traditional leadership'
- Provincial government officials; and
- Local government officials.

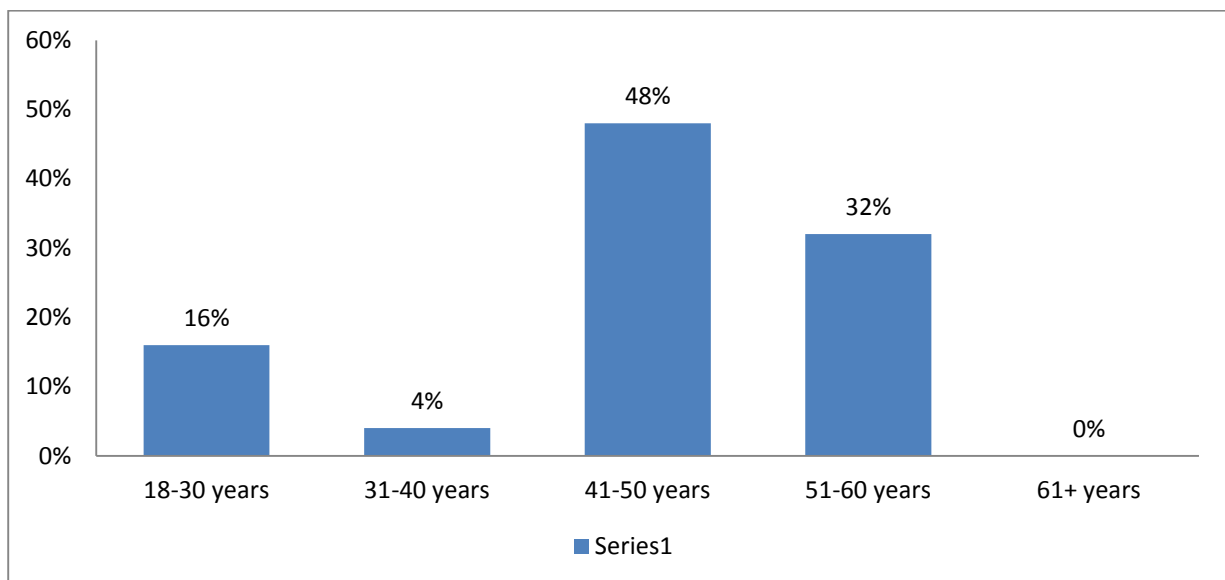
Individuals and focus groups were profiled in terms of race, age, gender, marital status, number of dependents, level of education and employment status. The reason for the inclusion of these variables was to facilitate the collection and classification of facts about the background of the people in the area of study.

### 4.2.1. Race and citizenship

The above variables were probed because the researcher wanted to ascertain which racial group had the highest number of beneficiaries of LED projects and to check if non-South African citizens were also beneficiaries. The findings of the research revealed that all beneficiaries who worked in LED projects were black South Africans.

### 4.2.2. Age of beneficiaries

Figure 1: Age group of beneficiaries



An analysis of what age group met the required criteria for eligibility to work in the projects, as illustrated in Figure 1, indicates that the highest percentage was recorded in age brackets 41-50 years (48%). This shows that in this category the project members were more reliant on the LED projects as they needed to maintain their families or perhaps due to the age group of their children. The age group 51-60 years (32%) suggests that in this category some of the project members' children were already starting to be independent. With regard to age bracket 18-30 years (16%), we notice that this is the third large number of the people who worked in projects, because these are the people who discontinued their studies at elementary

stage owing to financial constraints and other challenges but they did not have more pressure in the upbringing of their children as some of them did not have children of their own. The category 31-40 years (4%) is the lowest because the majority of the people in this age group were working far from Kgwale village since they believed that they still had an opportunity to find employment that paid better than the LED projects at their disposal. The age group 61 and above years (0%) did not work in the projects because they were the elderly in the community and were pensioners benefiting from government social grant.

#### 4.2.3. Gender of beneficiaries

Figure 2: Gender of beneficiaries

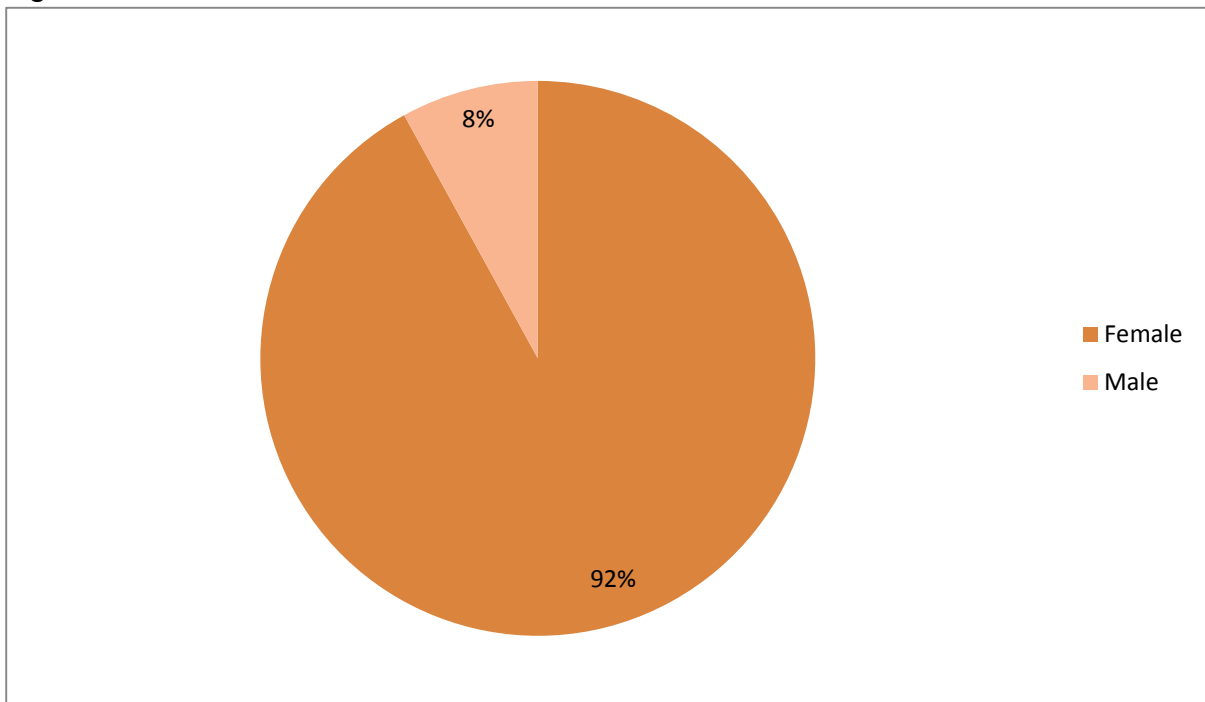


Figure 2 above indicates that the largest proportion (92%) of beneficiaries were females. It also indicates that more women than men were unemployed, with men recording only 8%.

#### 4.2.4. Marital status of beneficiaries

The aim of probing the marital status of the beneficiaries was to determine who was responsible for the raising up of children, including their general maintenance.

