The Municipal Infrastructure Grant

NATIONAL MIG MANAGEMENT UNIT PROGRAMME
MANAGEMENT PROCESSES AND PROCEDURES

Note: The Management Processes and Procedures document is a working document to be revised as and when required.
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# Abbreviations

The following abbreviations are used throughout this document.

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<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>BAS</td>
<td>Basic Accounting System</td>
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<tr>
<td>CETA</td>
<td>Construction for Education Authority</td>
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<tr>
<td>DME</td>
<td>Department of Minerals and Energy</td>
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<tr>
<td>DoH</td>
<td>Department of Housing</td>
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<tr>
<td>DORA</td>
<td>Division of Revenue Act</td>
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<tr>
<td>DoT</td>
<td>Department of Transport</td>
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<td>DPLG</td>
<td>Department of Provincial and Local Government</td>
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<td>DPW</td>
<td>Department of Public Works</td>
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<td>DWAF</td>
<td>Department of Water Affairs and Forestry</td>
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<td>EMM</td>
<td>Executive Manager MIG</td>
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<td>EPWP</td>
<td>Expanded Public Works Programme</td>
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<td>GIS</td>
<td>Geographical Information System</td>
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<td>IDP</td>
<td>Integrated Development Plan</td>
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<td>IIIF</td>
<td>Infrastructure Investment Framework</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>KPIs</td>
<td>Key Performance Indicators</td>
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<td>LGCB</td>
<td>Local Government Capacity Building Grant</td>
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<td>LIC</td>
<td>Labour Intensive Construction</td>
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<td>MIIF</td>
<td>Municipal Infrastructure Investment Framework</td>
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<td>MIS</td>
<td>Management Information System</td>
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<td>MITT</td>
<td>Municipal Infrastructure Task Team</td>
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<td>NQF</td>
<td>National Qualification Framework (SETA – Sector for Education Training Authority)</td>
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<td>O&amp;M</td>
<td>Operation and Maintenance</td>
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<td>PMITT</td>
<td>Provincial Municipal Infrastructure Task Team</td>
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<td>PMM</td>
<td>Provincial MIG Manager</td>
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<td>PPMU</td>
<td>Provincial Programme Management Unit</td>
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<td>PMU</td>
<td>Project Management Unit</td>
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<td>SMF</td>
<td>Senior Manager Finance</td>
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<td>SMIF</td>
<td>Special Municipal Infrastructure Fund</td>
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<td>SMM</td>
<td>Senior Manager MIG</td>
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<td>SMME</td>
<td>Small, Medium and Micro Enterprises</td>
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1. Introduction

The purpose of this guideline document is to create conformity and to regulate the Municipal Infrastructure Grant (MIG) programme management processes and procedures.

The National MIG Unit’s main responsibility is the administration of MIG funds and therefore the implementation of the following management processes and procedures across all spheres of government:

- Communication, documentation and information flows generic to all sectors and departmental policies
- Generic reporting mechanisms, formats and procedures
- MIG national fund administration system
- MIG Management Information System (MIS).

The planning process of the Municipal Infrastructure Investment Fund (MIIF) is not covered in this document.

This document is a work in progress and will be updated as and when the environment or conditions change.

2. Principles and objectives of the Municipal Infrastructure Grant

2.1 Key principles

The Municipal Infrastructure Grant complements the equitable share grant to local government, however it is not provided unconditionally to municipalities. The key principles underpinning the design of the MIG are outlined below:

a) **Focus on infrastructure required for a basic level of service:** The MIG programme is aimed at providing only basic infrastructure.

b) **Targeting the poor:** The programme is aimed at providing services to the poor and funds will therefore be targeted to reach them.

c) **Maximising economic benefits:** The programme will be managed to ensure that the local economic spin-offs through providing infrastructure are maximised. This includes employment creation and the development of enterprises.

d) **Equity in the allocation and use of funds:** The mechanism for distributing funds must provide for equitable access to such funds by the poor in order to make uniform progress in closing the infrastructure gap.
e) **Decentralisation of spending authority within national standards:** Decisions relating to the prioritisation of municipal infrastructure spending, such as the identification, selection and approval of projects, are best undertaken at municipal level, with the following provisions:

- The operating finance and management arrangements must be in place.
- A degree of national and provincial influence over capital spending, expressed through clear norms, standards and spending conditions must be retained.
- Unintended consequences should be limited: the grant must promote sound management practices, not the reverse.

f) **Efficient use of funds:** Funding must be used to provide the greatest possible improvement in access to basic services at the lowest possible cost. This implies the following:

- There should be an appropriate selection of service levels.
- Incentives and conditions must ensure that other funds are mixed with grant funds to minimise leakage to non-eligible households and service levels.
- The mechanism to disburse funds should be simple and easy to monitor, and the outcomes of municipal spending should be easy to evaluate.

g) **Reinforcing local, provincial and national development objectives:** This implies the following:

- The funding mechanism must be consistent with the planning processes of local, provincial and national government.
- Nodal municipalities associated with the Urban Renewal Strategy and the Integrated Sustainable Rural Development Programme must receive proportionally greater allocations of funding.
- Spatial integration must be promoted.
- The emphasis must be placed on the selection of appropriate service levels.
- The fund allocation formula should promote appropriate municipal performance relative to policy objectives.

h) **Predictability and transparency:** Funds should be provided to individual municipalities on a three-year basis, consistent with medium term budgeting practice, with minimal in-year changes and with year to year changes based only on clearly defined conditions. It is also essential for municipalities and other stakeholders to easily understand how the funds are distributed.

### 2.2 MIG programme objectives

National government provides infrastructure subsidies to ensure that all households have access to a basic level of infrastructure services. The benefits of this intervention are well known, particularly in relation to the public good characteristics of many municipal services.

In the context of the principles outlined above, the key objectives of the Municipal Infrastructure Grant are to:

a) fully subsidise the capital costs of providing basic services to poor households: this implies that priority must be given to meeting the basic infrastructure needs of poor households, through the provision of appropriate bulk, connector and internal infrastructure in key services;

b) distribute funding for municipal infrastructure in an equitable, transparent and efficient manner, which supports a co-ordinated approach to local development and maximises developmental outcomes;

c) assist in enhancing the developmental capacity of municipalities, through supporting multi-year planning and budgeting systems, and

d) provide a mechanism for the co-ordinated pursuit of national policy priorities with regard to basic municipal infrastructure programmes, while avoiding the duplication and inefficiency associated with sectorally fragmented grants.
3. Institutional arrangements

3.1 At municipal sphere – the devolution of responsibility to the lowest level

The MIG is a conditional grant to municipalities, and thus the management of the grant at municipal level must occur within the planning, budgeting, financial management and operational arrangements in this sphere. Effective management and utilisation of capital funding, falls within the responsibility of the Municipal Manager.

Government, through the MIG programme, will therefore assist municipalities in the development of appropriate capital programme management capacity, typically achieved through the establishment of Project Management Units (PMUs) within municipalities. PMUs will be accountable to the council and management structure of the municipality in which they are established. However, they will be supported and monitored by the national MIG unit and by the Provincial Programme Management Units.

Effective area-based, service sector and project planning is central to the success of a municipality’s infrastructure investment programme. The MIG programme promotes the creation of an enabling environment through the devolution of responsibility to the lowest possible level and has two dimensions:

- Devolution of the project management function, which implies the establishment of a PMU within a municipality to ensure that there is ‘sufficient capacity’ to undertake the function.
- Devolution of responsibility for control of the funds, with associated accounting responsibility and the requirement to contract with consultants and contractors, with the associated legal implications.

3.2 At provincial sphere

All national departments and their provincial counterparts retain their policy-making and regulatory functions which cover the full range of municipal activity: governance, administration, planning, projects and operations. Furthermore, the departments and provinces retain their constitutional right to intervene directly in the affairs of municipalities. (Reference: Constitution of RSA Act 108 of 1996)

Within the context of the MIG strategies, the provincial departments, through the Provincial Programme Management Units (PPMUs), will continue to hold responsibility for supporting and developing appropriate municipal planning capabilities. The MIG programme will integrate with these sectoral planning initiatives through ensuring that:

- The MIG programme is properly integrated with municipal IDPs.
- Planning for regional scale infrastructure is guided by provincial government, working in conjunction with the municipalities and their PMUs.
- The municipal PMUs are supported in their function of overseeing project feasibility studies within the municipalities they serve, as part of the municipal planning process.

The following matrix details the specific roles, functions and responsibilities of each sphere of government.

