

Participatory budgeting in a South African local municipality

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Abstract

Data for the research was drawn from documentary evidence and primary interviews with municipal officials, elected officials and local citizens. The study concluded that though the municipality is conscious of the need for public participation in budgeting, the involvement of the public in the process needs to be improved. Capacity building is also needed to increase the participation of city officials, elected officials and citizens. This study contributes to citizen-focused service delivery in municipalities. It also contributes to the scholarly understanding of effective public participation in local government.

Keywords: local municipality; participatory budgeting; public participation; accountability; budget; democratic government; local government; municipal authorities; municipality; South Africa.

Biographical notes

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1 Introduction

Existing literature shows that public participation encourages citizen-focused service delivery and improves the quality and legitimacy of decisions made by municipal authorities with regard to policy, programs and projects (Nabatchi et al., 2017). Recognising this, the post-1994 South African democratic government introduced new policy structures to promote public participation in the local sphere of government. The focus of a democratic government is to encourage the people's voice in the running of government affairs, including at the local level. In the context of budget processes, public participation is viewed as a decision-making process where citizens deliberate and negotiate over the distribution of public resources (Marzuki, 2015). It is an interactive process between those who govern and the governed that results in the prioritisation of resource allocation, spending, taxation and implementation in a given locality.

Public participation in municipal government is guided by the Constitution of the Republic of South Africa (RSA, 1996), together with the Local Government: Municipal Structures Act No. 117 of 1998 (RSA, 1998b) and the local government Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA) (RSA, 2003). These legislations accommodate the institutional interest of stakeholders and ensure that the voice of citizens is considered in the functions of municipalities.

These legislations are set up to guarantee that municipalities create channels for citizens and interest groups to communicate on subjects of concern and utilise framework-like ward meetings, consultative gatherings and *Izimbizo* (open hearings). *Izimbizo* is a Zulu term that historically referred to public meetings called by the Zulu kings.

This paper focuses on public participation in the budget formulation process in the King Sabata Dalindyebo (KSD) Local Municipality, hereafter referred to as the KSD Municipality. This is done with the background of continued calls to consolidate public participation at the local government level (Organisation Undoing Tax Abuse, 2017). There are also claims that public participation has been declining at this level (Modise, 2017; Sithole and Mathonsi, 2015; Van Donk, 2014). Therefore, this article fills an important research gap by making a valuable contribution towards understanding participatory budgeting strategies at the municipal level that promote joint decisionmaking to provide effective and efficient service delivery. The article focuses on participatory budgeting processes in South Africa, of which its effective implementation is yet to be generalised and sustained.

The KSD Municipality is a Category B municipality, located in the Oliver Reginald Tambo District Municipality (OR Tambo District) in the Eastern Cape Province. It was established in terms of the Constitution (RSA, 1996) and the Municipal Structures Act (RSA, 1998b). The municipality came to existence before the local government elections of 2000 when the Mthatha and Mqanduli transitional and rural areas were merged. It was named after KSD in recognition of his role in unifying the people of Mthatha and Mqanduli and as a person who contributed to the freedom of South Africa. The KSD Municipality has its administrative offices in the town of Mthatha. The municipality currently has 36 wards.

The municipality is one of five municipalities in the district, and it is also the largest as it accounts for a quarter of the geographic region of the district. The Constitution (RSA, 1996) provides for three categories of local government: a single-tier Category A municipalities (made up of metropolitan cities of more than 500,000 inhabitants), and a two-tier local government of category B (district) and C (local) municipalities where a category C municipality shares jurisdiction with a number of category B municipalities.

This article is structured as follows: following the introduction, the article engages literature on the essence of local governments, and public participation. Section 3 explains the research methodology. The fourth section analyses public participation in the budgetary process of the KSD Municipality, drawing insights from interviews conducted with integrated development plans (IDP) and budget officers, ward councillors and citizens. Thereafter, the paper presents conclusions, implications of the study and directions for future research conclusions.

2 Literature review

The rise of democracy in developing countries such as South Africa has emphasised the involvement of the broader citizenry in shaping local policies. Reutener and Fourie (2015) posit that such developments have contributed to a variety of public participation mechanisms that are designed to promote development and are inspired by citizen engagement within a framework of democratic accountability.

2.1 Conceptualising public participation in South Africa

The concept of public participation contends that individuals should be given an opportunity to influence municipal decisions. It is a component of the democratic decision-making process where citizens determine where they want to go, and the municipal representatives and bureaucratic staff work to get them there. The origin of citizen participation in decision-making can be traced back to ancient Greece and colonial New England. In the case of the USA, Brynard (1996) argues that citizen participation was institutionalised in the mid-1960s. Howard et al. (1994) argue that in the USA, the introduction of citizen participation mollified an angry urban public. In Africa, efforts to promote citizen participation is supported by a growing body of regional and continental norms and institutions

(Mindzie, 2015). However, the effective implementation of this mechanism in Africa is yet to be generalised and sustained.