**Figure 3: Marital status of beneficiaries**

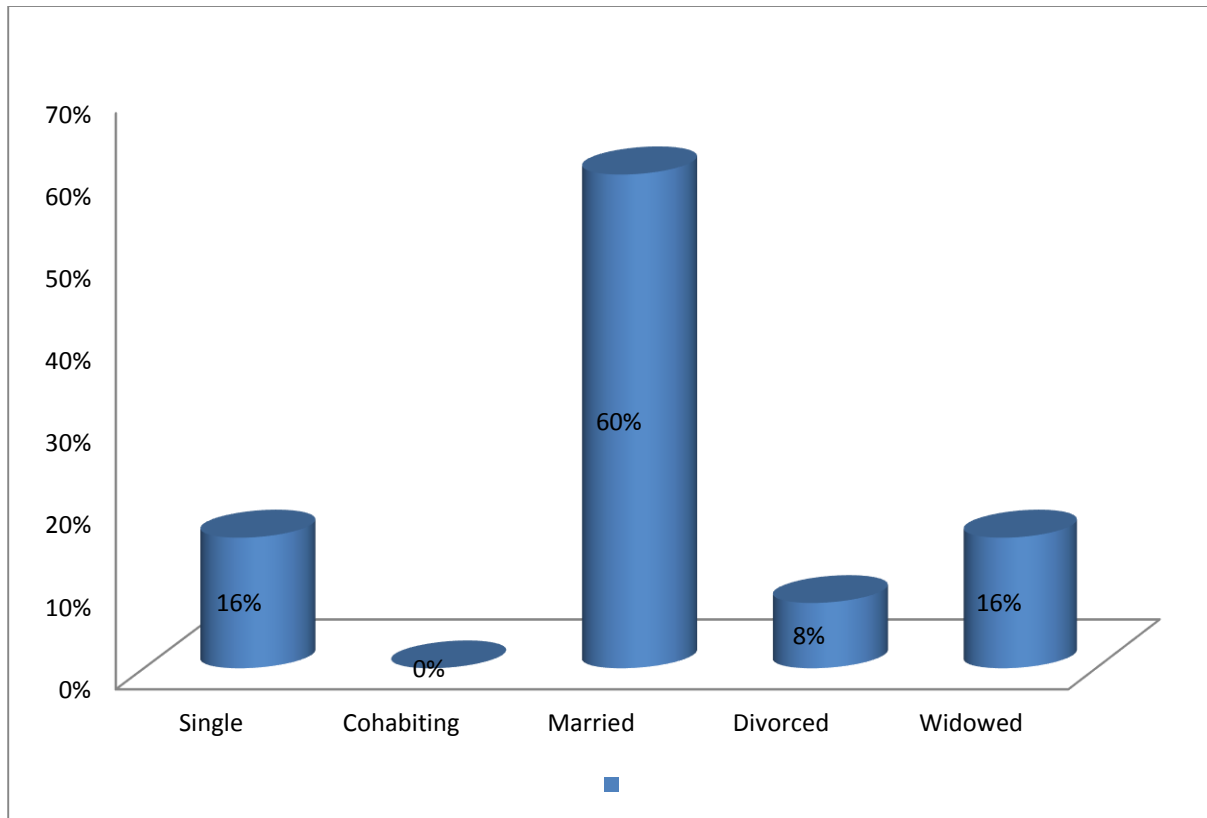


Figure 3 indicates that the majority of beneficiaries (60%) were married, which is an indication that most people in the projects in Kgwale village were married. The single and widowed were only 16% each. Those divorced constituted 8%, while those cohabiting were 0%, which indicates that the community of Kgwale village still considered it a taboo to cohabit. The fact that 60% of the beneficiaries were married indicates that a large number of the project members needed to work for their families in order to fight the scourge of poverty and hunger. The widowed and single members, both at 16% each, also needed to provide food and clothing and to pay school fees for their families. The 8% in the divorce category also needed to maintain the welfare of their families.

#### 4.2.5. Beneficiaries with dependents

Figure 4: Beneficiaries with dependents

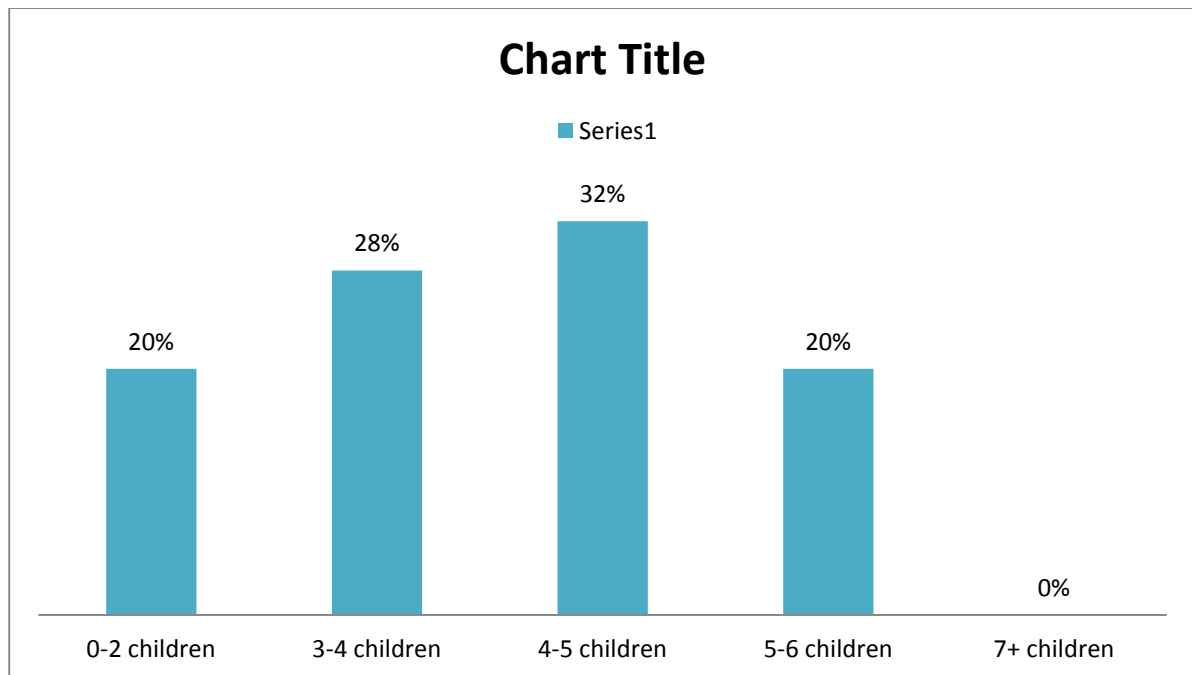


Figure 4 shows that there were no project beneficiaries who had more than 6 children. The beneficiaries with 5-6 children constituted 20%. Those who had 4-5 children were 32%. The beneficiaries who had 3-4 children made up 28%, while those with 0-2 children made up 20%. It therefore goes without argument that these beneficiaries believed that they will benefit from the projects and perhaps improve their socio-economic status. The fact that the beneficiaries had dependents or children is perhaps one of the important reasons why they started the projects.

#### 4.2.6. Employment status of beneficiaries

Figure 5: Employment status of beneficiaries

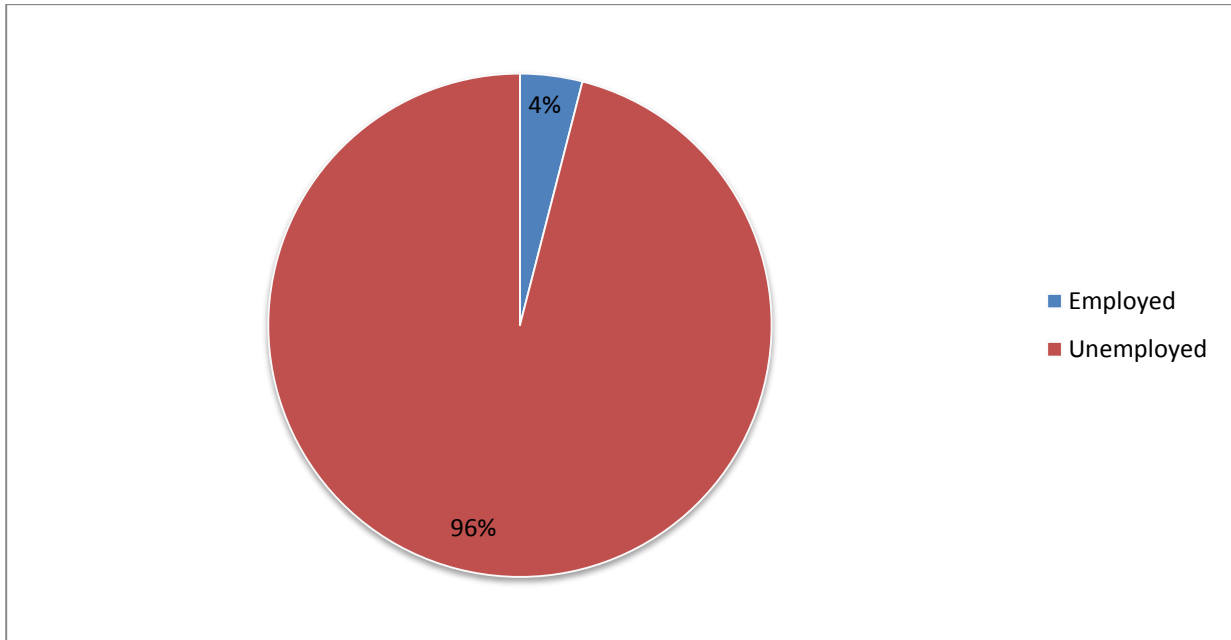


Figure 5 shows that 96% of beneficiaries of all the LED projects in Kgware village were unemployed and depended on social grants. Only 4% were employed. This shows that the project participants were feeling the effect of poverty. The employment status of the project beneficiaries shows that these people needed to work on something; hence they agreed to be part of these projects. There was one member who was employed as an educator and was only available for the projects after hours, during weekends and school holidays. It is difficult to understand how these beneficiaries survived. It brings us to conclude that they were willing to do any kind of work given to them because unemployment was a nightmare to them.