3.3 Responsibility matrix

The role and responsibilities of the various roleplayers are as follows:
## MUNICIPAL SPHERE – Including Project Management Units (PMUs)

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<th>Outputs</th>
<th>Activities</th>
<th>Indicators</th>
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| Financial Management | • The PMU is responsible for the administration and financial management of MIG funds, within the municipal and national accounting systems for infrastructure projects of the municipality and any other municipalities where the PMU has been delegated this authority.  
• The PMU is responsible for the compliance of all conditions contained in the Division of Revenue Act (DORA) framework relating to all funding mechanisms.  
• The PMU is directly responsible for the reconciliation and timely submission of all DORA reporting and ad hoc reporting as and when required.  
• Final compilation of monthly, quarterly, bi-annual and annual reports to the MIG Manager  
• Monitor the consolidated cash flow performance reports on each project and on the regional programme collectively  
• Verify and reconcile quarterly transfers from National to the municipalities  
• Audit and administer the monthly claims and expenditure. | • DORA reports  
• Municipal financial reports |
| Project Identification and Prioritisation | • The co-ordination of the project identification and prioritisation process for municipalities served by the PMU, whilst ensuring proper integration of the respective IIF’s and IDP’s with the appropriate input from the various other government line function departments to ensure synchronised service delivery.  
• Ensure that municipalities have the resources to operate and maintain the project throughout the project lifecycle.  
• Ensure that municipalities budget for the capital replacement or rehabilitation costs thereafter.  
• The feasibility process necessitates that due consideration be given to the feasibility of the project in terms of:  
  o Provincial and regional growth strategies  
  o Integrated regional-level infrastructure planning and technical feasibility of the projects.  
  o Infrastructure backlog studies.  
  o Labour Intensive Projects (EPWP Guidelines for labour intensive construction). | • IDP  
• Sector Plans  
• Provincial / Regional Infrastructure investment plans  
• Backlog studies  
• Contribution to Labour Intensive Projects (EPWP) |
| Special Municipal Infrastructure Fund | • The co-ordination of SMIF project applications; in support of innovation in the provision of infrastructure.  
• Also in terms of cost effective regional-level infrastructure solutions involving a number of municipalities. | • SMIF Business Plans  
• Regional Infrastructure Investment plan  
• Technical studies supporting innovation |
| Programme / Project Management | The PMU will be responsible for the management of the local infrastructure programme (municipal scale) as well as physical project implementation activities while ensuring that:  
• All projects meet overall planning objectives and specific key performance indicators as determined by the MIG Policy Framework.  
• The co-ordination of regular progress meetings at local level and representation at the national progress meetings.  
• The associated project management administrative functions from project registration, evaluation through to final project completion reports.  
• Project manage the labour-intensive projects in line within the EPWP framework and the related reporting requirements  
• Conduct site visits / meetings to ensure compliance to the Project Registration form and the Letter of Acceptance.  
• Manage cash flows and committed project expenditure |
### MUNICIPAL SPHERE – Including Project Management Units (PMUs)

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<th>Outputs</th>
<th>Activities</th>
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| Monitoring Database | • The PMU will be responsible for the IT management of the monitoring database and the preparation of all necessary reports to municipal and the relevant provincial and national departments.  
• Generation of Registration forms / Business plans / Feasibility studies  
• Data capture, updating and replication of all data and KPIs | • National MIG Information System (MIS) |
| Administration / Contract Administration | • The co-ordination of SMIF project applications; in support of innovation in the provision of infrastructure  
• Also in terms of cost effective regional-level infrastructure solutions involving a number of municipalities.  
• Audit compliance of legal conditions, required from the different spheres and sectors of Government  
• Maintenance of site visit reports, OH&S register | • Contract Documentation for consulting engineers and contractors  
• MOAs etc |
| Other Capital Works Funding | • Capital works funded from other sources will be included within the competence of the PMU.  
• Labour Intensive Projects (EPWP) – Encourage the use of the EPWP Guidelines for labour intensive construction. | |
| Project-based Capacity Building | • The PMU will be responsible for the broad co-ordination of project-based capacity building and developmental initiatives.  
• This capacity building component of MIG is only concerned with projects and the arrangements relating to the effective delivery of municipal infrastructure and will be targeted in the following manner: | • Capacity Building Plans  
• Community awareness campaigns.  
• SMME Learnerships  
• Worker training during employment  
• Employment exist strategies  
• Training Programmes  
• Municipal Partnerships (SMME)  
• Community Based Partnerships  
• Community Based Partnerships |

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<tr>
<th>Scale of Initiative</th>
<th>Type of Activity</th>
<th>Key Features</th>
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<tr>
<td>Project Level</td>
<td>Project</td>
<td>Capacity building is associated with improving the ability of communities to become involved with the project planning and construction of projects. With regard to the latter the focus is on labour-based construction and small contractor development</td>
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<td></td>
<td>Implementation</td>
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<tr>
<td>Operational</td>
<td>Under this category the project includes an undertaking to train the future services provider (or operator) to operate the infrastructure. Typically this would involve community-based organisations but it may also be aimed at municipal staff. In some cases the obligation to support services providers may extend for up to three years. Such costs may be included under project costs.</td>
<td></td>
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<tr>
<td>Programme Management</td>
<td>The focus of the national effort under the national MIG office will be on building the capacity of project management units (PMUs) to ensure that they can fulfil their functions.</td>
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<tr>
<td>Municipal Scale</td>
<td>Project</td>
<td>There may be a local motivation to establish programme scale initiatives, which could include district scale labour-based construction programmes, particularly for roads. Such initiatives typically have a strong capacity building element.</td>
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<tr>
<td></td>
<td>Implementation</td>
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## Municipal Sphere – Including Project Management Units (PMUs)

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<th>Outputs</th>
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| Operation and Planned Maintenance            | • Municipal Infrastructure Investment Planning together with Integrated Development Planning is necessary for long-term financial sustainability of municipal assets. In support of this, it is critical that municipalities have planned maintenance programmes for their assets on one hand and the resources and capacity on the other.  
• It is the responsibility of the PMU to ensure that the municipality has the resources to fulfil the operations and maintenance obligations for all capital projects. The PMU will assist wherever possible with regard to the planning and implementation of the O&M programmes, directly or indirectly.  | • Operation and Planned Maintenance Programme  
• Updated asset registers (GIS based)                                                   |
| GIS                                          | • The GIS functions would be based at the provincial offices. The GIS function can be also be based at the PMU’s and where the GIS is based at Province, municipalities can make use of those provincial facilities. | • GIS database  
• Asset registers                                                                     |
| Project Monitoring and Evaluation            | • Socio-economic impact assessments detailing how the MIG programme has impacted on the communities and municipalities in terms of; skills development, community involvement, employment creation, training, municipal partnerships, local economic development and how the lives of the communities have improved.  
• Facilitation of backlog studies and environmental impact assessments of projects when necessary. | • Impact Assessment Reports  
• Backlog studies  
• Monthly Reports                                                                   |
| Community Liaison / Development / communications | • It is critical to the success of the programme that there is the appropriate communication and liaison with the community in respect of project planning and implementation to ensure buy-in and long term sustainability of the projects in terms of the community understanding the need to pay for services as well as the development of community-based partnerships for the purposes of O&M as discussed above under the point project-based capacity building.  
• Facilitate community liaison linkages to ensure full community participation at all stages of a project’s life cycle.  
• Develop and implement a communication strategy in line with provincial and national objectives  
• Press releases  
• Co-ordinate opening and hand over ceremonies  
• MIG orientation workshops etc  
• Prepare and develop MIG capacity building business plan in alignment with the municipal Local Government Capacity Building Programme (LGCBG).  
• Co-ordinate the project-based capacity building in terms of;  
• Job creation, with the focus on introducing labour-based construction methodology and the development of SMMEs where technically feasible.  
• The development community-based partnerships for the operation and maintenance of the infrastructure.  
• Monitor and report on implemented capacity building initiatives. | • Community liaison checklists  
• Training schedules                                                                   |
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<th>Outputs</th>
<th>Activities</th>
<th>Indicators</th>
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</table>
| 1 Planning / Developmental Initiatives | Establishment of MIG structures:  
- Setup / establish Provincial MIG Management unit  
- Support and facilitate the establishment of the municipal Project Management Units (PMU)  
Infrastructure Investment Planning:  
- Ensure that municipal IDPs combine to form a viable development framework across the province, and are vertically integrated with the Provincial Growth and Development Strategy  
- Support the determination of municipal backlogs and the provision GIS systems to support the planning process  
- Ensure that IDPs give priority to the basic needs of communities and promote the social and economic development of communities  
- Ensure through the IDP process - the prioritization of residential infrastructure for water, sanitation, electricity, refuse removal, streets, housing connector, and other municipal infrastructure like roads, in line with any MIG or sector policies established before the start of the municipal financial year  
- Support and monitor municipalities to prepare and implement Water Services Development Plans (WSDPs) – in cooperation with DWAF  
- Ensure proper co-ordination between all municipal infrastructure programmes within the respective province  
- Build capacity of municipalities to ensure the development of a three-year capital plan linked to its IDP and budget - approval by the municipal council required no later than 30 June 2004.  
Asset Management:  
- Build capacity of municipalities to ensure the development of a sustainable operational and maintenance programme for the three years and beyond – the cost of which is reflected within the approved three-year capital plan budget.  
- Build capacity of municipalities to ensure the development of a sustainable operational and maintenance programme of existing infrastructure for water, sanitation, electricity and other infrastructure – and associated budget.  
- GIS systems support for the development of an efficient and sustainable asset management programme.  
Local Economic Development / Capacity Building:  
- Support the establishment of municipal service partnerships through the MIG programme  
- Facilitate the implementation of labour-intensive methods in accordance with the EPWP Guidelines for labour intensive construction and the SETA Learnership Programme.  
- Approval of municipal capacity building business plans, which must include community based partnerships etc. | Minutes of meetings  
Evaluation reports of IDPs  
Three year capital plan (Municipal)  
Provincial Growth and Development Strategy  
Partnership agreements |
| 2 Facilitation with other Provincial Sector Departments. Liaison with National Departments: | Establishment of Provincial Municipal Infrastructure Task Team (PMITT)  
- All sector departments participate within scope of the Provincial Municipal Infrastructure Task Team (PMITT)  
- Coordination between all sector departments  
- Scheduled Meetings  
- Regular progress meetings with PMUs (chaired by PMU manager)  
- Report back monthly meetings with the representative of the National MIG Unit, Provincial Programme Management Unit (PPMU), the PMU managers and Sector departments  
- Quarterly workshops with the representative of the National MIG Unit. | Minutes of meetings |
### MUNICIPAL SPHERE – Including Project Management Units (PMUs)

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<tr>
<th>Outputs</th>
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<tr>
<td>Monitoring and Evaluation</td>
<td>Central to the role of provinces is the building of institutional capacity of the municipalities to ensure the effective delivery of municipal infrastructure.</td>
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#### Financial management:
- Provincial treasuries must monitor municipal capital budgets, and the reporting on expenditure, while each provincial sector department will be expected to fulfill sectoral monitoring role.
- Monitoring the financial status of municipalities through Project Viability.
- Monitor compliance with DORA framework.