Sebola (2017) identifies public participation with the involvement of individuals and/or groups that are affected by, or that are interested in, a proposed project, program, plan or policy that is subject to a decision-making process. Creighton (2005) adds that public participation should be seen as an open and accountable two-way communication and collaborative activity where citizen's concerns, needs and values are acknowledged and integrated into municipal decision-making.

The South African Public Service Commission's (2008) report on the evaluation of public participation practices notes that public participation is underpinned by the conviction that those impacted by municipal decisions have the privilege to be engaged in the decision-making process; hence, a need for the acknowledgement and correspondence of the needs and interests of all stakeholders. Second, it is based on the understanding that the opinion of the citizen will have an impact on the end result.

Therefore, municipalities have to actively provide citizens with the relevant information necessary to take a serious interest in meaningful participation and to inform them about how their input will influence the type of service provided. Municipalities should also earnestly consider citizens' contributions concerning how meaningful participation can occur, that is, channels of participation. Public participation becomes a reality when, while formulating policy, the municipality creates platforms that will reach every citizen, enable them to participate and ensure that decisions reached in such a process are translated into policy proposals or are implemented.

There is a growing body of literature on local level public participation in South Africa that attests to its importance in local government (Baloyi and Lubinga, 2017; Modise, 2017). The Constitution [RSA, (1996), p.74] stipulates that one of the objectives of municipalities is "to encourage the involvement of communities and community organisations in the matters of local government". In the same light, the White Paper on Local Government of 1998 [RSA, (1998a), p.8] instructs local government to be developmental in the provision of service delivery by being a government "which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way". In that regard, Carrim (2011, p.1) highlights five areas in South African local government processes where public participation should be encouraged, namely

"the preparation, adoption, implementation and review of [IDPs], the preparation of the municipality's budget, the establishment, implementation and review of a municipality's performance management system, monitoring and review of a municipality's performance and decisions about the provision of municipal services."

The South African Public Service Commission's (2008) report on the evaluation of public participation practices identifies some of the avenues that have been actualised in municipal government to enable effective public participation. These include *Izimbizo* where municipal officials, executives and councillors hold open gatherings to include in the people's opinions on issues of policy and service delivery. Ward committees – statutory bodies formed in accordance with the Municipal Structures Act (RSA, 1998b) – exist to support ward councillors in performing their mandates of generating recommendations to council that will add value to the services provided to address the needs of the community within the ward. Community development workers (CDWs) are also responsible for encouraging community participation by helping people to get access to relevant information and services from municipalities and departmental offices. Municipalities also conduct citizen fulfilment reviews which focus on engaging community members to garner their perspectives on service delivery. This takes into consideration the testing of existing feelings concerning quality and the ability of the service provided to meet the needs of citizens sufficiently and satisfactorily.

2.2 The concept of participatory budgeting

Gilman (2016) concludes that participatory budgeting is an innovation where citizens and other local stakeholders have the right to participate in the elaboration of their municipalities' fiscal policy and take part in the definition of how and where the resources will be obtained and how and where they will be employed in their neighbourhood.

Participatory budgeting was pioneered by the city of Porto Alegre in Brazil to bring the population directly into the formulation and execution of the city's budget. The process was initiated in 1989, upon the election of the city's new mayor – belonging to the Worker's Party. The party had campaigned on a ticket of democratic participation, arguing that without the full participation of its citizenry, a government is unable to fulfil its mandate as the people's elected representative (Masiya, 2012). Adoption of participatory budgeting was part of wider reform efforts to overturn Brazil's history of patronage politics, social inequity and corruption.

Participatory budgeting differs from traditional budgeting in that the latter is a preserve of municipal officials led by the treasurer and director of finance, while the former involves citizens from the identification of needs and priorities to implementation, monitoring and evaluation (Masiya and Makanza, 2009). Participatory budgeting is a co-managed process. It is a mechanism whereby state and non-state actors come together to allocate, spend and account for public resources (European Commission, 2014).

To comprehend the idea of participatory budgeting, the explanation and connotation of a municipal budget are crucial. As indicated by Van der Waldt (2007), a financial plan is a budgetary arrangement for a particular period with certain amounts of money apportioned for particular purposes. In any association, private or public, there is a planning stage in which approximations of expected expenses and planning for capital utilisation is made. In local government, this stage exists and is a crucial phase of the planning process. This is the stage where finances are dispensed to public service delivery and other areas local government is responsible for.