#### 4.2.7. Level of education of beneficiaries

Figure 6: Level of education of beneficiaries

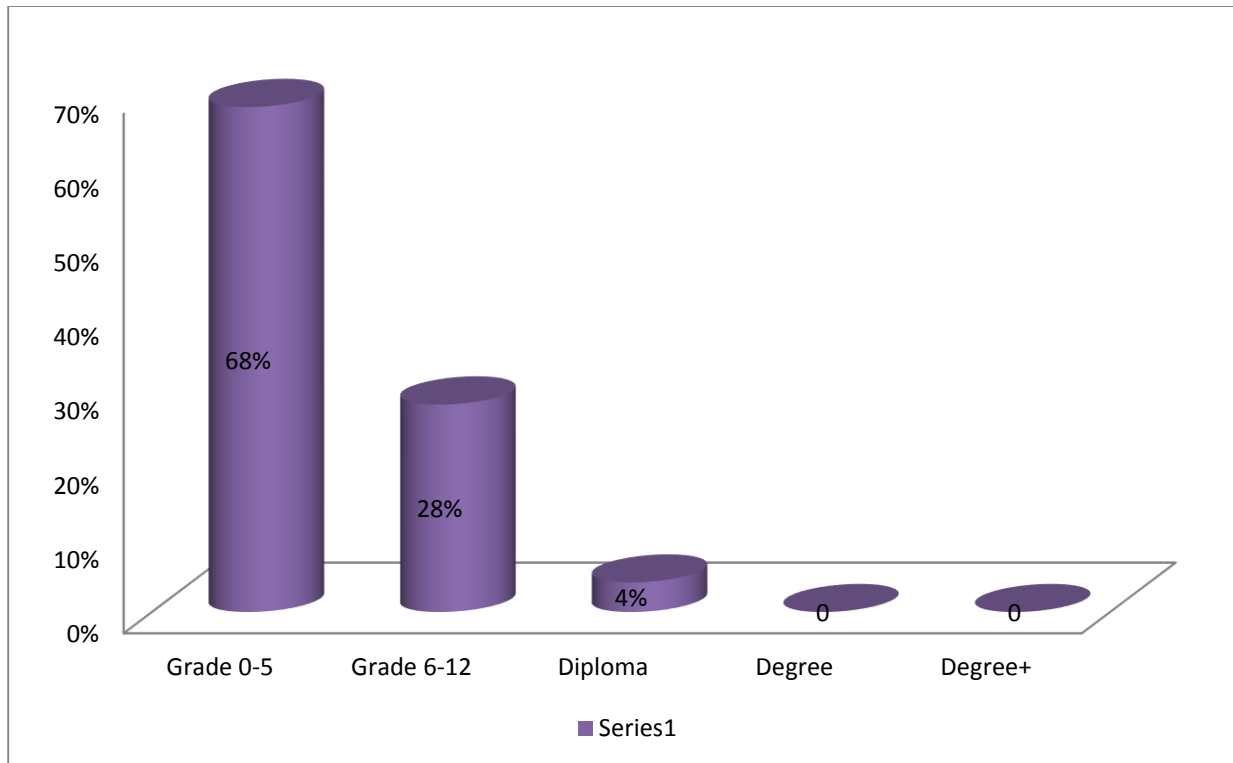


Figure 6 indicates that the majority of the respondents (68%) had educational qualifications between Grade 0 and Grade 5, which means that most beneficiaries could only write their names and did not have qualifications and skills for better employment opportunities. This shows that most people in Kgwale village did not have the opportunity to study beyond primary level during the apartheid regime. The low educational qualification of the project members made it difficult for them to have sufficient skills, capacity and capability to be effective and efficient in their projects. Even the project members who studied between Grade 6 and Grade 12 never received proper training about how to be productive and were never exposed to LED projects before. There could have been a different situation if they had received training. Only one person had a diploma in teaching, which is not relevant to LED projects and their sustainability. A lack of proper, appropriate and relevant support contributed to the poor performance of these projects. That is why they have less job opportunities, which makes it difficult to root out poverty in the area.

### **4.3. Description of LED projects**

#### **4.3.1. Moselatlala**

Moselatlala is a combination of two sepedi words, namely, 'sela' which means fight and 'tlala' which means hunger. The Moselatlala Project was therefore aimed at fighting hunger in Kgwale village. The project started in 1998 with 28 workers, the majority being women. The project was about growing vegetables such as spinach, cabbage, onions, tomatoes, carrots and potatoes. The project was dependent on community water, the supply of which was sometimes a problem because often when the machine broke it took long for it to be fixed. The beneficiaries also depended on the community dam to water the crops. The dam however only had rain water during rainy season and could not hold water for a long period. Kgwale village is a very dry area where gardening is a serious challenge for the community. Only indigenous vegetables such as *lerothwe*, *thepe*, *motshatsha*, *monyaku*, *lehlanye*, *selotwane* and *monawa* can survive in this area, as they need very little water.

The Moselatlala Project was initiated by the Department of Health. The department then extended the project to include brick-laying and more community members were invited. The bricks laid were sold to the local community at R1.00 a brick. The demand for the bricks soon increased that they even had to be supplied to the nearby villages. The beneficiaries however experienced difficulties in transporting the bricks to outside villages as the project did not have transport of its own. They had to rely on local community members who owned motor vehicles to transport the bricks, but these ones charged a price which the beneficiaries and clients found exorbitant. For this reason, transporting bricks became a serious problem.

#### **4.3.2. Sewing**

This project also started in 1998 with only 15 women as beneficiaries. There was no proper place that had been identified for the Sewing Project. The workers were sewing from one of the beneficiaries' home. They had one sewing machine and were supplied with sewing materials. The beneficiary from whose house the sewing was

being operated was appointed a supervisor, because she had some knowledge about sewing. She then trained the other women on how to operate the sewing machine and take measurements. There was very little evidence that this project was in existence, because the targeted market was the local primary school which was supposed to buy school uniforms from the project. The local community was also a potential market for the project's products. There were also nearby villages which could also have bought the products from the Sewing Project. The beneficiaries however lost interest in the project because they expected to learn from the project, earn income from it, improve their livelihoods and sustain themselves from it, but none of this happened. Eventually, somebody took the sewing machine, which led to the collapse of the project.

#### **4.4. Research Findings**

##### **4.4.1. Applying LED principles**

The findings of this study were that all the projects in Kgwale village, namely, the Moselatlala project (both the Agricultural project and the Brick-laying project) and the Sewing Project did not live up to expectations in line with key principles underlying LED strategy in South Africa. These key principles are as follows:

- (i) Job creation and poverty alleviation: the projects did not create employment for the community and poverty was not alleviated. The people who started the projects still felt the heat of poverty and continued to experience hardship.
- (ii) Targeting previously disadvantaged people and marginalised communities in rural areas: The people of Kgwale village were the previously disadvantaged and marginalised and were living in a rural area, but the strategy, approach and manner in which the LED projects were initiated and executed had failed them. Terms and conditions were dictated to them by those who thought they had knowledge about the eradication of poverty in the rural areas through LED projects.

- (iii) Community involvement and local leadership: The community members and their local leadership had little involvement in the initiation of projects, did not make decisions about how to start the projects and did not feel that they owned these projects.
- (iv) Use of local resources and skills: This means that the community must be regarded as people who have wealth of knowledge, skills, abilities and competencies to start the projects, work in them, make profit from them, sustain them and improve their livelihoods. It is evident from the study that the community members were not seen as people who were resourceful and skilful.

On the whole, it was found that both the local community and project members did not benefit from these projects.

According to Mtapuri and Thabethe (2010), there are eight important principles of community development.

- (i) Human orientation – which means that people are more important than their physical needs.
- (ii) Participation – meaning that every person who is part of the community must be able to participate, including people who are on the margins, women and children, the poorest of the poor, the elderly and those with disabilities.
- (iii) Empowerment – this is about community members gaining access to power. For example, a project that does not share power with the people cannot claim to be about empowerment.
- (iv) Ownership – the community members feel important when they participate in the project and they feel that the project belongs to them.
- (v) Release – meaning that community development should aim to release people from poverty, and not only to bring temporary relief.
- (vi) Learning – which means that the community members should be able to learn from the community development projects in their area.

- (vii) Adaptability – the projects are supposed to be made suitable for the local community.
- (viii) Simplicity – which means that the LED projects are not supposed to be difficult to understand. They must be something the community understands and enjoys doing.

The study found that all the above principles were either not considered or not recognised.



Photo depicting a focus group interview with members of the Moselatlala projects (Agriculture and Brick-laying) and the Sewing Project. (© Seanego SE)

#### **4.4.2. Performance of the projects**

The criteria that were used to measure the performance of the projects were profitability, sustainability, participation of members in projects, skills of members and education of members.

The Sewing Project did not survive for one year, reason being that the project members had only one sewing machine. They had one person who had some knowledge about sewing but could not train others because there were not enough materials and sewing thread. This project performed very badly as the project members never sold their products to the community, not even to one another. Somebody ended up taking the sewing machine, which eventually led to the collapse of the project.

The project that many people were expecting to see yielding results was the Moselatlala Project, both the agricultural and brick-laying sectors. The project members were asked to raise money for the start of this project. They each contributed fifty rands to start the project. They then bought wheelbarrows, garden forks, garden spades, rakes, pickaxes, and various vegetable seeds. They prepared the ground and then planted the seeds. The project members planted and grew vegetables such as spinach, cabbage, potatoes, onions, carrots, tomatoes and beetroots. This project performed better than the Sewing Project because the local community members were buying these vegetables. However, the project members were not paid on a monthly basis but sometimes after three months, despite their products being sold to the community. The problem with this project was that there was no account number, no treasurer and no signatories. The funds that were generated from this project were not properly managed, and it appears that there was very little transparency and openness in the way this project was run, especially the financial matters.

The Moselatlala/Brick-laying Project was located in the same yard as the Moselatlala/Agricultural Project. The same people who worked in the Agricultural Project also worked in the Brick-laying Project. In this project, the project members were laying bricks. They used the same wheelbarrows, garden forks, garden spades, rakes, and pickaxes that they had bought for the farming project. In addition to these equipments, they bought brick frames and bags of cement. They were fortunate not to buy sand because Kgwale village is predominantly a very sandy area. As such, they were fetching sand around their project area. They fetched water from the

community water pump, and from the communal dam when the community water pump was broken or when there was no diesel to operate it.