#### Performance:
- Projects registered only when in compliance with MIG criteria.
- Progress meetings with PMUs in terms of cash flows, KPIs, etc.
- Monitor programme performance reports (DORA reports, MIG monthly reports, MIG quarterly reports, labour intensive reports, O&M reports) which would include some of the following indicators:
  - Monthly cashflow performance management
  - Achievement of MIG KPIs.
  - Achievement of LIC KPIs.
  - Bi-annual reports
  - O&M budgetary constraints
- Monitor performance of municipalities in terms of expenditure, the DORA cross-cutting conditions.
- Progress on removal of backlogs.

#### Administration / Legal Compliance:
- Legal agreement compliance by implementing control mechanisms and guidelines
  - Procurement procedures
  - MOA conditions in alignment with grant conditions
- Update and maintain national data information system at provincial and municipal level.

#### Extended functions:
- Ensure adherence to the labour-intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines agreed between Department of Public Works, National Treasury and SALGA, for at least low-volume roads, sidewalks, storm-water drainage, trenching etc.
- Ensure that Labour Intensive Projects (EPWP) can be distinguished from non-Labour Intensive Projects (EPWP).
- Monitor capacity constraints / gaps
- Monitor the outputs of the municipal operation and maintenance programmes
- Monitor the adherence of Occupational Health and Safety plans
- Project implementation progress monitoring with site meetings
- Register of site visit reports

**Indicators**
- Project viability audit reports
- Minutes of meetings, Progress reports
- Performance monthly reports
- Site visit reports
- EPWP report
- O&M reports
- OH&S plans / audits
- Site visit reports
### MUNICIPAL SPHERE – Including Project Management Units (PMUs)

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<th>Outputs</th>
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<td>4</td>
<td><strong>Communication</strong></td>
<td>• Media material</td>
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<td>• MIG awareness campaigns at municipal level, orientation workshops, technical workshops etc</td>
<td>• Website</td>
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<td>• MIG brochures, handouts, newsletters etc</td>
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<td>• Media implementation awareness articles, press releases etc</td>
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<td>• Maintain a photographic database of projects and events</td>
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<td>• Input for MIG website</td>
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<td>• Media material</td>
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<td>• Website</td>
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<td>5</td>
<td><strong>Capacity Building/technical support</strong></td>
<td>• Training schedules</td>
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<td></td>
<td>• Promoting the development of local government capacity to enable municipalities to perform</td>
<td>• GIS database</td>
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<td>their MIG function</td>
<td>• OH&amp;S reports</td>
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<td>• Facilitate the building of institutional capacity in terms of:</td>
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<td>o Project management</td>
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<td>o Infrastructure investment planning</td>
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<td>o Financial management of capital budgets</td>
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<td>o Procurement procedures (Compliance with CIDB registration conditions)</td>
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<td>o Legal/contractual</td>
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<td>o OH&amp;S requirements</td>
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<td>o Labour-intensive design and methodology</td>
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<td>o Asset Management</td>
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<td>o MIS data base - operation and maintenance</td>
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<td>o MIG administration and reporting systems</td>
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<td>o Impact assessments</td>
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<td>o Provide GIS systems support to the planning process as well as in the development of an</td>
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<td>efficient and sustainable asset management programme</td>
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<td>o Facilitate the development of municipal Occupational Health and Safety plans not only in</td>
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<td>terms of project implementation but also with respect to operation and maintenance procedures.</td>
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<td>• Training schedules</td>
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<td>6</td>
<td><strong>Intervention</strong></td>
<td>Reference: The Constitution of the Republic of South Africa, Section 139, section 154 (1), section 155 (6) and section 155 (7). Reference was also made to the Municipal Systems Act - section 105 (1)(a) and section 105 (1) (b) &amp; (c).</td>
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<td></td>
<td>All national departments and their provincial counterparts retain their policy making and</td>
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<td></td>
<td>regulatory functions which cover the full range of municipal activity: governance,</td>
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<td></td>
<td>administration, planning, projects and operations. Furthermore, the departments and provinces</td>
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<td></td>
<td>retain their constitutional rights to intervene directly in the affairs of municipalities.</td>
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<td></td>
<td>The Municipal Systems Act also states the following: The MEC for local government in a</td>
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<td></td>
<td>province must establish mechanisms, processes and procedures in terms of section 155 (6) of</td>
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</tr>
<tr>
<td></td>
<td>the Constitution to:</td>
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<td></td>
<td>• Monitor municipalities in the province in managing their own affairs, exercising their</td>
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<td></td>
<td>powers and performing their functions</td>
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<td></td>
<td>• Monitor the development of local government capacity in the province.</td>
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<td></td>
<td>• Assess the support needed by municipalities to strengthen their capacity to manage their</td>
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<td></td>
<td>own affairs, exercise their powers and perform their functions.</td>
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<td>With the above in mind, intervention would be required in the following circumstances:</td>
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<tr>
<td></td>
<td>• Non-performance of municipalities</td>
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<td></td>
<td>• Non-compliance with MIG conditions and crosscutting conditions as detailed in section 8</td>
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<td></td>
<td>of MIG policy framework</td>
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<td></td>
<td>• Non-compliance: project scope, mismanagement, misappropriation of funds, improper</td>
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<td></td>
<td>procurement procedures, with reporting requirements</td>
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<td></td>
<td>Reference:</td>
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<td></td>
<td>The Constitution of the Republic of South Africa, Section 139, section 154 (1), section</td>
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<td></td>
<td>155 (6) and section 155 (7). Reference was also made to the Municipal Systems Act - section 105 (1)(a) and section 105 (1) (b) &amp; (c).</td>
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<tr>
<td>NATIONAL SPHERE</td>
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<tr>
<td>Outputs</td>
<td>Activities</td>
<td>Indicators</td>
</tr>
<tr>
<td>Overarching dplg outputs</td>
<td>Exercises financial accountability for the MIG programme.</td>
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<td></td>
<td>Administration of grant transfers.</td>
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<tr>
<td></td>
<td>Setting up of the restructured MITT, chairing the MITT and its technical committee (MIT3) and providing them with the secretariat function.</td>
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<tr>
<td></td>
<td>Setting up the MIG Unit</td>
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<td></td>
<td>Compile an annual report to parliament on the MIG programme.</td>
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<td></td>
<td>Monitor performance in respect of generic conditions.</td>
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<tr>
<td></td>
<td>Responsible for monitoring the cross-cutting conditions</td>
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<table>
<thead>
<tr>
<th>DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT</th>
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<tr>
<td>Primary functions</td>
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<tr>
<th>NATIONAL MIG UNIT</th>
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<tbody>
<tr>
<td>Overall functions</td>
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</table>
### NATIONAL SPHERE

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Activities</th>
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</table>
| Policy reviews | • Reflect and review municipal infrastructure policy as and when required;  
• Review emerging developments emanating from other programmes and process which have direct bearing on municipal infrastructure delivery e.g. the restructuring of electricity distribution industry;  
• Review sector service delivery targets;  
• Promote financial, technical, social and environmental sustainability;  
• Make policy proposals to Cabinet;  
• Monitor sector service delivery impact;  
• Agree on regulations, where required;  
• Propose scaling down or broadening the scope of service delivery levels, where required; and  
• Ensure the fulfilment of commitments emanating from the decisions of the Cabinet Makgotla, Clusters and Local Government MinMec. |