Participatory budgeting is an open system that contains a participative democratic way of allocating resources. Participatory budgeting is a procedure where different stakeholders cooperate with politicians and administrative authorities to formulate policies and allocate funds according to community needs for the good of the community (Pape and Lerner, 2016). Thus, it is a shared basic leadership process which advocates for citizens' consideration through an elected community representative who will be involved in the decision-making yearly process of funds' allocation.

Khutkyy (2017) demonstrates that participatory budgeting is a policy process that emphasises the dissemination of assets and a democratic institute that increases accountability, gives the citizens the power to make decisions and equips them. Participatory budgeting is an ongoing, open and comprehensive process that includes enabling the people to make decisions regarding the financial spending expected to enhance their prosperity and to create platforms wherein residents can straightforwardly discuss their needs, organise them and partake in the implementation phase, coaching and assessment of the budget procedure (Birskyte, 2013).

In municipal governance, there are many perceived benefits of participatory budgeting. For example, Masiya (2012), Wampler (2000) and Williams et al. (2017) posit that participatory budgeting unites and creates relations between citizens and the municipalities and encourages public participation in budget decisions. This coincides with the new trend in local government where there is an increasing demand by civic organisations and communities to have a say in identifying needs, setting priorities and determining resource allocations. Therefore, facilitating participatory budgeting increases the role of the citizens in the decision-making processes and improves the capacity of cities to better handle community demands.

Participatory budgeting is also an effective 'School of Citizenship' because it promotes civic engagement and social learning. According to Shah (2007), public participation is an effective

mechanism to help citizens familiarise themselves with their rights, express their views and see these views affect policy and action.

Masiya and Makanza (2009) identify various benefits of participatory budgeting. The authors note that it generates significant trust between citizens and their municipalities. Second, participatory budgeting at the municipal level increases efficiency in budget allocation by bringing the decision of public resource allocation closer to the citizens, thereby ensuring that allocation of scarce resources reflects the people's priorities.

Thirdly, the process promotes political inclusion and greater social justice, thus, in many instances, promoting the empowerment of marginalised groups and the poorest neighbourhoods. Fourth, participatory budgeting improves transparency as it is a partnership between the municipality, civil society, business and ordinary residents in the locale. The partnership minimises dishonest practices, such as inflated budgets and corruption, and unlocks blurred boundaries of accountability and makes actions by officials visible.

Lastly, participatory budgeting creates mechanisms for citizens and municipal governments to discuss budget constraints together, make trade-offs and optimise the use of scarce public resources. In that context, the process acts as an essential medium of accountability. Accountability enables the electorate to keep in check their representatives and bureaucrats in the public realm.

2.3 Public participation and the budget process in South Africa

In order to facilitate participatory budgeting, an array of legislative instruments was promulgated. These include:

- The Constitution (RSA, 1996),
- The White Paper on Local Government (RSA, 1998a)
- The Municipal Structures Act (RSA, 1998b)
- The Local Government: Municipal Systems Act No. 32 of 2000 (RSA, 2000)
- The MFMA (RSA, 2003)
- The Local Government: Municipal Property Rates Act No. 6 of 2004 (RSA, 2004).

Other than advancing good governance, these acts determine the required connections between community members and local government in the budgeting process. These set of guidelines are intended to guarantee that the budgeting process is participatory and is carried out adequately and effectively.

In terms of the Constitution (RSA, 1996), there is need for solidarity and coordinated effort between the three spheres of government – and between the citizens and the municipality – in all types of policy and decision-making. The Constitution tasks municipalities with the responsibility of creating platforms for public participation and of promoting it in the functions of the municipality, such as the budgeting process. Budget spending must be in accordance with the needs and priority list of the community [Section 151, 152 and 195 of the Constitution (RSA, 1996)].

In order to guarantee reasonable service delivery, responsibility towards citizens, advancement of social and financial improvement and effective participation, the Constitution demands of municipalities to orchestrate and deal with their planning and budgeting processes sensibly and transparently (Sabela and Reddy, 1996).

The White Paper on Local Government (RSA, 1998a) advocates for a framework that is focused on service delivery and is centred on the people. It reminds municipalities to include the perspectives, needs and goals of everyday residents in municipal decisions, including in budgeting. Every stakeholder must be allowed to be part of the decision-making process, and maximum cooperation must be guaranteed.

Section 72 of the Municipal Structures Act (RSA, 1998b) provides for participatory majority rule, which expresses that the role of ward councillors must be to improve participatory governance in municipalities. The Act additionally stipulates that ward councillors must have quarterly gatherings with the community and that ward councillors, political leaders and municipal administrators must be transparent and accountable to citizens.