Kgwale village is such a dry area that the project members struggled to get water for their project from the communal dam during the drought months and when the pump was non-operational. They had to wait for rain to fall to fill the dam which was not properly maintained or to wait for the pump to be operational.



Photo of communal dam in Kgwale village from which project members fetched water for the Moselatlala projects. (© Seanego SE)

This dam was dug by the then Lebowa government around 1970 for the community's use. The project participants relied on this communal dam to water vegetables for the Moselatlala farming project and to lay bricks. There was no pipe-borne water from which they could easily access water for the irrigation of the vegetables and the laying of bricks. The project members therefore relied heavily on this dam, but a major challenge was when the dam ran out of water. Their projects stopped until

water was available in the dam. The other challenge was that the dam could not hold water for a long time because it was not maintained.

The project participants said that after some of them withdrew from these projects, the remaining members shared the equipments that they had jointly bought without engaging them. They further said that this project collapsed because they were not earning the income they had anticipated to make in order to improve their livelihoods. They said had all the three projects yielded expected results, they would still be part of them.



Photo of the place where the Moselatlala projects (both the Agricultural and Brick-laying projects) used to take place. (© Seanego SE)

The above photo shows the place which used to be the grounds for the Moselatlala Project. This area is traditionally a ploughing field for the local headman and was donated for the LED projects. The area has been deserted because there is nothing taking place there at the present time. During the interviews, the headman's son, who has since succeeded his late father as a headman, expressed his

dissatisfaction about this place. He said that somebody took advantage of the project situation (the collapse) and ploughed in this area without his permission. He further said that he will call a community meeting and inform his local community that he wants to repossess this area and use it for himself because it is not controlled.

#### **4.4.3. Reasons for establishing the projects**

The study revealed that there were common reasons for the establishment of the projects. The poor socio-economic situation and unemployment were found to be the most common reasons for the establishment of these projects. The community members for whom these projects were established were approached and urged by government officials to come together and start projects aimed at creating jobs for themselves. This resulted in the establishment of the Moselatlala Project which consisted of planting and growing vegetables and brick-laying, as well as the Sewing project. There were no members in all the projects who had paid money to be in any of the projects. Funding was provided by various government departments. These include the Department of Health and Social Development, the Department of Agriculture and the Blouberg Local Municipality.

#### **4.4.4. Factors contributing to the failure of projects**

##### **4.4.4.1. Financial management**

With regard to the Sewing project, the study found that there were no proper methods in place to keep record of the financial transactions. There were no monies recorded in a receipt book. There was no person assigned to sell the clothes. The project did not have a bank account. In the Farming and Bricklaying projects, the same also applied. There was no record keeping of products. There was also no bank account for both projects, and as such there were no signatories for the withdrawal of money from the bank. The products were sold by any individual who was asked to sell them on a particular day. Money was given to the project manager who gave the project members the impression that the money was being saved in a bank account.

All the projects did not have financial managers who could have been responsible for the preparation of monthly income statements. There were no treasurers appointed or elected in any of the projects. The financial manager, if appointed, was supposed to be the custodian of all the funds in each project, the person who keeps and maintains appropriate procedures and safeguards the projects' funds. There was no independent auditor who was invited at the end of every financial year to audit the projects' financial statements. All the project participants did not have bank accounts, except the project manager of the Moselatlala projects. This was perhaps because of her employment as an educator in the Department of Education.

We have not appointed a financial manager but somebody who is more educated than the rest of us is the custodian of all the funds. She only updates us about the funds.

(Moselatlala/Agricultural and Moselatlal/Brick-laying project member)



Photo depicting members of the Moselatlala projects and the Sewing Project who formed part of the focus group interviews. (© Seanego SE)

#### **4.4.4.2. Decision-making process**

The research revealed that none of the projects had formal processes in place for application during the decision making-process. All the projects did not have democratically elected committees which, if elected, were supposed to be responsible for making major decisions in consultation with other members from the projects. There was no board elected in all the projects. The researcher believes that the election of board members could have given them power and courage to be responsible for decision-making in the projects, after deliberations and consultation with the rest of the project members.

We hear that in other projects somewhere there are democratically elected people to form a board that makes decisions but with us, there is nothing. We sometimes just decided what to do but we did not have a constitution.

(Moselatlala/Agricultural and Moselatlala/Brick-laying project member)

#### **4.4.4.3. Projects' main clients**

The results showed that the Agricultural and Brick-laying projects considered members from the local community and people from the neighbouring villages as their main clients. The project members did not have regular clients or specified people but were only hopeful that somebody will buy their products. The researcher holds the view that the development of a well-defined client base is very important in determining the sustainability of LED projects. The research conducted on the three projects showed that these projects did not have a well-defined client base; hence, they did not perform well. Nevertheless, the Agricultural project and Brick-laying project saw a better performance compared to the Sewing project.

Our clients were our own community members and the community from the neighbouring villages.

(Moselatlala/Farming and Moselatlala/Brick-laying project member)

#### **4.4.4.4. Marketing strategies**

The study revealed that all the projects in Kgwale village did not have proper and well thought out marketing strategies in place as they all relied on word of mouth to market their products. The Brick-laying project could have generated more money for the members if the members did not have transportation challenges. There was also no profile of all the projects in the media because there was no local newspaper or community radio that could have assisted in the profiling of the projects. There were no advertising boards or pamphlets that were made available as a marketing strategy for all the projects. There were also no presentations that were done face-to-face with the prospective buyers. People from the neighbouring villages were buying bricks from the Brick-laying project, but they were hindered by transportation challenges.

We did not have the clients that we could say they were our own clients. We just hoped that there will be somebody to buy our products.

(Moselatlala/Farming and Moselatlal/Brick-laying project member)

We did not have customers but believed that people in the village will bring their clothes for sewing. We wished that somebody could introduce us to the neighbouring villages and schools. Maybe that could have assisted our project.

(Project member from the Sewing Project)

#### **4.4.4.5. Skills of members**

The research revealed that all project participants did not receive training from any institution, apart from them having gained experience from ploughing in the fields over the years, learning how to lay bricks during the Brick-laying project and learning to sew during the Sewing project. During the projects, the only training that the participants received was learning how to water plants and how to operate the brick-laying machines. The project members believed that capacity building was important

in projects as it played a significant role in the sustenance of any project. They believed that a person who has been capacitated knows exactly what to do and what to expect to ensure that there is smooth running in a project as well as sustainability.

The research has revealed that the project beneficiaries were facing a lack of training in areas that were vital to the effective running of LED projects and to their sustainability. All the project members did not receive training, besides their vocational training, and were worried about their lack of knowledge and understanding of matters that were related to business. The researcher holds the view that this could be one of the reasons why most of the interviewed participants could not do well in the competitive market, even if they had access to such markets. Vocational training predominantly aims at training people in certain skills, which is a pre-requisite for the production phase of a project. However, running a Small Medium Micro Enterprise (SMME) in a financially viable way demands advanced business skills. Apparently, vocational training does not provide this core business competitiveness (Marais *et al.*, 2002).

We did not have training in farming and only relied on our indigenous knowledge in ploughing, but planting spinach, carrot, cabbage, potatoes and tomatoes is a bit challenging because these things need manure and we cannot buy it.

(Moselatlala/Farming project member)

We did not have training in sewing but relied on one person who is experienced in sewing.

(Sewing Project member)

We did not have training in brick-laying but learned everyday as we were laying bricks. Sometimes they do not come out as good as we wish and we end up selling them cheap.

(Moselatlala/Brick-laying project member)

#### **4.4.5. Indicators of a successful project**

The researcher used the following indicators to determine the sustainability of the projects studied:

- The number of years in which the project has been existing;
- The production capacity of the project;
- The consistency with which the beneficiaries earn their salaries;
- The number of people involved in the project; and
- The state of the project's infrastructure.

The research revealed that the following factors posed great threats to the sustainability of LED projects in Kgwale village:

- Illiteracy amongst beneficiaries;
- Lack of accessibility to markets;
- Lack of a business plan;
- Lack of transportation;
- Lack of transparency and openness among the project members;
- Lack of skills and capacity; and
- Low educational levels of project members.

#### **4.4.6 The role of the community members in LED Projects**

The research revealed that beneficiaries considered the community's support or acceptance of the projects as the main determinant of the sustainability of the projects. The researcher interviewed the managers and their response was that projects are less likely to survive without community members buying their products. Of all the projects studied, the Moselatlala/Farming and Moselatlala/Brick-laying projects were the two that received some support from the community, because

people were buying bricks for building houses and vegetables for survival and nutritional purposes.

One of the most interesting findings in relation to the role of the community members was the perception of project members about other members who had particular skills or knowledge about the project. All the project members that were interviewed indicated that community members who had certain knowledge should not stay away from them. They preferred to get advice from them on how to expand and make their projects more profitable. One other finding was that the project beneficiaries did not have the skills, knowledge and understanding they needed to manage their projects independently, and therefore they relied on the external agents for assistance.