### TECHNICAL MITT (MIT3)

| Overall functions | The MITT will be supported by the technical MITT, which is referred to as MIT3. This will be formed from the same departments as the MITT, with representatives at Chief Director level or their mandated alternates. SALGA and the national MIG programme manager will also serve on the team. The MIT3 will report directly to the MITT and will have the following responsibilities:  
• Ensure that the MITT agenda focuses on the sectoral priorities;  
• Determine sectoral priorities, which are linked, to Departmental objectives;  
• Facilitate implementation of the Municipal Infrastructure Grant (MIG) policy;  
• Promote financial, technical, social and environmental sustainability of municipal services through infrastructure programmes;  
• Monitor and ensure implementation of MIG;  
• Assess and monitor the progress made by Departments in implementing the decisions taken at the MITT meetings;  
• Ensure that sufficient information needed for a decision is collected;  
• Oversee the implementation of the pilot projects;  
• Facilitate the establishment of the MIG unit;  
• Coordinate the implementation of the MIG;  
• Draft policy amendments and other expert advise to the MITT;  
• Coordinate the reviews of the MIIF document;  
• Oversee the work of Working Committees  
• Commission studies on infrastructure.  
• Coordinate impact studies on the MIG.  
• Review and correct blockages in process.  
• Ensure proper co-ordination between sector departments.  
• Review regular reports from municipalities and PMUs.  
• Recommend policy changes to the DG/higher committee.  
• Review Sector reports. |
<table>
<thead>
<tr>
<th>Outputs</th>
<th>Activities</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| National Treasury (NT)              | • Administrates legislation that has implications for the MIG programme, notably DORA.  
• Incorporation of MIG conditions and transfers into DORA.  
• Ensure that municipalities observe and operate within the macroeconomic framework driven by national government. |            |
| Department of Water Affairs and Forestry (DWAF) | • Policymaking, including the setting of norms and standards for water services infrastructure.  
• Planning oversight (regional and water service development plans).  
• Monitoring of water sector related conditions and progress in meeting targets.  
• Initiating intervention related to water services activities. |            |
| Department of Public Works (DPW)    | • Coordinate the Expanded Public Works Programme  
• Set criteria related to poverty alleviation and employment generation.  
• Advise municipalities on intensive labour-based processes, systems, techniques and approaches.  
• Liaise with municipalities on procurement reforms.  
• Monitor performance in relation to employment generation, labour based technology and SMME involvement. |            |
| Department of Minerals and Energy (DME) | • DME’s responsibilities will relate initially to policy development. Once the Integrated National Electrification Programme (INEP), has been incorporated into the MIG programme it will undertake similar responsibilities to those identified for DWAF. |            |
| Department of Transport (DoT)       | • Policy relating to municipal roads and municipal transport.  
• Monitoring of the performance of municipalities in the provision of roads and compliance with conditions applicable to this sector.  
• Ensuring that funds allocated to transport infrastructure are properly spent. |            |
| Department of Housing (DoH)         | • Coordination of policy and planning of housing development and the provision of infrastructure through the MIG programme.  
• Synchronisation between the MIG programme and the Housing Fund. |            |
| Department of Labour (DoL)          | Training of workers on Labour Intensive Projects (EPWP).                      |            |
| Department of Sport and Recreation South Africa (DSRSA) | • Policy relating to sports and recreation.  
• Ensuring that MIG funds are properly applied to building associated infrastructure.  
• Monitor conditions applicable to this sector. |            |
4. Conditions applied to the MIG

The MIG is a conditional grant. The formula is intended to allocate funding in accordance with government’s policy priorities. The utilisation of this funding in accordance with these policy priorities and objectives is a function of the conditions imposed on its use by beneficiary municipalities.

4.1 Principles relating to the setting of conditions

Conditions will be applied to ensure that municipalities appropriately address the objectives and parameters of this policy statement. The conditions seek to avoid placing an undue burden of compliance on municipalities. Therefore, the number of conditions must not be excessive and it must be possible to easily measure performance in relation to the conditions.

The following conditions will be applicable to the MIG Programme:

- Division of Revenue Act
- Cross-cutting conditions
- Sector specific conditions

4.1.1 Division of Revenue Act (DORA)

Refer to the Division of Revenue Act for the current financial.

Refer to the relevant Conditional Grant Frameworks in the DORA:
- Municipal Infrastructure Grant (MIG).

4.1.2 Cross-cutting conditions

The following conditions (Section 8.2 of the MIG policy framework document, Concise version – final dated 5 February 2004) are set as the founding conditions for the MIG programme, which may be varied from time to time by the Municipal Infrastructure Task Team (MITT). The PMU must ensure compliance with these conditions:

a) Conformity with IDPs: No MIG funds may be spent outside the framework of a municipality’s pre-existing IDP and its approved budget. The IDPs should be based on the provision of a basic package of services to the poor, appropriate services levels, financial sustainability and the existence of adequate organisational capacity.

b) Limitation on operational spending: The MIG grant can only be used for capital investment and cannot be used to finance operating expenditure other than the prescribed percentage permitted for the operation of a PMU in applicable municipalities.

c) Restrictions on eligibility: Spending of MIG funds is restricted to those categories of infrastructure, beneficiaries and levels of service identified in Section 5 of the MIG Policy. To ensure that eligibility requirements are met a cap on capital spending per household will be set and specific requirements may be set for the amount of spending on particular types of infrastructure.
d) **Adequate attention to rehabilitation**: The municipality must invest an appropriate proportion of the funds on rehabilitating existing infrastructure.

e) **Pledging of funds to secure loan finance**: No ‘pledging’ (the assigning of capital grant funds to be used to pay off a loan to a particular lending organisation) may be undertaken with MIG funds.

f) **Achievement of specified basic service coverage targets**: the attainment of pre-agreed basic service coverage targets in specific sectors (water and sanitation, for example) to be achieved by a particular municipality over a three-year period, based on their current position.

g) **Poverty alleviation**: It is important for the economic spin-offs of infrastructure delivery to be maximised. This relates primarily to temporary and permanent job creation arising for municipal infrastructure investments. This condition will be associated with national government’s ‘Expanded Public Works Programme’ (EPWP). The gender provisions of this programme must be adhered to.

h) **Reporting**: The recipient municipality has prepared and submitted all monthly reports on grant utilisation in a prescribed format by a specified time.

i) **MIG funds to be allocated in municipal budget**: All MIG funds to be spent in any year must be allocated to specific projects, which must be identified in municipal budgets.

j) **Registration of MIG projects (otherwise referred to as project feasibility study)**: All projects to be funded with MIG funds, wholly or partially, must have a project registration form which conforms with requirements of the MIG programme and which must be registered on the national MIG database before the award of contracts for construction commences.

4.1.3 **Sector specific conditions**

Each sector department (DWAF, DME, DoT and DSRSA) may establish further conditions specific to their sectors. Such conditions will be included at the discretion of the MITT.

4.1.3(a) **Department of Public Works**

To adhere to the labour-intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines agreed between Department of Public Works, National Treasury and SALGA, for at least low-volume roads, sidewalks, storm-water drainage, trenching etc.

4.1.3(b) **Department of Water Affairs and Forestry**

(a) The funding is only to be used for the Basic Water Services component of the projects. Basic water services in this case means basic water supply facilities and/or basic sanitation facilities as defined in the Strategic Framework for Water Services, approved by Cabinet September 2003.
(b) Projects to be funded must be within the Water Services Development Plan (WSDP) as the Sector Component of the IDP.

(c) Projects to be funded must be proven to be viable, feasible, acceptable and sustainable based on a proper feasibility study.

(d) To ensure sustainable operation and maintenance of the proposed infrastructure the operating, finance and management arrangements must be in place and committed. (If acceptable to the other sectors, this could be a crosscutting condition).

(e) Projects must be implemented in line with the policies as set by the Strategic Framework for Water Services and the legal requirements of the Water Services Act (Act 108 of 1997) as well as the National Water Act (Act 36 of 1998).

4.1.3(c) Department of Transport

The development of road infrastructure to poor households that would create access to trade, local economic development and essential services and to promote road safety.
5. Communication flow and interaction procedures

Overall control of the MIG programme can only be exercised effectively if processes and procedures and proper lines of communication are followed. Essentially, the MIG programme is implemented in the framework of public service delivery to communities, especially to those who do not have access to basic services. The White Paper of Transformed Public Services 1997 – or the White Paper of Batho Pele seeks an approach which puts pressure on systems, procedures, attitudes and behaviour within the Public Service and reorients them in the customer’s favour, an approach which puts the people first. Communication is a strategic element of service delivery.

5.1 Interaction

5.1.1 Interaction between the National MIG Unit, Provincial Project Management Unit, PMUs and municipalities

- All communication from the National MIG Unit will be via the Provincial Project Management Units as indicated on the institutional management flowchart.
• The National MIG Unit can only communicate directly with the municipalities on financial matters (disbursement of funds, etc), with a copy of the summary of the discussion submitted to the Provincial Programme Management Unit.

5.1.2 Interaction between PMU, municipality and project consultant/s

The PMU and project consultant/s will communicate to each other via the municipality where a PMU is not located within a municipality.

5.2 Meetings

In order for the National MIG Unit to conduct its primary and overall functions (refer to Item 4.3 – responsibilities matrix) and to monitor the compliance of crosscutting and sector specific conditions as well as progress, the following meetings are envisaged:

5.2.1 Provincial progress meetings

This meeting will be between the National MIG and Provincial Programme Management Unit as well as the PMUs.

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>To alternate between the four Senior Managers (dplg)</th>
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<tbody>
<tr>
<td>Co-ordinator</td>
<td>dplg delegated official</td>
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<tr>
<td>Intervals</td>
<td>Monthly</td>
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<tr>
<td>Dates</td>
<td>Meeting schedule to be provided by National MIG Unit</td>
</tr>
<tr>
<td>Venue</td>
<td>Provincial Programme Management Unit’s offices</td>
</tr>
<tr>
<td>Attendance</td>
<td>National MIG Unit, Provincial Programme Management Units and relevant PMUs.</td>
</tr>
<tr>
<td>Purpose</td>
<td>To monitor:</td>
</tr>
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<td></td>
<td>• overall progress (financial, project implementation)</td>
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<td></td>
<td>• compliance of MIG conditions</td>
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<td></td>
<td>• achievement of specified KPIs</td>
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<td>• the establishment of PMUs</td>
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<td></td>
<td>• Labour intensive projects</td>
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<td></td>
<td>• Nodal municipalities</td>
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<td></td>
<td>• Special Municipal Infrastructure Fund (SMIF)</td>
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<td></td>
<td>• Infrastructure categories and funding elements</td>
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<td></td>
<td>• Three-year development plans (submission &amp; compliance)</td>
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<tr>
<td></td>
<td>To discuss:</td>
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<td></td>
<td>• project registrations, MIS and IT related matters</td>
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<td>• administrative matters</td>
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<td>• auditing requirements</td>
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<td>• policy issues</td>
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<td>• financial matters</td>
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<td>• communication</td>
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<td>• reporting formats / requirements</td>
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<tr>
<td></td>
<td>• problems experienced and possible solutions / suggestions</td>
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<tr>
<td>Agenda</td>
<td>To be compiled and distributed before the meeting</td>
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</tbody>
</table>
The National MIG Unit will be responsible to compile, finalise and distribute the minutes of the monthly meetings within 7 working days after the date of the meeting to all relevant parties. The progress meeting’s agenda must be distributed to all the relevant parties at least 7 working days before the meeting.

