Topic: Framework for Financial Resource Mobilisation

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INTRODUCTION

ROLE OF MUNICIPAL COUNCILS IN RESOURCE MOBILISATION

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MAJOR FINDINGS OF THE STUDY

Dr Shilenge R.R.
Major Findings of the Study

MAJOR FINDING ONE (1)

Financial resources are available in Vhembe municipalities.

Municipal councils fail to mobilise effectively.

Key Issues:

- **Weak oversight of municipal budgets** → adoption of **unfunded budgets**.
- **Revenue enhancement strategies exist** but suffer from **ineffective implementation**.

MAJOR FINDINGS OF THE STUDY

MAJOR FINDING TWO (2)

Mechanisms are ineffective → fail to secure additional funding for service delivery optimisation. **Municipalities continue to rely mainly on mandatory government grants.**

Key Issues:

- **Failure to raise funds** beyond grants.
- **Inability** to develop funding proposals.
- **Poor credit records** → cannot raise loans.
- **Low** revenue collection rates.
- **Lack** of infrastructure maintenance.
- **Limited** pursuit of international funding opportunities.

MAJOR FINDINGS OF THE STUDY

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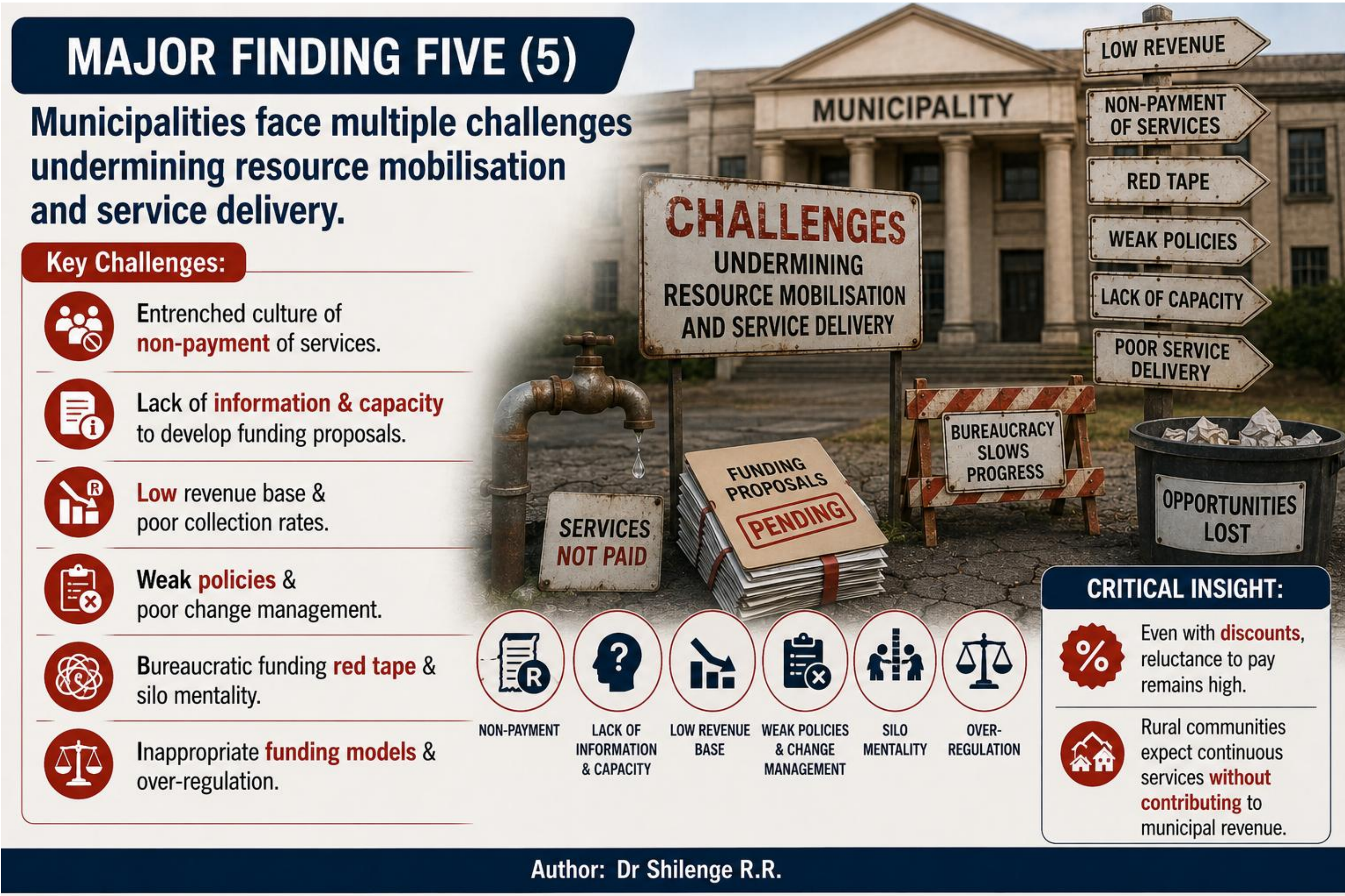