The Municipal Systems Act (RSA, 2000) guarantees participatory and participative decision-making in the budgetary process, as outlined in Sections 4(c) and (e), 5(a), (b), (c) and (d), and 42. According to Nomdo et al. (2019), these provisions require municipalities to include the communities in municipal policy formulation, planning and any decisions that may affect them. The provisions require municipalities to create effective mechanisms, processes and procedures to facilitate local citizen participation. Such mechanisms include ward committees that provide a vital link between ward councillors, the community and the municipality. This is expected to result in a situation where local citizens influence the budgetary process in a manner that would best address their needs.

The Act demonstrates that resident interest is obligatory in decision-making and is intentional about involving the poor and other previously excluded groups. As indicated by Section 17(1) of the Act (RSA, 2000), public participation ought to be encouraged through activities such as municipal hearings and *Imbizo*. Access to information and municipal documents such as the IDP and budget documents should be made available through various mediums, for example, local daily papers, radio and local government notice boards and sites.

The MFMA (RSA, 2003) provides the framework within which municipalities draw up budgets, with specific timelines for preparation and approval. The Act also regulates economic means that must be utilised when spending public money. Government officials and local government authorities, regarding their conduct as custodians of public funds, are required to be transparent and accountable. All the municipal financial structures are demonstrated, for example, instruments for dealing with a budgetary emergency crisis.

The Act promotes public participation in a local government's budgeting process. The budget officer is relied upon to make public the yearly spending plan and encourage the public to remark on it. The mayor likewise considers the financial plan, along with the remarks from the public, and is relied upon to react to those remarks. As per the Act, the budget execution plan, which comprises execution targets and quantifiable objectives, must be endorsed within 28 days of the budget plan endorsement. A city meeting is held every year to give an answer to the city gathering, which will then quantify real usage against determined targets.

The Municipal Property Rates Act (RSA, 2004) directs municipal authorities regarding duty setting. The Act also promotes community participation in the budget process and the determination of rates policies. In summary, a legislative structure for public participation that can facilitate participatory budgeting is evident in all local government governing legislation in South Africa.

In line with the Local Government Municipal Finance Management Act 56 of 2003, the local government fiscal year begins on the 1st of July of the year and ends on the 30th of June of the next year. In this way, local municipalities are required to actualise their financial plans in accordance with their IDPs. Their financial plans should also consolidate both the capital and operational executions. An IDP is a five-year plan which South African municipalities are required to compile to determine the development needs of the municipality and is always linked to the municipality's budget.

Leduka (2009) identifies the broad stages through which the South African municipal government budget plan is supposed to be drawn. During the initial stage, the municipal manager and the chief financial officer (CFO) request departmental budget plans from the head of municipal divisions. This takes place every October. There are plans set for the formulation of every division's financial plan and endorsement, and restrictions are set for every division's expense.

The second stage takes place in November. This stage includes laying the groundwork of the financial and operative spending plan by heads of municipal division which, afterwards, is submitted to the CFO. It is during this phase that community members are often consulted through the ward *Izimbizo* and other community gatherings to guarantee that the community's needs are incorporated into the financial plan.

During the third stage, which takes place in December, the CFO puts departmental spending plans and ward committee and councillor propositions into a solitary spending plan and makes approximations. During the fourth stage, the CFO, municipal manager and heads of municipal divisions meet to endorse the financial plan and make alterations where necessary.

The fifth stage includes the presentation of the financial plan to the council for endorsement. Before the final financial plan can be endorsed, public participation is conducted in January and February through *Izimbizo* in different areas, and alterations made before the budget are finally affirmed. During stage six, points of interest of the financial plan are put on a municipal notice board, and community members are again welcomed to make remarks. In stage seven, the council makes adjustments to the financial plan in view of remarks received from the public.

The eighth stage takes place in May, and it is during this stage that the council makes the last endorsement to the budget, and it is submitted to the National Treasury (in a few provinces, the budget may likewise be submitted to the provincial department of the local government). The final stage takes place in June. It includes promoting the substance of the budget which incorporates municipal revenue, tariffs, rates and aggregate expenses through daily papers and different types of media.