5.2.2 National quarterly workshops

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>dplg delegate</th>
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<tr>
<td>Co-ordinator</td>
<td>dplg delegate</td>
</tr>
<tr>
<td>Intervals</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Dates</td>
<td>Meeting schedule to be provided by National MIG Unit</td>
</tr>
<tr>
<td>Venue</td>
<td>To be determined (alternating between nine provinces)</td>
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<tr>
<td>Attendance</td>
<td>National MIG Unit (Senior Managers) and the nine (9) Provincial Programme Management Units. Representatives of Sector Departments could be invited.</td>
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</table>
| Purpose           | • Report on progress during previous 3 months  
                   • Report on “best practices” / labour intensive projects  
                   • Strategic planning between all roleplayers  
                   • Provincial feedback on issues / matters that could hamper the implementation of the programme  
                   • Discuss new innovation projects  
                   • Information, transformation and way forward  
                   • Presentations by private / public sector specialist on key issues  
                   • Team building exercise |
| Agenda            | To be compiled and distributed before the meeting by ???? |

The National MIG Unit will be responsible to compile, finalise and distribute the minutes of the quarterly workshop within 22 working days after the date of the workshop to all relevant parties. The quarterly workshop’s agenda must be distributed to all relevant parties at least 14 working days before the workshop.

5.2.3 Ad-hoc meetings

Ad-hoc meetings will be conducted by the National MIG Unit, in conjunction with the Provincial Programme Management Unit members, to obtain grass-root level information on specific projects and/or to intervene/resolve problem areas at Provinces, Municipalities and/or projects.

Considerations in arranging meetings:

- Identify the stakeholders that should attend the meetings and send them personalised invitations to the meetings. Invitations should detail the purpose of the meeting and state a reply date to ensure that the organisers of the meeting know the availability of the invited persons.
- Meeting agendas or programmes should be distributed well in advance of the meeting, requesting inputs and comments.
- Presentations should be well prepared.
- Indicate a willingness to cooperate with each other at meetings.
- Do not openly disagree with team members. Rather acknowledge the contribution, explain the current situation, view or difficulties, and elevate the discussion to a higher, collaborative, problem-solving discussion.
- Meetings are more readily able to achieve their objectives when all attendees receive short, to-the-point written information for discussion about a week in advance of the meeting.
MIG PROJECT LIFE CYCLE

MIG projects follow a similar project life cycle with the same requirements during the different stages. Each step is graphically depicted in the project cycle and described below:

1. PRELIMINARY PHASE

1.1 Project identification

The basis for taking any decisions on infrastructure provision should stem from the Integrated Development Plans (IDPs) compiled by municipalities. The IDP should also incorporate a proper community participation process and thereby ensure that the true needs of the communities are being addressed by the identified projects. The community identifies the need for a service and the ward committee reports that to the municipality. The IDP will also form the basis of alignment between the MIG Programme and other Sector Departments' programmes. The municipalities must also compile a three-year capital plan (based on the format provided by the Department of Treasury), which must be linked to the IDP and municipal budget (operational and maintenance costs must be included in the budget).

The municipality’s three-year capital plan should include project lists detailing the relative priority of the different projects as well as the planned implementation periods, details of the level of services that will be provided and estimates of the operating expenditure and revenue of all infrastructure.

The three-year capital plan must be submitted to National Treasury and dpkg and must be reviewed on an annual basis by National Government. The Division of Revenue Act requires that a municipal Council must approve “a three-year capital plan linked to its IDP and budget no later than 30 June of each year”.

It is important that municipalities constantly monitor the progress of the implementation of their projects, as well as timeously identify and plan for the projects that must be implemented during the next financial year.

<table>
<thead>
<tr>
<th>Phases</th>
<th>Timeframe</th>
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<tbody>
<tr>
<td>Preliminary Phase</td>
<td>30 days</td>
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<td>90 days</td>
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<td></td>
<td>30 days</td>
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<tr>
<td>Pre-Implementation Phase</td>
<td>60 days</td>
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<tr>
<td></td>
<td>60 days</td>
</tr>
<tr>
<td>Implementation Phase</td>
<td>Milestone</td>
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</table>
The average duration for the completion of the preliminary and pre-implementation phases, as indicated in the schedule below, is approximately 12 months. (It could take much longer depending on the frequencies of Council meetings)

Municipalities must also adhere to the labour intensive construction methods in terms of the EPWP guidelines agreed between the Department of Public Works, National Treasury and SALGA. Municipalities should also support / promote the establishment of Municipal Service Partnerships through the MIG programme.

The three-year capital plans must be submitted to the municipality / District Municipality’s Infrastructure Planning Forum for the prioritisation and selection process.

1.2 Project prioritisation and selection

In terms of the Division of Revenue Act (DORA) [Act 5 of 2004], in certain cases funds are allocated per District Municipal Area and the projects identified in the three year capital plans (IDP’s) of the different Local Municipalities (LM) within the boundaries of a District Municipality (DM) will be the projects to be prioritised. Although there are no prescriptions for the method in which this should take place, it is recommended that the prioritisation be done at an Infrastructure Planning Forum.

All municipalities in the District Municipal area must be represented on this forum along with representatives from the District Municipality and the Provincial MIG Management Unit (PMMU).

The representatives on the forum must have the delegated authority to take decisions on behalf of the municipality that they represent. This will result in proper streamlining of the project prioritisation process.

The Infrastructure Planning Forum will have the task of prioritising the proposed projects received from the different municipalities. The following conditions and criteria must be taken into account in the prioritisation process:

- Approved three year capital plans
- Division of Revenue Act (DORA)
- MIG cross-cutting conditions
- MIG Sector specific conditions
- MIG funding windows / criteria
- Cost effective regional level infrastructure solutions involving a number of municipalities.

The result of the deliberations of the Infrastructure Planning Forum should be a prioritised list of projects that comply with all the criteria and conditions as mentioned above.

As soon as the prioritised list of projects has been forwarded to the relevant municipalities, resources must be allocated to:

- Conduct feasibility studies to determine the sustainability of the proposed projects
- Compile the Technical Reports (Water and Sanitation projects only)
- Complete the Project Registration Forms on the Management Information System (MIS).

Consultants could be appointed on the project by using a roster system.

Once the municipality has captured the Project Registration Form on the MIS, a hard copy of the Project Registration Form as well as the necessary Technical Report must be submitted to the Municipal Project Management Unit (PMU). The PMU will evaluate the Project Registration Form and Technical Reports. The PMU will sign off the Project Registration Form on the MIS. A hard copy of the Project Registration Form must be printed and filed. The PMU must immediately submit the Technical Report to DWAF for their evaluation and approval.
1.3 Project registration

The Provincial MIG Management Unit (PMMU) will extract the Project Registration Form from the MIS, evaluate and verify for compliance with the MIG conditions, three-year capital plan as well as targets set for key performance indicators (KPIs). If the information on the Project Registration Form in compliance with the MIG criteria, the PMMU will sign off the form on the MIS.

The National MIG Management Unit (NMMU) will extract the Project Registration Form from the MIS and evaluate the project. Any discrepancies, errors and/or queries must immediately be forwarded to the PMUs for rectification / clarification. As soon as the Technical Report has been approved by DWAF and submitted to the NMMU the project file with all the relevant information and evaluation sheet will be submitted to the Senior Manager MIG (SMM) and Senior Manager Finance (SMF).

The SMM and SMF will evaluate the information and if in compliance with the MIG funding criteria, they will sign the Project Registration Form off on the MIS. The NMMU will then forward a signed Project Registration Letter to the Municipality (PMU).

The Project Registration Form will form the baseline against which the implementation of the project will be measured / monitored (e.g. financial matters, KPI achievements and scope of work).

2. PRE-IMPLEMENTATION PHASE

2.1 Design

In most instances, a Municipality will not have the capacity to undertake the detailed design for a project.

It is therefore advisable that a consulting engineer be appointed to perform this task.

A municipality should consider the following when appointing a consulting engineer / consulting engineering company:

• It is preferable that only individuals / companies that are registered with SAACE or SABTACO be considered. Members of these organisations are bound by a certain code of conduct, which will provide some assurance of quality / professionalism to the municipality.
• The appointment should be in terms of the standard contracts, which can be obtained, from the Department of Public Works or SAACE.

The Municipality must appoint a consulting engineer from their roster system to ensure that an equitable spread of work is achieved between the different companies. The consulting engineer’s information must be captured on the MIS (Register Consultant Form).

The consulting engineer must identify different design alternatives that can be used for the project and will advise the municipality on labour-based processes, systems, techniques and approaches after consultation with all the relevant Sector Departments. The municipality must endorse the design alternative selected as the operation and maintenance costs have to be carried by the municipality for the duration of the project’s lifetime.