MAJOR FINDINGS OF THE STUDY

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- **Major Finding Six (6)**
  - Current funding model is **inappropriate and outdated**.
  - Municipalities struggle to optimise service delivery under existing mechanisms.
- **Recommendation:**
  - Develop a **new financial resource mobilisation framework** tailored to local government needs.
  - Framework should:
    - Provide **step-by-step guidance** for implementation.
    - Ensure **standardised, consistent, efficient, and accurate** mobilisation.
    - Strengthen fiscal stability and enhance service delivery.
    - Promote transparency, accountability, and sustainable development.

FOUR STEP FRAMEWORK FOR FINANCIAL RESOURCE MOBILISATION

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- **Step 1: Planning**
  - **Activities:** Council approval, committee establishment, expert workshops, stakeholder consultation, risk management
  - **Responsible:** Mayor, Municipal Manager, CFO, Chief Risk Officer
  - **Timeline:** First Quarter (July–September)
  - **Visual:** Flowchart with council approval → committees → workshops → stakeholder engagement → risk management

FOUR STEP FRAMEWORK FOR FINANCIAL RESOURCE MOBILISATION

- **Step 2: Development**
  - **Activities:** TOR development, bidder advertisement, appoint service providers, workshops, stakeholder consultation, submission to council
  - **Responsible:** Municipal Manager, CFO, Supply Chain Manager, Mayor, Speaker
  - **Timeline:** First & Second Quarter (July–December)
  - **Visual:** Process diagram showing TOR → procurement → strategy development → council approval

FOUR STEP FRAMEWORK FOR FINANCIAL RESOURCE MOBILISATION

- **Step 3: Implementation**
  - **Activities:** Identify funders, networking, prepare funding docs, strategic meetings, customised proposals, sign agreements, workshops, stakeholder consultation
  - **Responsible:** Financial Resource Mobilisation Committee, CFO, Municipal Manager, Mayor
  - **Timeline:** Third Quarter (Jan–March)
  - **Visual:** Funnel diagram showing funder identification → proposals → agreements → workshops

FOUR STEP FRAMEWORK FOR FINANCIAL RESOURCE MOBILISATION

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- **Step 4: Monitoring & Evaluation**
  - **Activities:** Monitor implementation, resource utilisation, performance reports, evaluation, funding impact assessment, workshops, stakeholder consultation
  - **Responsible:** Council, External Auditors, Committee Chairperson, Municipal Manager, Mayor
  - **Timeline:** Fourth Quarter (Apr–June)
  - **Visual:** Circular cycle diagram showing monitoring → evaluation → reporting → impact assessment

FOUR STEP FRAMEWORK FOR FINANCIAL RESOURCE MOBILISATION

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- **Governance (Cross-Cutting)**
  - **Activities:** Continuous communication, capacity building, risk management, stakeholder engagement, anti-corruption programmes, financial management systems, governance structures, policy approval
  - **Responsible:** All Stakeholders, Mayor, Municipal Manager, Council, Chief Risk Officer
  - **Timeline:** Continuous across all quarters
  - **Visual:** Governance wheel with spokes: Communication • Capacity • Risk • Engagement • Integrity • Systems • Structures • Policies

Thank You!

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