#### **4.4.7. The availability of markets**

The availability of markets in which products can be sold largely determines the sustainability of LED projects. The lack of access to markets is a major deterrent to the sustainability of LED projects. The findings of this study indicate that projects that are only reliant on the local market or community to sell their products perform poorly and repeatedly experience cash flow constraints, as opposed to those with access to markets outside their immediate locality.

None of the three LED projects in Kgwale village had an opportunity to sell their products to other parts of the country. The research revealed that lack of access to markets resulted in cash flow problems for the projects, which in turn threatened the existence of the projects. A limited market is seen as one of the main contributory factors towards the failure of projects. If the market is limited, the chances of the projects expanding and becoming macro projects are very slim (Singwane, 2001).

The researcher holds the view that poor marketing is one of the factors that prevent LED projects from accessing broader markets. The development of marketing

techniques that are effective is crucial in determining the sustainability of a project. Appropriate marketing tools add value to the products that are offered by LED projects.

#### **4.4.8. Monitoring and evaluation**

Various factors lead to the poor sustainability of LED projects. Some are simple while others are complex. Some are within the control of the management of the project, while others are the result of external threats. Some of the factors can be (and indeed ought to be) taken care of right at the design stage of a project, whereas others can be tracked and corrected during implementation, through monitoring. It is therefore important that the factors that affect sustainability are well articulated and incorporated, as far as possible, at the design stage. Later, the same factors can be followed up through monitoring (Khan, 2000).

Monitoring and evaluation of projects was picked up during interviews as another factor that some project members believed was crucial to the projects' sustainability. The respondents pointed out the importance of regular monitoring and evaluation of the projects. They emphasized that the monitoring and evaluation of these projects would have enhanced their sustainability in various ways. If projects had been monitored and evaluated, everybody who was attached to them would have been equipped with first-hand information on how the projects were doing, the challenges they were facing and the successes they were enjoying.

#### **4.4.9. The role of the government**

The sustainability of LED projects can only be achieved when the projects continue to operate fully and are still profitable even after the government has stopped funding them. The participants in this study indicated that the support from government and

other stakeholders was vital in ensuring that there was continuous operation of the projects. The research found that post-project support services, such as monitoring and evaluation, by government officials were necessary for the beneficiaries of projects, which was not the case. This is important because project beneficiaries can have knowledge, skills, abilities and techniques on how to deal with marketing, bookkeeping and financial management.

By their nature, income-generating projects seek to be enterprises, but because of the way they are often set up, they tend to attract beneficiaries who are themselves not entrepreneurial (Public Service Commission, 2007). This makes it necessary for the government to be actively involved during the first few months of the project's life, to teach the project members the skills, techniques and abilities they need to operate projects professionally and not as a welfare venture.

#### **4.5. Interpretation of the findings**

The findings presented in this chapter have shown that LED projects are a real need for the people of Kgwale village in the Blouberg Municipality. The recommendations made in various sections of this chapter (and in the next chapter), if considered in future, would benefit the local community. These recommendations emphasize that the quality of projects be improved and that projects be sustained for the betterment of the community's livelihood.

The officials who were interviewed agreed that an improvement of the quality of projects requires the following measures to be put in place:

- The national norms and standards, policies, procedures and regulations guiding LED projects should be strictly adhered to.
- There should be a continuous training of officials in order to keep them up to speed with the changing environment and advancing technology.
- Officials should be held accountable and responsible for any deviation from the prescribed procedures and legislation.

The majority of the Kgwale village beneficiaries did not work on the LED projects for several reasons:

- They were disappointed by their exclusion in the projects.
- They were not engaged in the initiation of the projects.
- The projects were successfully initiated, but the management of these projects let the people down.

The government did not follow and adhere to prescribed policies, procedures, norms and standards as well as legislation. The government did not appoint competent and knowledgeable people who were sensitive to the needs of the local community, considering that this was a rural community. The government did not appoint advisors, guides and advocates for the projects. This failure or ignorance led to the lack of sustainability in the projects. The officials responsible did not monitor and evaluate the performance in the projects. This raised a concern that there was an element of incompetence, which may have led to corruption and bribery among the officials responsible for monitoring and evaluation of the projects. However, this suspicion was not raised during interview sessions, despite interviewees indicating their frustration about how the projects were run.

#### **4.6. Conclusion**

It was clear from the findings that the provision of local economic development was necessary for Kgwale village. The obvious disappointment was poor project planning, poor project management, lack of capacitated or informed project members, and lack of technical and technological skills. Inappropriate monitoring and evaluation and ignorance of the prescribed norms and standards, policies, procedures, regulations and legislations were also factors that contributed to the lack of sustainability of LED projects in Kgwale village.

The problems of poor project planning, poor management, lack of technical skills and poor monitoring and evaluation have also been documented by other researchers, which indicates that South Africa has good policies with good intentions but they are not being adhered to. The government has a duty to put strict measures in place to ensure adherence to implementation and monitoring systems so that the intentions of policies are accurately met. In the case of LED projects in Kgwale village, the study found that the expectations of projects members, with regard to their various roles and responsibilities, were not clarified from the beginning.

# CHAPTER FIVE

## CONCLUSION AND RECOMMENDATIONS

### 5.1. Introduction

This study was about the sustainability of Local Economic Development projects in Kgwale village in the Blouberg Municipality, Limpopo Province. The aim of the study was to investigate the underlying reasons why Local Economic Development projects in Kgwale village have not been sustainable. The researcher was motivated to conduct this investigation because its findings will be useful to both the government and the Blouberg Municipality in improving the sustainability of LED projects in Kgwale village and is likely to contribute to knowledge on how to sustain LED projects. The objectives of the study were to review the performance of LED projects in Kgwale village, assess the sustainability of the projects and analyse the underlying factors which explain why they have not been sustainable.

The research questions for this study were: (1) to what extent do LED projects assist the people of Kgwale village? (2) What is the participatory level of the community of Kgwale village in LED programmes? (3) What is the financial viability of LED projects in Kgwale village? (4) What is the economic viability of LED projects in Kgwale village? and (5) were the people of Kgwale village consulted prior to the implementation of LED projects in their village? The indicators that were used to measure the sustainability of LED projects are the durability of the projects, production capacity of the projects, whether or not the beneficiaries have consistently earned salaries throughout the project life cycle, the number of people involved in the project, and the state of the project's infrastructure.

According to Thaw and Randel (1998:1), "the development project is concerned with improving the living conditions of people. Living conditions are not viewed in a narrow way – they include the ecological, economic, social and cultural context

within which people live. The benefits of the intervention should continue even after the project is complete". This chapter provides a summary of the research findings and conclusions based on the research findings on the sustainability of LED projects in Kgwale village in the Blouberg Local Municipality in the Limpopo Province.

## **5.2. Key research findings**

The research was meant to investigate the underlying reasons for the failure of the sustainability of LED projects in Kgwale village in the Blouberg Local Municipality and the measures taken by the South African government to address the problem of non-sustainability of LED projects. In order to achieve its objectives, this investigation determined the government's perception of sustainability so that it could recommend strategic interventions which the government can implement to solve the problems around sustainability.

### **5.2.1. The sustainability of projects**

The provision of LED projects to needy communities is generally not adequate. The government focuses mainly on the number of projects in its attempt to eradicate poverty, inequalities and indignity. It is supposed to focus on the quality of projects, not the number that is implemented. The government compromises quality, and this leaves us with the conclusion that government is failing to adhere to the national norms and standards as prescribed in the LED legislation such as the Constitution of the Republic of South Africa Act 108 of 1996, the Local Government Municipal Structures Act 117 of 1998, and the Local Government: Municipal Systems Act 32 of 2000.

### **5.2.2. Factors contributing to failure in the sustainability of projects**

#### **5.2.2.1. Leadership and governance**

There is some evidence that none of the project participants that were interviewed occupied positions within the projects that were created for the purpose of leadership

and governance. Of the three projects, two projects, namely, Farming and Brick-laying, were managed by one manager, while the other one, Sewing, had another manager. All members in the projects were doing similar and routine duties, irrespective of whether they were managers or just members. The role of the managers seemed to be very limited. They appeared to be uncertain about what their responsibilities were. Although the projects had project managers, there were no individuals assigned to oversee the day-to-day running of the projects.

#### **5.2.2.2 Accessibility to markets**

Many emerging farmers, including those who were involved in the Moselatlala/Agricultural Project, tend not to be successful because they lack markets for their products. The same applies to the Moselatlala/Brick-laying Project. The members were not exposed to markets as expected. They also had challenges in transporting the bricks to the nearby villages because there were no motor vehicles available for this purpose. The Sewing Project was also not properly marketed. The women were supposed to be selling their products to the local communities and neighbouring schools, but this did not materialize.

#### **5.2.2.3 Education of members**

In the case of the Moselatlala/Agricultural Project, farmer development was not enhanced through active participation of farmers at their level of development. It is usually necessary to educate the small-scale farmers and create awareness in them, in order to assist them overcome low agricultural productivity that results from poor techniques, negative or retrogressive attitudes, ignorance, and uneven land distribution. The empowerment of small-scale farmers through their integration in development activities could lead to poverty eradication or alleviation through non-formal education activities and Participatory Extension Approach (PEA). This has the potential to emancipate farmers and render them independent, self-sufficient and self-reliant.