After the municipality has evaluated the design alternative selected, it will be endorsed if it complies with the MIG criteria. The consulting engineer will thereafter proceed to complete all the necessary surveys as well as the preliminary design report. The municipality will evaluate and verify the preliminary design report and should any amendments be required, the municipality will refer the design report back to the consulting engineer. Once the municipality is satisfied with the preliminary design report, it must be endorsed as approved.
2.2 Tender document and procurement

The consulting engineer may now proceed to complete the detail design for the project based upon the approved preliminary design report.

The schedule of quantities and tender document is based upon the final design for the project. The consulting engineer must ensure that the prescribed preferential procurement procedures that will be used for the evaluation of tenders be clearly stipulated in the tender document.

The tender may now be advertised in regional newspapers. The normal tender period is approximately one (1) month and a site inspection will normally be held so that prospective contractors can familiarise themselves with the site and project conditions / requirements. After the closing of tenders the consulting engineer will evaluate the tenders received and compile a tender report with their recommendations. The tender report will be submitted to the municipality for their evaluation and endorsement.

3. IMPLEMENTATION PHASE

3.1 Construction

After the tender report has been approved, the municipality can appoint the successful bidder. This contractor’s information must be captured on the MIS (Registered Contractor Form). The contractor can then commence with construction of the project in terms of the contract document and construction drawings issued. The consulting engineer will represent the municipality during this period and supervise the work carried out by the contractor. However, the contractor will be responsible for the quality and correctness of the work performed in all cases.

During the construction period of a project, it is important that key performance indicators included in the Project Registration Form are carefully monitored.

For this purpose, it is important that the following MIS forms be completed / updated by the consulting engineer on a monthly basis:

- Request for payment (design and construction phases)
- Physical completion report

These MIS forms must be submitted to the PMU for reporting purposes.

Once the contractor has successfully completed the contract according to the prescribed contract conditions, technical specifications and standards the consulting engineer will issue a physical completion certificate. This information must be captured on the MIS (physical completion report form).

4. Operation and maintenance

During the Defects Liability period (approximately 12 months after the completion of the contract) the contractor will be responsible to rectify / repair / reconstruct any defects that may occur on the contract. At the end of the Defects Liability period, the consulting engineer will release all the balance of the contractor’s retention money. This information must be captured on the MIS (request for payment (retention)).

The last stage of the MIG project life cycle, the operation and maintenance of the infrastructure constructed is also the most costly one. Municipalities must carefully consider these costs and ensure that adequate funds are budgeted for personnel, materials and equipment in order to operate and maintain the infrastructure created and to provide a sustainable service.
Municipal Infrastructure Grant (MIG) Project Life Cycle

**Preliminary project phase**

**Project Identification**
- Identify needs through community participation
- Municipal Integrate Development Plan
- Municipality compiles Three-year capital plan
- Project List Generated
- Explore alternative funding options
- Project lists submitted to Municipality (Infrastructure Planning Forum)
- Project evaluated against available funds, MIG conditions and Three-year capital plans by Municipal Council
- Final list of projects compiled and Consulting Engineers allocated by Municipality using roster system
- Municipality (PMU) activates Project Registration on website

**Project Prioritisation and Selection**
- Project Registration Form completed on line and a hard copy submitted to Municipality (PMU)
- Technical report completed and hard copy submitted to Municipality (PMU)
- Municipality (PMU) evaluates Project Registration Form and Technical Report
- Changes requested

**Notes**
- Policy-making, including the setting of norms and standards for basic service infrastructure.
- Ensuring that IDP give priority to basic needs in communities and promote the social and economic development of communities.
- Planning oversight (regional and service development plans) and service delivery targets.
Municipal Infrastructure Grant (MIG) Project Life Cycle

Preliminary project phase

Municipality (PMU) signs Project Registration Form and submit Technical Report to DWAF

- Monthly reporting begins

PMMU evaluates project

Technical Report for “Wet” projects submitted to DWAF for approval

PMMU evaluates project

DWAF evaluates technical reports

Technical Report referred back to Municipality (PMU)

Project registered

- KPI / DORA reporting begins
- Access to MIG funds through fund administration system

Senior Manager MIG (SMM) and Senior Manager Finance (SMF) sign the Project Registration Form off on MIS and signed registration letter send to Municipality (PMU)

Pre-Implementation

Notes

Set criteria related to poverty alleviation and employment.

Ensure that Municipalities operate within the macro economic framework driven by National Government.

Coordinate and synchronise interactions between MIG Programme and other programmes (i.e. Housing Fund).
Pre-Implementation

Municipality complies with MIG project conditions

Preliminary design report referred back to consultant and emended

Design Consultant appointed by Municipality

Design alternatives identifies (Labour intensive construction)

Municipality evaluates design report

Preliminary design completed and submitted to Municipality for evaluation

Design alternatives evaluated and endorsed by Municipality

Design Report approved by Municipality

Detailed Design Completed

Schedule of quantities and tender document compiled

Tender advertisement, site inspection, evaluation of tenders, tender report

Design

Notes
Advise Municipalities on intensive labour based processes, systems, techniques and approaches.

Liaise with Municipalities on procurement reforms.

Provide assistance and advice with regard to technical matters and designs / methods in order to provide sustainable infrastructure / services.
Municipal Infrastructure Grant (MIG) Project Life Cycle

Pre-Implementation

Tender report referred back to consultant and amended

Tender Report submitted to Municipality for evaluation

Municipality evaluates tender report

Tender report approved by Municipality

Notes

Monitoring progress to meet sector departments targets.

Initiate interventions related to service provision activities.

Monitor employment generation, labour based technology and SMME involvement.

Monitor compliance of sector specific conditions.

Ensure that MIG funds are properly applied.

Assist with the capacity building of the PMUs.

Implementation

Contractor appointed by Municipality, construction drawings issued by Engineer

Project Constructed

Project Completed

Physical Completion certificate issued

Construction

Implementation

Defects liability period

Ongoing operation and maintenance by Municipality
6. Generic reporting mechanisms, formats and procedures

Municipalities are required to report monthly on progress, draw downs and DORA as well as quarterly on their key performance indicators. Reports must be submitted as listed in the table below in order to achieve the required milestone dates.

<table>
<thead>
<tr>
<th>Milestone dates per month</th>
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<tbody>
<tr>
<td><strong>Municipalities to PMU</strong></td>
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<tr>
<td>Monthly progress report</td>
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<tr>
<td>KPI report</td>
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<tr>
<td>DORA</td>
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<tr>
<td>Draw downs</td>
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**Note:** The KPI Report must be submitted on a quarterly basis therefore the dates above is relevant to the month in which the report is due.

6.1 Division of Revenue Act (DORA) – monthly reporting

The duties of the transferring national officer and receiving officers (Municipal Managers of recipient municipalities) are clearly stipulated in the yearly DORA.

The monthly DORA report would reflect on the following items:

- Amount of funds transferred / received by a municipality.
- Amount of funds delayed or withheld from any municipality and the reasons for such a delay or withholding.
- Actual expenditure incurred by the municipality in respect of its allocation.
- Extent of compliance by a municipality with the conditions of an allocation and the Division of Revenue Act.
- Explanation for any material (supplier) problems experienced or variations effected by a municipality and a summary of the steps taken to deal with such problems or the effect of such variations.
- Other issues as the National Treasury may determine.

The procedures and timeframes for the submission of the monthly DORA reports for the various spheres of government are as follows:

6.1.1 Recipient municipalities

The PMU of the recipient municipality shall develop, verify, reconcile, check and submit the hard copy of the monthly DORA report and the updated electronic format (Excel spreadsheet) and a signed hard copy of the DORA report to the relevant Municipal Manager no later than the 3rd of each month.

6.1.2 PMUs

The PMU will verify and reconcile the monthly DORA reports received from the Municipal Managers. Any discrepancies, errors and/or queries must immediately be forwarded to the Municipal Manager/s for rectification/clarification. A consolidated municipal DORA report will be compiled by the PMU and submitted to the PMU manager for approval.
Any discrepancies, errors and/or queries must immediately be forwarded to the Municipal Managers for rectification/clarification.

The PMU manager shall submit the updated electronic format (Excel spreadsheet) and a signed hard copy of the DORA report to the PPMU no later than the 6th of each month.

6.1.3 Provincial Programme Management Unit (PPMU)

PPMU will verify and reconcile the monthly DORA reports received from the various municipalities in the province. Any discrepancies, errors and/or queries must immediately be forwarded to the PMU manager/s for rectification/clarification.

A consolidated provincial DORA report will be compiled by the PPMU and submitted to the Provincial Programme Management Unit and submitted to the PPM for approval.

The PPMU shall submit the updated electronic format (Excel spreadsheet) and a signed hard copy of the DORA report to the National MIG Unit no later than the 10th of each month.

The PPMU must also ensure that an updated electronic format (Excel spreadsheet) and a signed hard copy of the DORA report for the provincial project management capacity for MIG be submitted to the National MIG Unit no later than the 10th of each month.

Note: The Provincial Programme Managers should process reports from the municipalities as and when they are received.

6.1.4 National MIG Unit

The National MIG Unit will verify and reconcile the monthly DORA reports received from the nine (9) PPMUs. The monthly DORA reports would be evaluated and verified utilising the following documentation / information:

- Provincial DORA and monthly progress reports (current and previous month).
- dplg’s BAS system report.
  - Any discrepancies, errors and/or queries must immediately be forwarded to the Provincial MIG Managers for rectification/clarification.
  - A consolidated national DORA report will be compiled by the National MIG Unit and submitted to the Senior Manager Finance (SMF) for approval.
  - The SMF shall submit an updated electronic format (Excel spreadsheet) and a signed hard copy of the following DORA reports to the Executive Manager MIG (EMM) no later than the 17th of each month:

  - Municipal Infrastructure Grant (MIG)

The EMM shall submit the electronic format (Excel spreadsheet) and a signed copy of the consolidated national DORA reports to the dplg – Chief Financial Officer no later than the 18th of each month.