3 Research methodology

The article utilised a qualitative case study design using unstructured interviews of 52 purposively selected participants (ward councillors, communities, the IDP, and budgeting and finance officers) drawn from the KSD Municipality. A qualitative case study design is a strategy and an empirical inquiry that investigates a phenomenon within its real-life context and facilitates an in-depth investigation of a single individual, group or event to explore the causes of underlying principles [Kumar, (2014), p.14]. The case study design provided in-depth interviewee opinions around the participatory budgeting process in the KSD Municipality. Purposive sampling was deliberately used to identify participants across the spectrum of the population who could best enable the researchers to answer the main research questions. The findings were analysed using thematic analysis. Thematic analysis involves a close examination of transcribed data from interviews to identify common themes (topics, ideas and patterns of meaning) that come up repeatedly [Kumar, (2014), p.16]. In addition, document analysis was used to provide background information prior to conducting interviews. Document analysis corroborated some of the interview data and refuted some. This provided evidence that was used to clarify or challenge what was being said in the interviews.

4 Findings

4.1 The KSD Municipality participatory budget process

The budget and IDP officer indicated that the KSD Municipality follows the budgeting process as outlined by the MFMA (RSA, 2003). The MFMA (RSA, 2003) provides the framework within which municipalities draw up budgets, with specific timelines for preparation and approval. According to the interviews, the accounting officer, with the assistance of the manager responsible for IDP, drafted the budget process plan and the timetable for the municipality and municipal entities for the ensuing financial year.

The budget timetable highlights the key deadlines for the IDP review, the preparation of the medium-term revenue and expenditure-framework budget and the revision of the annual budget. The target dates are set to be in line with the MFMA (RSA, 2003) and the guidelines set by the National

Treasury. The executive mayor then tables the budget process plan timetable to the council by the 31st of August each year for approval (10 months before the start of the following budget year).

Pursuant to this, in August, the municipality convenes the IDP citizens' representative forum to present the draft budget process plan. The citizens' representative forum consists of ward and proportional representative councillors, ward committees, all stakeholders (businesspeople, community members, etc.) and is chaired by the executive mayor supported by the IDP/budget steering committee. The citizens' representative forum composition is based on criteria which ensure geographical and social representation. The budget process plan is then advertised on the local print media in September.

Following print media advertisement, the IDP/budget steering committee, which heads the citizens' representative forum, meets to review the situational gap analysis during the same month of September. The IDP/budget steering committee consists of municipal officials headed by the municipal manager. Pursuant to this, a ward-to-ward budget outreach program is held during October to consolidate the needs analysis and prioritisation of resource allocations. Such outreach programs are known as *Izimbizo*. In modern-day municipal governance, an Imbizo is an initiative of the municipality where its management is expected to meet citizens in a public forum and take questions, listen to their concerns and receive advice from them about the municipality's programs and services (Hartslief, 2008).

The outreach program is conducted in line with Section 16 the Municipal Systems Act (RSA, 2000) which requires that municipalities develop a culture of municipal governance that balances formal representative government with participatory governance by creating conditions for the local community to participate in the affairs of the municipality, including in the budget preparation process.

Following the ward-to-ward outreach programs, the representative forum presents the draft situational analysis report to the council. The CFO and senior managers then do the technical preparation of the budget. This is followed by the presentation of the first draft budget in March by the IDP/budget steering committee.

The draft budget is then advertised for public comments, and public meetings and consultations are held in April. Such public meetings and consultations are held in terms of Section 22(a) of the MFMA which requires municipalities to make public the annual budget and invite the local community to submit representation in connection with the budget. It is in this regard that the KSD Municipality undertakes the mayor's 'roadshows' (public rallies). These shows aim to provide information and encourage further public participation.

During these shows, the mayor is accompanied by heads of department who further explain budget procedures to citizens. It is hoped that such a participatory process reduces the possibility of misallocation of resources, accommodates the marginalised and promotes trust between the municipality and its citizens. Following the representative forum meetings and the roadshows, a synthesis of all the concerns and needs is calibrated in the budget. This is done through the IDP/budget steering committee that produces the final draft.

The mayor then tables the draft budget to the council. The council considers the draft budget for approval not later than the 31st of May (30 days before the start of the budget year). Within 14 days after the draft annual budget has been tabled, the manager responsible for budgeting submits the approved budget in both printed and electronic formats to the National Treasury and the Provincial Treasury and also posts it on the municipal website.