Non-formal education, which could have been acquired by members of the Agricultural Project, constitutes a powerful instrument in the democratization process because it promotes farmers' development through the extension of skills to the rural population and can serve to transmit the necessary farming technologies to farmers irrespective of their low literacy levels. In addition, with better planning, more participation of the rural farmers, adequate allocation and utilization of resources, coupled with support from government, non-formal education is capable of contributing to the achievement of good and sound economic goals.

Smallholder agriculture and sewing has the potential to create employment, generate income and contribute to poverty alleviation and food security in the rural areas. As for the Agricultural Project, this is in fact recognised by the new South African government and is reflected in the new Agricultural Policy (Ministry of Agriculture and Land Affairs, 1998). This policy is highly supportive of small-scale farmers who were disadvantaged by the previous regime. The promotion of development in small-scale agriculture requires that agricultural support services be restructured and new programmes and projects implemented. Agricultural research, extension services and financial institutions are today applying these principles and are to a large extent targeting the small-scale farmers.

The following are points to be considered in developing sewing:

- (a) Provide training to sewing workers, which means that the workers should be trained in sewing for a competitive market. Training can improve their productivity and commitment to sewing abilities. They must be trained in numerous fields, such as financial management, marketing, human resource management, project management and sewing various items of clothing such as jerseys, trousers, socks and school uniforms for various schools.
- (b) Provide appropriate resources to all sewing workers. This can be done by ensuring the following:
  - The availability of sewing machines and sewing equipments.

- The provision of sufficient space for each worker.
- Availability of finance, including loans.
- Provisioning of appropriate technology and equipments.

(c) Provision of marketing information to sewing workers

The women in the Sewing Project were not successful because they lacked markets for their products. The local community should have been encouraged to buy the clothes from these workers. The workers also could have been assisted to sell their products to schools outside their village, since this would have helped the projects to expand.

(d) Development of enabling and participative strategy for all poverty alleviation projects. This includes:

- Community participation
- Budgeting
- Training of all project members
- Availability of resources, such as sufficient and proper space and equipments
- Monitoring and evaluation.

#### **5.2.2.4. Skills of members**

Lack of knowledge, skills and ethics are among the human factors that were obvious indications that there had been poor monitoring and evaluation from the government. The government spent money on project managers who were supposed to be on site monitoring progress and quality as well as recommending strategies for project management. Yet, they did not accomplish these tasks. Project beneficiaries, especially in the Moselatlala projects, were not remunerated, despite the farm produce that they were producing and bricks that they were making. They were only given some vegetables on a fortnight basis, depending on how much profit they made.

### **5.3. Recommendations**

#### **5.3.1. Project planning and management**

Planning reduces insecurity, increases the effectiveness of the project, defines objectives in an unambiguous manner and provides opportunities for monitoring and evaluation (Kertzner, 1979). Planning includes vital steps, namely, a SWOT analysis (strength, weaknesses, opportunities and threats), task breakdown structure, defining the work schedule, and financial planning (Miles, 2004; Strydom, 2005). Planning has to be flexible to accommodate learning experiences and difficulties encountered. These difficulties include the shortage of skills and available resources in rural communities. As a result, planning involves setting time frames for various projects or tasks in a participative manner (Babbie & Mouton, 2001). In this process, the community members are engaged from the planning phase until the execution of the project. Planning increases social involvement and increases the community's participation.

The investigation found that the LED projects consisted of poor project conceptualization. One of the major recommendations of this research is thus substantiated, that is, the sustainability of LED interventions can be improved through strategic project conceptualization. The expectations of the community with regard to their respective roles must be clarified from the beginning of the projects. The officials from the provincial department of COGHSTA and Blouberg Local Municipality should not implement projects by themselves but should be accountable to the community and/or project committees.

It is important that the community and management reach an early agreement about the supervision, skills training, and monitoring duties and responsibilities of the officials from both the provincial Department of Health and Social Development and the Blouberg Local Municipality. It is required that the officials from the provincial

Department of Health and Social Development and the Blouberg Local Municipality ensure the transfer of often-complicated technical knowledge to the community, because the communication of the technical side of the implementation of the projects is a critical issue. The community frequently implemented projects without clearly understanding the detailed components of these projects. It is in this instance that the officials from the provincial Department of Health and Social Development and the Blouberg Local Municipality, as part of their capacity-building and community-empowerment, need to ascertain whether the community members share the knowledge about the projects in their area.

### **5.3.2. Feasibility study**

Infrastructure services were not taken into consideration prior to the implementation of the Agricultural Project. The same thing applied to the Sewing Project in that there was no fiscal study that was done prior to the project's implementation. Women were recruited to the project without proper understanding of what they can expect from the project. They had one high expectation which was that they will all be self-employed, feed their families and earn sustainable income from the project. None of these happened as there was no feasibility study about the projects.

This investigation has unarguably revealed that there were problems within the projects that started right from the projects' initiation, because the community was not given the opportunity to come together, identify its needs and priorities and reach consensus on projects to address these needs. It is recommended that for future projects, a feasibility study should be conducted and the specific needs of the community ascertained before projects can be implemented.

### **5.3.3. Financial grants**

The investigation revealed that in the Sewing Project, the project members did not pay anything to start the project. They were given one sewing machine, sewing threads and a variety of cloths. In the Farming Project, the members paid R50.00 each to supplement the undisclosed amount from the Department of COGHSTA to start the project. In the Brick-laying Project, they did not pay anything because the same people who worked in the Farming Project were working in the Brick-laying Project. The researcher holds the view that if the members in the Sewing Project had contributed some money, perhaps they could have taken care of the sewing machine, threads and cloths they were given, which could have prevented the speedy collapse of the project. The money that was paid by the members in the Moselatlala projects was very little and as such many may have cared little about it. Had they put more money in these projects, maybe the projects could still be existing. The members were not given the opportunity to own the projects and to be accountable for the day-to-day operations of the projects because of their meagre contribution of funds. A recommendation in this regard is that community members should be called upon to make significant monetary contributions to projects in their community. In this way, they would be inclined to work hard to protect their investments by keeping the projects alive.

### **5.3.4. Community sensitization**

The community was not involved during the planning which was an oversight that hindered its members from participating in the projects from start to completion. Matters such as the way in which implementation was going to be done, at what cost it would be done and the kind of maintenance to be pursued should have been clarified from the beginning of the projects. The type of training the community was going to receive was supposed to be addressed at the start of projects, as well as who was going to be involved in the projects and their specific roles and responsibilities. The role of the steering committee was also not outlined. The project

life cycle did not clearly indicate the steps that needed to be followed from project initiation to completion.

It is clear from the above factors that the community's involvement, which was supposed to be the most important aspect, was not given due attention. Community members were thus always left behind, which made them to not understand many things about the projects. As a recommendation, it is crucial that community members be sensitized about projects from their inception. They should be made aware of the value of the projects and helped to understand its benefits for them. In this case, they would feel a sense of ownership of the projects and strive to keep them sustainable.

#### **5.3.5. Skills development**

The researcher suggests that although members of community projects might not initially have the full knowledge of drafting scientifically correct business plans, they should be assisted to acquire the basic skills in this regard through training that is relevant and appropriate. It is believed that this study will bring to the attention of the Department of Health and Social Development and all related stakeholders the fact that mistakes are being made in the implementation of LED projects and that an awareness of this phenomenon will in future assist in preventing a repetition of similar mistakes.

#### **5.3.6. Member participation**

The success of every development project is dependent on the understanding and the buy-in of those affected. Development that is based in the community is the most effective method of providing suitable rural development. The local people need to be active partners from the outset and take part in asset choice, asset planning,

asset location decisions, and the selection of beneficiaries and management. The project must involve traditional leadership in order to achieve service delivery. It was obvious from this study that the community, and even municipal officials, were not fully involved in the LED projects in Kgwale village. Local government officials were only involved after problems had emerged. Community participation is thus critical in strengthening the social basis for economic growth and development. The study advocates a move towards participatory research where the focus is on drawing community members into participating in the analysis of their own reality, because both the process and reality are of immediate and direct benefit to them and their community. According to Cooke (1998), development should mean empowerment, capacity building, growth and equity, and it should be characterised by self-perpetuation, ecological harmony and a post-patriarchal culture.

When the National Government allocated funding to the Department of Corporate Governance, Human Settlements and Traditional Affairs for poverty alleviation and infrastructure development, the emphasis was that the projects should focus on, among others, poor areas, human development and capacity building, job creation and the eradication of inequalities. The plan of the government was that suitability and financial viability of the projects be the core considerations in the development of the projects. According to Kerchner (1998: 1013-1014), "success in a project has historically been identified as achieving the desired objectives within the following constraints: allocated time, the budgeted costs, at the desired performance, technical or specification level and acceptance by the user". The improvement of the sustainability of LED and other poverty alleviation projects requires that a rigorous strategic process of project conceptualization be adopted prior to the approval and implementation of the projects.