6.1.5 dplg – Chief Financial Officer

The dplg – Chief Financial Officer shall submit the updated electronic format (Excel spreadsheet) and a signed hard copy of the following DORA reports to National Treasury no later than the 20th of each month:

- Municipal Infrastructure Grant (MIG)
6.2 Monthly Progress Report

The National MIG Unit must compile and submit a comprehensive Monthly Progress Report to the Executive Manager MIG (EMM) no later than the 20th of each month.

The Monthly Progress Report will reflect on the following issues:

**Section 1: Executive Summary**
- Introduction
- Financial status
- Project implementation status
- Programme evaluation
  - Nodal Municipalities
  - Labour intensive projects
  - Special Municipal Infrastructure Fund (SMIF)
- Problem areas and remedial action plans by the National and Provincial MIG Management Units.

**Section 2: Detailed reports**
- Schedule of work
- Status of Programme (National perspective)
  - Project status
  - Financial status
- National cashflow
- Provincial cashflows

**Section 3: Site visit reports**

**Section 4: Contact details**

The procedures and timeframes for the submission of the Monthly Progress Report for the various spheres of government are as follows:

6.2.1 Recipient municipalities

The Municipal Manager must obtain the completed relevant MIS project forms from the project consultants and submit a signed hard copy of the documentation to the PMU no later than the 3rd of each month.

6.2.2 PPMUs

The PMU must obtain all the updated MIS project forms from the municipalities and capture the information on the MIS.

The PMU manager must evaluate and verify the completeness/correctness of data / information (financial and KPIs) captured on the MIS. Any discrepancies, errors and / or queries must immediately be forwarded to the Municipal Manager for rectification / clarification.

A consolidated PMU monthly report must be printed from the MIS and a copy, signed by the relevant Municipal Manager / authority, will be submitted to the PPMU no later than the 6th of each month.
6.2.3 Provincial Programme Management Unit (PPMU)

The PPMU will generate a consolidated provincial monthly report from the MIS. The PPMU must evaluate and verify this report with the following:

- Monthly report received from the PMUs.
- Previous consolidated provincial monthly report.
- Previous DORA report received from the PMUs.
- Previous consolidated DORA report.

Any discrepancies, errors and/or queries must immediately be forwarded to the PPMU’s for rectification/clarification.

Once the Provincial MIG Manager has consolidated the provincial monthly report, the National MIG Unit must be notified by no later than the 10th of each month.

6.2.4 National MIG Unit

The National MIG Unit must generate the consolidated national monthly report from the MIS once the Provincial MIG Manager has submitted the consolidated provincial monthly report.

The National MIG Unit must evaluate and verify this report with the following:

- Previous consolidated national monthly report.
- Previous consolidated national DORA report.
- The departmental BAS system.

Any discrepancies, errors and/or queries must immediately be forwarded to the Provincial MIG Unit for rectification/clarification.

The National MIG Unit must finalise and submit the report to the EMM for processing no later than the 20th of each month. Once the report has been signed by the EMM the departmental website will be updated with the relevant report.

6.3 Quarterly KPI Report

The National MIG Unit must compile and submit a KPI report to the EMM on a quarterly basis. This report will be a consolidated report of the previous quarters’ monthly financial Progress Reports and KPI Report.

The EMM will submit the Quarterly KPI Report to the MITT. Once the MITT has approved the report, copies will be produced for distribution to the various PMITTs and relevant sector departments and roleplayers.
The Quarterly KPI Report will reflect on the following:

### Section 1: Assessment of MIG KPIs
- Summary
- Funds allocated to infrastructure categories and funding elements
- Implementation in nodal areas
- Total financial contributions
- Employment opportunities
  - Women
  - Youth
  - Disabled
- Number of persons employed
- Person days of employment
- Training provided per module of training
- SMME involvement
- Labour intensive projects (EPWP).

### Section 2: Detailed reports
- National Report
- Provincial Report (nine)

### Section 3: Contact details
- Format and contents still to be finalised.

The procedures and timeframes for the submission of the Quarterly KPI Report will be exactly as for the monthly progress report except for the fact that it will be compiled on a quarterly basis.

### 6.4 Annual Report

The National MIG Unit will compile, on an annual basis, a report on the achievements of the programme in general over the past financial year. This report will be a consolidated report of:

- The Monthly progress reports.
- The Quarterly KPI reports.
- The two social and economic impact reports.
7. MIG national fund administration system

The funds for MIG will be appropriated to dplg’s budget and the department remains overall responsible for the disbursement of funds to provinces and municipalities.

The multi-year formula based allocation will be calculated to provide funds to all municipalities.

The allocation, which each municipality will receive, is based on the following parameters:
- Backlogs in specific services.
- Poverty.
- Identification of a node.

Once the allocations had been gazetted, the EMM will forward a “Letter of Allocation” to the nine provinces and recipient municipalities.

The letters of allocation should at least include information on the following:
- Overview of the MIG programme.
- MIG allocation to municipalities.
- Requirements of PMUs business plan.
- Special Municipal Infrastructure Fund (SMIF).
- Indicative allocations for the remainder of the MTEF period.
- Conditions.

The dplg would only transfer funds once the recipient municipality has submitted its signed “Certificate of Acceptance and Compliance” in respect of the MIG.

The recipient municipalities must comply with the following conditions stipulated in the DORA framework:
- Prioritise residential infrastructure projects in line with any MIG or sector department’s policies before the start of the municipal financial year.
- The Municipal Council must approve their three-year capital plan linked to its IDP and budget no later than 30 June 2004. The budget must reflect the operation and maintenance costs for the three years and beyond.
- District Municipalities must provide detail information by 30 June 2004 on expected transfers to the local municipalities, as well as any information on projects undertaken directly by the District Municipalities.
- All committed projects must be prioritised.
- Adhere to the labour-intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines agreed between the Department of Public Works, National Treasury and SALGA, for at least low-volume roads, sidewalks, stormwater drainage, trenching etc.
- Provide quarterly reports on budget and project implementation.

The funds of the MIG conditional grant would be disbursed as follows:

7.1 Municipal Infrastructure Grant (MIG)

Funds would be disbursed by dplg to recipient municipalities according to a payment schedule. MIG funds could only be utilised on projects once the projects are registered and signed-off on the MIS by a senior MIG manager in conjunction with the SMF.
7.1.1 Recipient municipalities

The recipient municipalities must compile and submit the following to the PPMU:

- Cover letter from Municipal Manager.
- Certificate of expenditure and revenue signed by the Municipal Manager.
- Copies of the proof of payments (1084’s).
- Copies of progress payment certificates of contractors.
- Copies of professional fee claims of consultants.

These documents must be submitted to the PMU no later than the 3rd of the month.

It is important to note that the request for draw down of funds would occur as per the schedule and actual expenditure and proof of payment (1084’s) must be reported on a monthly basis.

7.1.2 PMUs

The PPMU will receive and verify the information signed by the Municipal Managers. Any discrepancies, errors and/or queries must immediately be forwarded to the Municipal Manager for rectification/clarification. The information must reach the PPMU not later than the 5th of each month.

The PMU manager will receive and verify the information and submit the consolidated draw down, signed by the Municipal Manager, with supporting documentation and submit to the PPMU no later than the 6th of each month. The PMU manager must also sign the certificates of expenditure and income.

**Note:** If the municipality does not have a PMU, the municipality itself should perform the functions of a PMU, verify and submit all documentation directly to the PPMU.
7.1.3 Provincial MIG Management Unit (PPMU)

The PPMU will verify and reconcile the draw downs received from the various recipient PMUs in the province. Any discrepancies, errors and/or queries must immediately be forwarded to the PMU project manager/s for rectification/clarification.

A consolidated draw down will be compiled by the PPMU Unit and submitted to the PMM for processing. The following documents will be submitted to the National MIG Unit not later than the 10th of the month:

- A cover letter from the PPMU with a summary of draw downs received from municipalities.
- Certificates of expenditure and revenue must also be signed by the PMM.
- Copies of proof of payments (1084’s).
- An updated proof of payment control sheet.

7.1.4 National MIG Unit

The National MIG Unit will receive the consolidated draw down with supporting documentation from the PPMU not later than the 10th of the month.

The National MIG Unit will then verify and reconcile the information against:

- National monthly progress report.
- National monthly DORA report.
- dplg’s BAS system.
- Updated draw down control sheet on MIS.

The National MIG Unit will capture the new information on the MIS hereafter they will compile the following documents for each draw down received and submit it to the SMF, before the 12th of the month, for approval:

- Transfer payment for MIG memorandum.
- Sundry payment advice.
- The certificate of expenditure and revenue, as compiled and signed by the municipal manager, will be attached.

The National MIG Unit will update their proof of payment control sheet and file the copies of the proof of payments received.

The SMF must submit the draw downs to the EMM for approval. After approval these documentation must be submitted, no later than the 15th of the month, to the dplg - Financial Administration Department for payment/transfer of funds.

On receipt of proof of transfer of funds from the dplg - Financial Administration Department, the National MIG Unit will fax the proof of transfer/s to the PPMU as well as recipient municipalities. The draw down control sheet on the MIS will also immediately be updated with latest proof of transfers received.