4.2 Analysis of the KSD Municipality participatory budgeting process

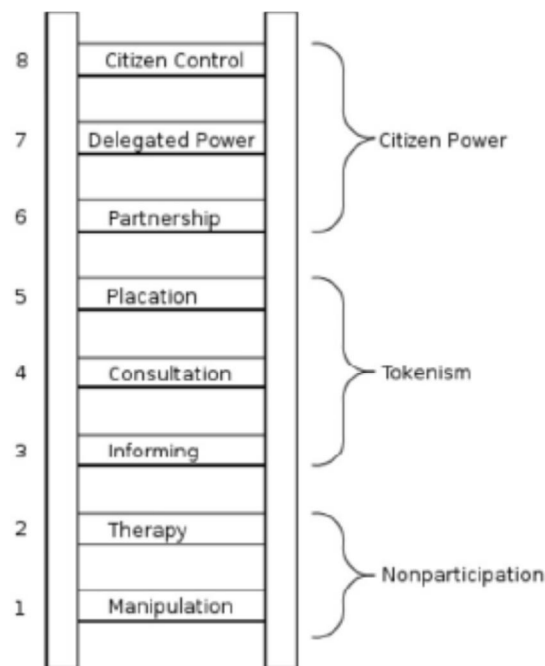
An analysis of the extent to which the KSD Municipality promotes effective participatory budgeting process was done, with specific attention given to Arnstein's (1969) ladder of participation model.

Arnstein's model proposes a level of public participation that is close and which can be utilised as a guide to observe the level of citizen engagement when important decisions are made in municipal service delivery.

Masiya et al. (2019) note that the model has eight levels of participation;

1. Manipulation – In this case, the municipality mentions participation but it does not exist in practice. Decision-making is manipulative and decisions are imposed on citizens.
2. Therapy – Therapeutic public participation is a ‘feel-good’ exercise (therapy), which a municipality uses to cure or educate the public. It also argued that at this level, public participation is used as a public relations exercise to secure citizens’ support.
3. Informing – At this level there are rudimentary signs of legitimate public participation although information only flows from the municipality to citizens, and there is no provision for channels of feedback.
4. Consultation – Mechanisms used for consultations include attitude surveys, neighbourhood meetings and public enquiries. However, it is also considered a weak form of participation and is often another window-dressing exercise.
5. Placation – At this level, municipal authorities allow, for example, co-option of hand-picked ‘worthies’ onto committees. However, the authorities retain the right to judge the legitimacy or feasibility of advice from participants and have the final say.
6. Partnership – Partnership requires that power be redistributed through negotiation between citizens and municipal authorities. Planning and decision-making responsibilities are shared, for example, through joint committees.
7. Delegated power – At this level, citizens hold the majority of seats on committees with delegated powers to make decisions. Thus citizens assure accountability of service delivery programs, such as budgets, to them.
8. Citizen control – At this level, citizens manage the entire task of planning, policymaking and administering a program, for example, neighbourhood corporation with no intermediaries between it and the source of funds.

The Arnstein (1969) ladder is illustrated in Figure 1.



Source: Arnstein (1969)

Figure 1 The ladder of citizen participation

Overall, three broad tiers are distinguishable from the eight broad levels. The lowest tier is characterised by circumstances of non-participation. Decisions are made by municipal power holders and handed down to citizens. The middle tier involves informing and consulting citizens without giving them assurances that their contributions will be considered for decision-making purposes. The top tier, which is more ideal, is characterised by the complete involvement of citizens in decision-making processes. Citizens are considered partners in making decisions and can directly influence policy formulation and implementation.

With regard to citizen participation in the KSD Municipality budgetary processes, local citizens were of the view that public participation is valuable for the municipality's budgeting process. Both councillors and citizen respondents emphasised the importance of citizens being the main role players in deciding how municipalities should budget to meet community needs. Some of the citizen respondents stated that the municipality must consult with them, make a list of prioritised needs and then follow the list exactly. They further clarified that for citizens to appreciate and value a service provided to them, that service must have been requested by them. Should the municipality ignore their list of needs and provide another service that the municipality views as important, it is more likely that the service provided will be vandalised or left unutilised and as a result, end up being a wasteful expenditure.

Despite the importance of participatory budgeting being noted, most respondents stated that participation among citizens was low, especially for the *Izimbizo*/roadshows that are open to the public. Citizens ascribed this to a lack of understanding of the budget and budget processes. Only 6% of the respondents indicated that they had knowledge of the budgeting process and how and when their input is required. Of the respondents, 94% expressed a lack of awareness and knowledge of the process.

The principal issue is that without an equipped citizenry, public participation will not affect municipal decision-making processes. With the end goal of having a significant participatory planning procedure and giving the decision-making power to the community, proper methodologies and techniques, for example, enabling, connecting with the people and advancing the municipal-citizen partnership, should be a priority to the government (Leduka, 2009).

In order to improve attendance, there is also a need to undertake education programs through the media to encourage and educate citizens on the importance of attending budget *Izimbizo*. More outreach programs and roadshows should be carried out, not just for IDP and the budget but to also educate citizens on the actual budgeting process of the municipality.

In addition to lack of knowledge around the budgetary process, respondents noted that they were not informed of meetings or when such information did reach them, it was too late. Citizens then feel that they do not have sufficient knowledge or would be prepared to go and discuss budget issues.