#### **5.4. Future research**

This study found that all the projects in Kgwale village did not adhere to the principles of development as a critical success factor and hence the failure of these

projects to impact on job creation, the eradication of inequalities and poverty alleviation. From the way all the LED projects, namely, the Sewing Project and the Moselatlala projects (Farming and Brick-laying) were initiated, it was clear that these projects were the ideas of individuals, perhaps copied from somewhere else and applied to a locality or environment not quite suitable for its implementation.

It appears that the Blouberg Local Municipality, Kgwale community and beneficiaries were not informed about the contents of the projects' plans. At times, the people who were put in charge of these projects did not clearly understand how the projects were to be implemented. Those who were in the implementation department or section usually did not have the technical know-how with regard to the selected projects. This led to the problems mentioned in this work in as far as implementation, monitoring and evaluation are concerned.

The important stakeholders, such as the community and the implementing technocrats, were not involved in the conceptualization of the projects. There was always confusion as to how to implement projects or secure the resources that were required. It became a serious challenge to address targeted outcomes of the project without a clearly understood plan of action by all those implementing it. The study found that poverty alleviation projects were not adequately conceptualised and project proposals were not communicated to stakeholders either. These are all factors that led to the collapse of LED projects in Kgwale village.

This study focused on three of the LED projects that were established in Kgwale village, namely, the Moselatlala/Agricultural Project, the Moselatlala/Brick-laying Project and the Sewing Project. However, these were not the only projects that were introduced to the Kgwale community. As noted in Chapter One, there were also the Stone Project and the Marula Project. These two projects are still in existence, unlike the three studied in this research which have all collapsed. It is therefore recommended that an investigation be made into the Stone Project and Marula Project to ascertain the factors that have contributed to their sustainability as well as

the challenges they are facing. A comparative study of the findings of this proposed investigation and the results of the current research would be enlightening in terms of helping policy makers and project members to better ensure the sustainability of LED projects in Kgwale village in the Blouberg Local Municipality.

### **5.5. Concluding statement**

In view of the presentation and discussion of the findings and recommendations above, the researcher is convinced that all the problems in the projects could have been avoided if:

- All the LED policies and legislation were implemented as they had been intended;
- Government focused on the quality and not the quantity of projects; and
- Proper monitoring and evaluation of the performance of LED managers, municipal infrastructure managers and officials from the Department of Health and Social Development was conducted.

All identified failures as per research findings were aggravated by lack of implementation of LED policies and legislation. South Africa has good policies but the problem is that they are not implemented correctly in terms of their intention. All these problems impacted negatively on the community of Kgwale village. The success of LED is dependent on the commitment and cooperation of all stakeholders.

The negative elements were that none of the community members were self-employed, despite having LED projects in their area. They did not find employment elsewhere after the collapse of the projects, which means they were still unable to build houses, pay their children's school fees and take care of the needs of their families. The community did not acquire facilities which they did not have prior to the implementation of the projects. These negative aspects led to the basic conclusion that community participation and project planning were not addressed. There was

poor implementation and lack of capacity building, which are directly linked to the fact that all the projects failed or lacked sustainability.

The findings of this research outlined many issues that made it difficult for the development projects to be successful. The main issues that have been explained in the research findings are the financial constraints, the scarcity of water, inappropriate land for farming or crop production and lack of training and lack of adequate market. Issues with respect to lack of training and finance are the backbone of the development and without which sustainability cannot be attained. People at grassroots level need to be empowered in order for increased performance in community development projects. For institutions to achieve this, they must have sufficient budget to achieve this empowerment through training. Appropriate training can be a solution to many problems related to lack of capacity in management of the projects.

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## ANNEXURE A

### INTERVIEW QUESTIONS FOR KGWALE VILLAGE BENEFICIARIES

#### 1. SECTION A: BIOGRAPHICAL INFORMATION

Please provide the following information. Please mark an X in the appropriate box.

##### 1.1 Age

1. 18-30	2. 31-40	3. 41-50	4. 51-60	5. 61+
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##### 1.2 Gender

1. Male	2. Female
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##### 1.3 Race

1. White	2. African	3. Coloured	4. Indian	5. Other/ Specify
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##### 1.4 Citizenship

1. Yes	2. No
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##### 1.5 Marital status

1. Married	2. Single	3. Cohabiting	4. Divorced	5. Widow
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##### 1.6 Number of dependents

1. 0-2	2. 3-4	3. 4-5	4. 5-6	5. 7+
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##### 1.7 Level of education

1. Grade 0-5	2. Grade 6-12	3. Diploma	4. Degree	5. Degree+
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##### 1.8 How long have you participated in LED projects?

1. 1-2 years  2. 3-4 years  3. 5- 6years  4. Over 6 years

##### 1.9 What kind of LED projects have you participated in?

1. Moselatlala  2. Bricklaying  3. Sewing

#### SECTION B: SOCIO-ECONOMIC STATUS OF BENEFICIARIES

Provide the following information. Please mark an X in the appropriate box.

2.1 Are you employed?

1. Yes	2. No
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2.2 Indicate your monthly income

1. Below R1000	2. Between R1000 and R2000	3. Between R2000 and R3000	4. Between R3000 and R4000	5. Above R5000
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2.3 Do you have other sources of income?

1. Yes  2. No

2.4 If yes, indicate how you rank your participation in terms of how you prioritise it.

1. Priority 1  2. Priority 2  3. Priority 3  4. Priority 4

2.5 Implementation of local economic development projects was a need to Kgwale village residents.

1. Strongly agree	2. Agree	3. Disagree	4. Strongly disagree
5. Not sure			

2.6 Are you employed by the projects?

1. Yes	2. No
--------	-------

2.7. If yes, for how long?

1. Below 1 year  2. 2-3 years  3. 3-4 years  4. 4-5 years   
5. 5 years and above

2.7 What is your role in the project?

1. Project manager  2. Line manager  3. Financial manager   
4. Other specify

## SECTION C: COSTS OF PROJECTS

3.1 Did you pay any money to be part of this project?

1. Yes            2. No

3.2 If yes, how much did you pay?

3.3 Why did you pay to be part of the project?

3.4 Do you know of any other person who paid to be part of the project?

3.5 How did payment (if occurred) influence your role in the project?

3.6 Other contributions that have assisted in the projects.

1. Government support grant  2. Municipal support grant

3. LEDA  4. Other

4. Participation in the projects.

4.1 What is your role in the project?

1. Project manager  2. Supervisor  3. Marketing manager

4. Other

4.2 Are you satisfied with your role?

1. Yes  2. No

4.3 If yes, what makes you satisfied?

4.4 If no, what are the challenges that make you unsatisfied?

5. Profitability or surpluses of the projects.

5.1 How are profits or surpluses shared?

5.2 Indicate how much profit you made in: year 1, year 2 and year 3.

1. Year 1  2. Year 2  3. Year 3

5.3 Would you consider the project to be a profitable venture? Please elaborate.

5.4 How much money does your project bank per month?

5.5 What do you consider as challenges getting in the way of your project making as much money as you would like?

## SECTION D: SUSTAINABILITY OF PROJECTS

6.1 Do you make money out of the projects in your area?

1. Yes  2. No

6.2 If yes, can you afford to pay for your daily needs with that money?

6.3 If no, why do you think that you are not making money out of the projects?

6.4 The LED projects in this village are financially assisting the residents.

1. Strongly agree  2. Agree  3. Disagree  4. Strongly disagree   
5. Not sure

6.5 What do you regard as challenges that you normally encounter in running your project?

6.6 In your view, what do you think are factors that contribute to the sustenance of your project?

6.7 What do you regard as the major problem threatening your project's sustainability?

6.8 What kind of support does your project get from the local LED office?

6.9 Do you think that the local community has a role to play in the success of your project? Please explain.

6.10 What are your perceptions on the role of the municipality, particularly the LED department in assisting projects such as yours to be successful?

## SECTION E: SEMI-STRUCTURED ONE-TO-ONE AND FOCUS GROUP INTERVIEWS

### Central question

"Describe the sustainability of local economic development projects in this village (Kgwale)"

### Interview guide

3.1 Describe the role that you played when the projects were initiated.

3.2 Explain how you knew about the local economic development projects.

3.3 Describe why you wanted to work in the projects.

3.4 Describe your observation in respect of the allocation of work in local economic development projects.

3.5 Explain your observation about the quality of local economic development projects.

3.6 Describe the process of allocation of work in the local economic development projects.

3.7 Describe the problems that you experienced in your village.

3.8 How have you benefitted from the projects?

3.9 Do you plan to continue as a member of this project?

1. Yes       2. No

3.10 If no, give reasons.

3.9 Would you recommend other villagers to participate in the projects?

1. Yes       2. No

3.10 Give reasons for your answer to question 3.9 above.

## ANNEXURE B

### SEMI-STRUCTURED INTERVIEW FOR DEPARTMENT OF HEALTH AND SOCIAL DEVELOPMENT AND BLOUBERG MUNICIPALITY

#### 1. BIOGRAPHICAL INFORMATION

Please provide the following information. Please mark an X in the appropriate box.