7.1.5 Under-spending at municipal level

The National MIG Unit will identify, on an ongoing basis, based on monthly reports, any variances/regular/drastic under-expenditure. The following actions will be taken:

- Confirm the variances with the PPMU.
- Write to the municipality within 8 working days after the 10th of the month about the variances explaining the implications thereof and the problems experienced with under-expenditure.
- Copy the letter to the PPMU.
• Reflect the variances in the monthly Division of Revenue Report.
• Write a letter to National Treasury regarding the variances, by the 20th of the month, reflecting the actions taken (such as delaying or withholding of transfers) to address the under-expenditure.

7.1.6 Control measures for expenditures/transfers

The PPMU transfers funds to municipalities on a monthly drawdown basis.

The Provincial MIG Manager will submit requests for draw downs to the National MIG Unit on the 10th of the month where after the National MIG Unit will:

• Assess the expenditure of the municipalities against the transfers.
• Inform the municipalities within 8 working days after the 10th of the month about the variances, explaining the implications thereof and problems experienced with under expenditure.
• If a municipality did not spend 50% of the amount previously transferred the amount still available on their books will be subtracted from their request for draw down.
• Should a municipality consistently not spend its funds and this situation persists, transfer/payment will be withheld until proof of expenditure and an amended payment schedule are received.

7.1.7 Assist municipalities

The National MIG Management Unit will identify municipalities with challenges / problem areas. Meetings will be arranged with all parties / stakeholders involved (PPMU, municipality, consultant, contractor), to discuss action plans in order to resolve problem areas. Feedback / follow-up will be necessary to determine if issues have been addressed successfully.
7.1.8 Delaying of payments

The National MIG Unit will recommend delaying of payments to the National Treasury should provinces/municipalities not comply with the Division of Revenue Act.

7.1.9 Withholding of payments

The National Treasury will withhold transfers if the National MIG Unit could provide proof of non-compliance with the Division of Revenue Act.

7.1.10 Non-compliance

Any serious or persistent non-compliance with the Division of Revenue Act constitutes financial misconduct and dplg would therefore seek national intervention to attend to these incidents. This includes under-expenditure and non-compliances such as late or no submission of reports or information. (Also refer to the Local Government: Municipal Finance Management Act and sections 38, 39, 40 and 86 (1) of the Public Finance Management Act).

7.2 Re-allocation of MIG funds

Refer to the relevant Division of Revenue Act.
8. **MIG Management Information System (MIS)**

The MIG Management Information system (MIS) is a comprehensive management tool that provides integrated management reports on aspects such as progress and exceptions, actual outputs against targeted output, finances and cash flow. The system enables the users the management of many different business processes in a consolidated way. The number of different information/data capturing forms on the MIS follows the logical progression of MIG projects through its life cycle.

MIS interfaces directly with the day-to-day operational aspects of each process. It maintains a cohesive database, integrating information from all the business processes required for comprehensive organisation management.

MIS provides municipalities with a tool for controlling their own programmes while at the same time providing consolidated reporting of financial, progress and performance indicators on a provincial and national scale.

The important benefit with this approach is that only information relevant to the specific phase will be recorded. Static information from one reporting period to another will also be pre-printed on the forms and the unnecessary capturing of known information will be prevented in this way.

The proposed MIS forms, to be completed by the PMUs/municipalities at certain stages of the project life cycle, will be used throughout the project life cycle, are as follows:

**8.1 Preliminary phase**

The relevant forms are specified in the sections below.

**8.1.1 Project Registration Form**

The sector departments must participate in the IDP process. The project registration form must be completed once the municipality and PMU have prioritised the projects to be implemented. This form will be submitted to the National MIG Unit for registration of the project.

The costs involved with the completion of the project registration form, conducting of feasibility studies, value engineering and compilation of technical reports, will be for the account of the recipient municipalities.

Once the project registration form has been signed-off on the MIS system by the SMM and SMF the recipient municipality will be reimbursed for these costs incurred on projects as well as the project cost.

The table below details the method to be followed to ensure the proper evaluation, control and filing of a Project Registration form.
### Evaluation of a project registration form

1. Print replication log from MIS on a daily basis in order to see whether there is any new project registration forms, additional funding requests or changes.

2. Contact PMU requesting whether project registration form must be evaluated or not. Await confirmation from PMU before proceeding with evaluation.

3. Print out project registration form from MIS.

4. Create project file.

5. Check status of project on MIS
   - Check if project is signed-off and authorised at PMU level on MIS
   - Check if project name and number on file correlate with information on MIS
   - Check if all necessary fields on project registration form is completed
   - Check if project description and motivation correlate and if project qualifies for funding in terms of MIG requirements
   - Check following fields in particular:
     - Breakdown of funds
     - Labour Intensive project (EPWP)  Yes / No
     - Average project wage rate
     - Beneficiaries
     - Funding (MIG, public and/or private sector)
     - Employment generation
       - Women
       - Youth
       - Disabled
     - Number of persons employed
     - Person days of employment generation
     - Planned training activities per module of training
     - Operation and maintenance budget
     - Outputs and other targets
     - Budget control
     - Declaration on standard conditions

6. See if the following documentation has been provided by the PMU:
   - Council Resolution

7. If above has not been provided, contact PMU requesting this information. Proceed with project registration once all of the documentation has been provided.

8. Place project registration form in project file.

9. Submit project file to Secretary for information control and tracking.

10. Secretary submits files to SMM for sign-off purposes on MIS.
During evaluation, if found that there is non-compliance to MIG criteria or outstanding information, a letter will be written to the PMU explaining the situation.

This form will be the baseline against which the implementation of the project will be measured (e.g. financial matters, achievement of KPIs and scope of work).

**8.2 Pre-implementation phase (design and tender)**

**8.2.1 Register consultant**

This form is to be completed once the municipality has appointed project consultants.

**Note:** Consultants appointed on Labour Intensive Projects (EPWP) must take note of the specific requirements according to the SETA NQF qualifications framework for labour-intensive construction, learning guides, learning programmes and assessment instruments.

**8.2.2 Request for payment from municipality (design phase)**

This form is to be completed at the end of every month during which the project is being designed.

**8.3 Implementation phase (construction)**

**8.3.1 Register contractor**

This form is to be completed once the municipality has appointed the successful tenderer, based on the consultant’s tender evaluation and recommendation.

**Note:** Contractors appointed on Labour Intensive Projects (EPWP) must take note of the specific requirements according to the CETA NQF qualifications framework for labour-intensive construction, learning guides, learning programmes and assessment instruments.

**8.3.2 Request for payment (construction phase)**

This form is to be completed at the end of every month during which the project is under construction (contractor’s progress certificates and/or consultant professional fee claims).

**8.3.3 Physical completion report**

This form is to be completed after the physical completion certificate has been issued (site handover).

**8.3.4 Request for payment (retention)**

This form is to be completed when the retention funds of the project become due (expiring of the defect liability period).

The successful implementation of system depends on quality information and ownership of the system by its users.
9. General filing and backup procedures

9.1 Backups

This paragraph covers the method to be followed to store backups of computer information.

a) A backup shall be made at least once every month of all computers in the office and those in the personal possession of each staff member, which contain MIG related information.

b) Backups shall also be made to the network drive of the dplg at: Users on ‘Pta\Users’ (H:)\MIG\Consultants.

9.2 Project Files

The National MIG Unit must ensure that all documentation relevant to the MIG programme be filed in such a manner so as to enable any member of the Unit, to quickly and accurately access any required documentation at any time.

The National MIG Unit must keep record of all the projects registered on the MIS and signed-off by the SMM in conjunction with the SMF.

For each project a file must be opened on which the following documentation must be filed and updated on a regular basis:

- Project registration form together with supporting documentation.
- Correspondence from sector departments such as DWAF, DPW, DME, DoT, DoH, DSRSA etc.
- DWAF’s response with the regard to the Technical Report submitted.
- Certificate of Compliance (DORA).
- General correspondence between the relevant roleplayers.
- Operation and maintenance plan furnished by the municipality.
- A copy of the signed (by the Municipal Manager) certificate of fulfilment of conditions together with all relevant / supporting documentation (e.g. Council resolution, agreement between community and municipality on the service package and payment for services, etc).
- Employment records.
- Training records.

9.3 Minutes

The following documentation must be filed per province:

- Signed copy of the minutes.
- Agenda.
- Attendance register.
- All relevant documentation received at the meeting.

9.4 Reports

The following reports must be filed:

- Monthly progress.
- Quarterly KPI.
- ISRDP & URP.
- Monthly DORA.
- Ad-hoc reports.
9.5 Financial Administration System

9.5.1 Submission of draw downs

The following documentation must be filed in the Provincial Financial file per month:
- Transfer of payment MIG Memorandum.
- Sundry payment advice.
- Certificate of Expenditure and Revenue (received from PMU).
- Proof of transfer of funds.
- Draw downs control sheet on the MIS.

9.5.2 Proof of Expenditure (1084’s)

The following documentation must be filed in the provincial 1084’s file per month:
- Proof of payment control sheet (received from PMU).
- Proof of expenditure.

9.6 Service Level Agreements

The Service Level Agreements between the District Municipalities and Local Municipalities must be filed per province in the Service Level Agreements file.

Municipalities should send letters of acceptance of the MIG conditions on receiving MIG funds.

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<th>CONTACT DETAILS: PROVINCIAL DEPARTMENTS</th>
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<td><strong>Eastern Cape</strong></td>
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<td><strong>Free State</strong></td>
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