As a result, only 40% of respondents among the citizens indicated that they were often aware of the *Izimbizo* and that they attended them. Of the respondents, 20% indicated that they were aware of the *Izimbizo*, but they never attended them. Another 40% indicated that they were never aware of the *Izimbizo*. Regarding attendance, Mbhele (2017) contends that, at times, communities do not attend public meetings because they feel that their attendance will not change or influence the 'predetermined goals' and that their presence will merely give the processes legitimacy.

However, authorities such as Fourie and Reutener (2012) argue that civic society is a prerequisite to public participation. Unfortunately, civic conditions in areas such as the KSD Municipality are often not conducive to public participation, unlike in long-established democracies where citizens are more socialised to participate in democratic institutions (Denhard et al., 2009). In fact, in South Africa's civic society is only just emerging, resulting in a limited culture of productive engagement with the local sphere of government.

Citizen respondents also argued that the process of participation seems to be a rubberstamping exercise rather than genuine requests for input. When public participation is solicited, a budget will already have been drafted with priority activities already listed. In that regard, it is not always possible to have additional suggestions added from public meetings.

The public outreach programs (popularly known as *Izimbizo*) were seen by the citizens as merely informing the public about what the KSD municipal officials have crafted rather than a participatory exercise. Writing about *Izimbizo*, Baloyi and Lubinga (2017) also confirm that, currently, the motivation of *Izimbizo* is interactive community mobilisation, rather than feedback to matters raised during such gatherings. Silima and Auriacombe (2013) contend that *Izimbizo* lack authenticity as tools of participation as the platform only provides for partial participation.

Indeed, interviewees argued that during these outreach programs, most of the time is spent by the municipal officials making statements before asking for a few questions from the audience and closing the session. Authorities such as Mukhudwana (2015) have questioned the contribution of *Izimbizo* to service delivery improvement as they do not even provide a platform for proper feedback on previously raised issues relating to the provision of services.

Noting the responses, it can be highlighted that the KSD Municipality participatory budgeting exercise does not effectively include public participation. This finding is in line with a study by the South African Local Government Association (SALGA) [SALGA, (2015), p.48] which found that 51% of interviewees felt that municipal governments needed to improve public participation protocols and systems for meaningful engagement. Van Donk (2014, p.2) notes that “currently, the approach to participation could be described as ‘compliance driven’ with integrated development planning and other processes designed to meet the needs of legislation and no more”.

For effective public participation to take place in the KSD Municipality, the first phase of the draft budget process should be the prioritisation of needs by a joint process rather than being a preserve of the technical officers. There is a need to bring together the budget officers, councillors, citizens, CDWs and other stakeholders to compile a list of challenges facing the KSD Municipality in terms of project requirements. It is from this basket of issues that priorities can be identified when drafting the budget. If this is not done, citizens do not feel that they co-own the budgetary process. Given that the KSD Municipality technical staff (IDP/budget steering committee) brings a draft budget to the representative forum, instead of conducting a joint listing of budget items prior to developing the draft budget, only 20% of citizen respondents felt that their opinions influenced the decisions made by the KSD Municipality in their wards.

Further to this, citizen respondents argued that once the council approves the budget, they were not informed by city officials of progress or the lack thereof in any project implementation. Councillors similarly highlighted that they lacked feedback from municipal officials, which they need to use to inform citizens in their ward public meeting. This problem strongly indicates that there is a gap in participation during the implementation phase of the approved budget.

In general, it is believed that municipal officials are often unwilling or unable to share decision-making power with the community, and at times, they ignore input from elected representatives (Qwabe and Mdaka, 2011). The consequence of this is that transparency and accountability during budget implementation are limited. This also affects the prospects of post-implementation feedback. According to Baloyi and Lubinga (2017), the poor implementation of service delivery redress mechanisms and the provision of insufficient feedback characterises most South African municipalities. Lines of communication must be improved between the municipal officials and councillors, so that the latter is always updated about the status of budget formulation and implementation. The councillors need this information in order to provide feedback to citizens during ward *Imbizo*.

Further to this, there is a need for training and workshops, focusing on communication, offered to officials, communities and councillors to equip them with better interactive skills. Further to this, the KSD Municipality must experiment with new innovative ways of reaching the community. Thus overall engagement between administrative staff, councillors and communities should be improved.

As a result of the overall weakness in participation at the budget formulation and implementation phases, 60% of respondents indicated the services the municipality rendered to the community were not aligned with their priority needs. Further to this, 94% of citizen respondents felt that the municipality used a top-down approach to govern and provide services.