##### 1.1 Age

1. 18-30	2. 31-40	3. 41-50	4. 51-60	5. 60+	
----------	----------	----------	----------	--------	--

##### 1.2 Gender

1. Male	2. Female
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##### 1.3 Level of education

1. Grade 1-7	2. Grade 8-7	3. Grade 12	4. Diploma	5. Degree
6. Degree+				

##### 1.4 In the organisation, at which level of management are you?

1. Line management	2. Middle management	3. Top management
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##### 1.5 Describe your role in LED projects

##### 1.6 Work experience

1. 0-4years	2. 5-9years	3. 10-14	4. 15-18	5. 19-22	6. 22+
-------------	-------------	----------	----------	----------	--------

##### 1.7 Did you receive any training about local economic development?

1. Yes	2. No
--------	-------

##### 1.8 If you received training, please indicate the issues covered during your training.

1. Project management  2. Financial management  3. Human resources management  4. Community participation  5. Other, specify

##### 1.10 Based on your experience in working on LED projects, what gaps have you identified in the training that you underwent?

1. Community outreach programme  2. Lack of community participation   
3. Poor project management  4. Poor financial management   
5. No monitoring and evaluation  5. Other, please specify

##### 1.9 Describe the implementation of local economic development projects when allocating work to beneficiaries.

## **2. DEPARTMENTAL ROLE IN SUPPORTING LED PROJECTS**

- 2.1 What criteria do you use to provide support?
- 2.2 To what extent do you as a department adhere to the criteria? Give reasons in the cases where you deviated from the criteria.
- 2.3 What kind of support do you provide for LED Projects?
- 2.4 At what stages do you provide support?
- 2.5 How frequently do you provide support?
- 2.6 How do you determine that a project no longer needs support?
- 2.7 How many projects have you supported at Kgwale village?
- 2.8 Describe the monitoring and evaluation mechanisms that the department has for LED Projects in the village
- 2.9 What are the strengths and weaknesses of these mechanisms?

## **3. SUSTAINABILITY OF LED PROJECTS**

- 3.1 Of those projects supported, how many do you consider successful?
- 3.1 What factors do you think have contributed to success?
- 3.1 Of those supported, how many do you think were unsuccessful?
- 3.1 What factors do you think have contributed to failure?
- 3.1 As a department, what do you consider as a sustainable LED Project?

## **4. STRATEGIES FOR SUSTAINABILITY**

- 4.1 What actions do you think are necessary in order to achieve sustainability as you perceive it under 3.1 above?
- 4.2 What should be the role of the department in promoting sustainability?
- 4.3 What should be the role of the project participants in ensuring sustainability of their projects?
- 4.4 Do you think that the LED Project Model is a strategy that the government should continue to promote? Give reasons for your answer.

## **ANNEXURE C**

### **CLARITY OF PURPOSE OF THE FOCUS GROUP**

#### **DESCRIPTION OF THE STUDY**

The study is about the sustainability of local economic development in Kgwale village in the Blouberg Local Municipality, Limpopo Province.

#### **REASONS FOR CONDUCTING THE FOCUS GROUP INTERVIEW**

- Focus groups are a way of listening to the people and learning from them.
- We want to gain understanding into the feelings of people who are affected by the situation, in this case beneficiaries of Kgwale village who were excluded from the projects.
- We want to generate ideas so that we can have a clear understanding of the real needs of our communities.

#### **RESEARCH QUESTIONS**

The research questions for this study are as follows:

- To what extent do LED projects assist the people of Kgwale village?
- What is the participatory level of the community of Kgwale village in LED programmes?
- What is the financial viability of LED projects in Kgwale village?
- What is the economic viability of LED projects in Kgwale village?
- Were the people of Kgwale village consulted prior to the implementation of LED projects in their village?

## **APPLICATION OF THE RESULTS**

- The results will be used to recommend the appropriate strategic intervention to both the Blouberg Municipality and the Provincial Department of Corporate Governance, Human Settlements and Traditional Affairs.
- To determine how the real needs of the communities can be identified and satisfied.

## **ANNEXURE D**

### **MODERATOR'S GUIDE**

Participants will have an opportunity to introduce themselves to the group before we start.

### **STATEMENT OF PURPOSE**

Thank you for agreeing to take part in this focus group discussion. The purpose of this focus group is to establish the reasons why the local economic development projects were not sustainable. We also would like to hear your opinions about how the Government and the Municipalities should go about implementing local economic development projects.

Your comments are strictly confidential. Your name will not be associated with any comments that you make. The researcher will be recording all the ideas and comments we discuss today and we will be combining this information with ideas collected from other focus groups. It is an opportunity for you to share what is important to you with us and I encourage you to speak up your mind. I further encourage you to speak about yourself and your own experiences. There are no right or wrong answers. I ask you to feel free and be totally honest. Do you have any questions, remarks or concerns?

Your opinions and feedback will be used to improve the development of new policies for the initiation and implementation of local economic development projects. I will address all your concerns.

## **ANNEXURE E**

### **CONSENT FORM**

I, \_\_\_\_\_, was given an explanation about what the study, “The sustainability of local economic development in Kgwale village in the Blouberg Municipality, Limpopo Province” entails and I voluntarily, without undue influence, participate in providing information in the questionnaire.

I understand that my identity will not be known and that I can withdraw from the study at any stage.

## ANNEXURE F

12 Juda Street

African Jewel

Polokwane

0699

16 January 2013

The Head of Department

Department of Corporate Governance, Human Settlements and Traditional Affairs

Private Bag X9488

POLOKWANE

0700

Dear Sir/ Madam

### REQUEST TO CONDUCT RESEARCH

I hereby request permission to conduct research project in your department. The research is part of the fulfilment of the requirements for a degree of Masters of Development at the Turfloop Graduate School of Leadership, University of Limpopo. The research topic is "Sustainability of local economic development projects in Kgwale village in the Blouberg Municipality of the Limpopo Province".

The aim of this study is to investigate the underlying reasons why the local economic development projects in Kgwale village have not being sustained, despite the need for community development in the Blouberg Municipality.

The specific objectives of the study are to

- review the performance of LED projects in the area;
- assess the sustainability of the projects; and
- analyse the underlying factors which explain why they have not been sustainable.

The target population is beneficiaries from the Kgwale village, 6 officials from your department and 6 officials from the Blouberg Municipality.

Your positive response will make this research possible and a success.

Yours faithfully

Seanego S.E.

## **ANNEXURE G**

12 Juda Street

African Jewel

Polokwane

0699

16 January 2013

The Municipal Manager

Blouberg Municipality

P. O. Box 1593

Senwabarwana

0790

Dear Sir/Madam

### **REQUEST TO CONDUCT RESEARCH**

I hereby request permission to conduct a research project in your department. The research is part of the fulfilment of the requirements for a degree of Masters of Development at the Turfloop School of Leadership, University of Limpopo. The topic of the research is "Sustainability of local economic development projects in Kgwale village in the Blouberg Municipality of Limpopo Province".

The aim of this study is to investigate the underlying reasons why the local economic development projects in Kgwale village have not being sustained.

The specific objectives of the study are to

- review the performance of LED projects in the area;
- assess the sustainability of the projects; and
- analyse the underlying factors which explain why they have not been sustainable.

The target population is forty (40) beneficiaries from Kgwale village, 6 officials from your department and 6 officials from the Blouberg Municipality.

Your positive response will enable this research to be a success.

Yours faithfully

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Seanego S.E.

## ANNEXURE H

12 Juda Street

African Jewel

Polokwane

0699

16 January 2013

The Headman

Kgwale Traditional Authority

Private Bag X

Bochum

0790

Dear Sir

### REQUEST TO CONDUCT RESEARCH

I hereby request permission to conduct a research project in your village, Kgwale. The research is part of the fulfilment of the requirements for a degree of Masters of Development at the Turfloop Graduate School of Leadership, University of Limpopo. The topic of the research is “Sustainability of local economic development projects in Kgwale village in the Blouberg Municipality of Limpopo province”.

The aim of the study is to investigate the underlying reasons why local economic development projects in Kgwale village have not being sustained, despite the need for community development in the Blouberg Municipality.

The objectives of the research are to:

- review the performance of LED projects in the area;
- assess the sustainability of the projects; and
- analyse the underlying factors which explain why they have not been sustainable.

The target population is 40 beneficiaries from your area, Kgwale village.

Your positive response will make this research possible and a success.

Yours faithfully

\_\_\_\_\_

Seanego S.E.

## ANNEXURE I

12 Juda Street

African Jewel

Polokwane

0699

16 January 2013

The Head of Department

Department of Health and Social Development

Private Bag X9320

Polokwane

0790

Dear Sir/Madam

### REQUEST TO CONDUCT RESEARCH

I hereby request permission to conduct a research project in your department. The research is part of the fulfilment of the requirements for a degree of Masters of Development at the Turfloop School of Leadership, University of Limpopo. The topic of the research is "Sustainability of local economic development projects in Kgwale village in the Blouberg Municipality of Limpopo Province".

The aim of this study is to investigate the underlying reasons why the local economic development projects in Kgwale village have not being sustained.

The specific objectives of the study are to

- review the performance of LED projects in the area;

- assess the sustainability of the projects; and
- analyse the underlying factors which explain why they have not been sustainable.

The target population is forty (40) beneficiaries from Kgwale village, 6 officials from your department and 6 officials from the Blouberg Municipality.

Your positive response will enable this research to be a success.

Yours faithfully

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Seanego S.E.