The KSD Municipality has failed to obtain a clean audit from the Auditor General. The KSD Municipality received a qualified audit opinion for the years 2013/2014, 2014/2015 and 2015/2016 (Municipalities South Africa, 2018). It can be argued that among the contributing factors affecting the municipality's performance is low public participation. This results in some of the problems identified by the budget officer, such as wasteful and fruitless expenditure, opaque hiring of staff and non-compliance with the smart objectives and key performance indicators. Effective participatory budgeting is known to enhance transparency and accountability, for example, Williams et al. (2017, p.6) argue that "the enhanced transparency and accountability that participatory budgeting creates can help reduce government inefficiency and curb clientelism, patronage, and corruption".

Further, one key purpose of participatory budgeting is to promote the inclusion of the poor and the marginalised (Souza, 2001). In the context of the KSD Municipality, which lies in a traditionally poor and marginalised area, participatory budgeting is not fully serving this purpose. Though there may be visible material or infrastructural improvements for poor communities, the potential for participatory budgeting processes taking place in the KSD Municipality needs to increase.

This article notes that the KSD Municipality officials are aware of the need for public participation, as outlined by the municipal financial management legal framework. The local municipal officers also have the legislative framework of their own planning documentation, such as the IDP and the budget plan. The research findings, however, indicate that citizens feel there is limited incorporation of their opinions in the budgetary process.

5 Conclusions, implications of the study and directions for future research

This study examined the implementation of public participation in the budgetary process of the KSD Municipality in South Africa to encourage citizen-focused service delivery. Evidence from other contexts shows that, through participatory budgeting, including citizens in the deliberation and negotiation of public resource distribution results in the prioritisation of resource allocation, spending, taxation and implementation in a given locality. This promotes local development. Interviews conducted sought to find out the participatory budgeting process in the KSD Municipality and the extent to which citizens felt they were included in the process. The article concluded that despite citizens noting the importance of participatory budgeting, citizen participation is low. Overall, the process is dominated by the municipality's IDP/steering committee that consists of municipal officials; implementation is also a preserve of municipal officials, and the municipality lacks effective service delivery feedback mechanisms.

This article concludes by briefly foregrounding study implications for practice, direction for future research stemming from this study and research limitations.

5.1 Implications for practice

Many South African municipalities are experiencing developmental challenges and are experimenting with social innovation tools such as participatory budgeting which influence effective municipal financial planning. The main aim of this article was to contribute towards the enhanced implementation of participatory budgeting at the municipal level. Interviews were conducted with ward councillors, communities and municipal officials of the KSD Municipality.

Accordingly, the first major practical contribution of the present research is that it provides much needed empirical data on the nature and effectiveness of participatory budgeting processes in some South African municipalities. This information is essential given that research on South African municipalities reveals that forms of public participation, such as participatory budgeting at the local level, continue to decline, often affecting service delivery which results in tension between decision-makers and the communities (Fuo, 2015). Hence, there is a need to further explore innovative ways of improving public participation. Citizen participation in local decision-making processes is believed to encourage citizen-focused service delivery and to improve municipal credibility among the citizenry (Masiya et al., 2019). Therefore, examining participatory budgeting at the municipal level will allow policy-makers, trainers, consultants and others to improve the design of initiatives and actions based on what municipalities actually do and where they are now in terms of their practice. For example, authors of policy documents around participatory budgeting could take note that currently, most of the time, budget formulation is dominated by the IDP/steering committee consisting of municipal officials and implementation remains a preserve of theirs. This study thus responded to the call made by, among others, Everatt and Gwagwa (2005, p.7) who posits that municipal officials “tend to act as gate-keepers and controllers rather than as facilitative bodies that enable communities to have a greater voice and control over resources and resource allocation”. In this sense, the researchers believe that this research is also timely in the aftermath of the SALGA’s (2017) call to transform local government in the next five years.

5.2 Implications for future research

This study was exploratory and interpretive in nature. It raised several opportunities for future research, particularly concerning concept validation. Therefore, more research will be necessary to refine and further elaborate on these findings.

While the researchers generated several new findings regarding participatory budgeting in the KSD Municipality, not much can be inferred regarding the larger population of municipalities in South Africa. This study could thus be extended in search of statistical, rather than analytical, generalisability – as the researchers sought in this article. Further, in-depth exploration of how municipal officials may become committed to public involvement in participatory budgeting and how to influence agnostic or sceptical officials would be beneficial.

5.3 Study limitations

This study, however, was limited by the fact that although the adopted case study approach provided rich insights into participatory budgeting at the KSD Municipality, statistically, it is difficult to make generalisations that can apply to all municipalities. Nonetheless, in this article, concept validation was more important than generalisation.

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