



Commonwealth Journal of Local Governance

Supported by the Commonwealth Secretariat



Opening ceremony of the Commonwealth Local Government Conference held in May 2009 © Bahamas Information Service

ISSUE 5 March 2010

Special Edition
Commonwealth Local Government Conference
Freeport, Bahamas, May 2009

- Background Papers
- Research & Evaluation
- Commentary
- Conference Notes

Commonwealth Journal of Local Governance

Editors

Editor: Graham Sansom
University of Technology, Sydney

Editorial Consultant: Susan Rhodes
CLGF Secretariat, United Kingdom

Assistant Editor: Daniel Grafton
University of Technology, Sydney

Editorial Board

Graham Sansom
University of Technology, Sydney (Editor)

Munawwar Alam
Commonwealth Secretariat

Phillip Amis
International Development Department,
University of Birmingham, United Kingdom

Richard Crook
Institute of Development Studies,
University of Sussex, United Kingdom

John Harker
Cape Breton University, Canada

Graham Hassall
Pacific Institute,
University of the South Pacific, Fiji

John Kiyaga-Nsubuga
Uganda Management Institute, Uganda

Peter McKinlay
Local Government Centre,
Auckland University of Technology, New Zealand

Sneha Palnitkar
All India Institute of Local Self Government, India

Siew Nooi Phang
Open University, Malaysia

Bishnu Ragoonath
The University of the West Indies,
Trinidad and Tobago

Purshottama Sivanarian Reddy
Department of Public Administration and
Development,
University of KwaZulu Natal, South Africa

Randal Smith
London Borough of Hackney,
United Kingdom

CJLG is published by the University of Technology, Sydney twice a year.

Information about CJLG, and notes for contributors, are given on the journal webpage:
www.clg.uts.edu.au/CJLG

Editorial enquiries or proposals

Tel: +61 2 9514 4891

Email: daniel.grafton@uts.edu.au

ISSN 1836-0394



CONTENTS: ISSUE 5 – MARCH 2010

Editorial

Graham Sansom 4-9

Background Papers

Some reflections on the Conference Background Paper: Improving Local Government: the Commonwealth Vision 10-14
Joseph Stern

A Decade of Improvement for Local Government 15-21
Susan Rhodes

Bridging the Divide: Making Research Matter to Local Government 22-26
Mark Redwood

Research and Evaluation

Participatory Action Research, Strengthening Institutional Capacity and Governance: Confronting the Urban Challenge in Kampala 27-46
Shuaib Lwasa, Gilbert Kadilo

A Local Government Authority Leading Action Research: Impacts and Replicability 47-65
Neranjana Gunetilleke

Village Forums or Development Councils: People's Participation in Decision-Making in Rural West Bengal, India 66-85
Raghabendra Chattopadhyay, Bhaskar Chakrabarti, Suman Nath

The Political-Administrative Interface in South African Municipalities Assessing the Quality of Local Democracies 86-101
Jaap de Visser

Modernising local government by fragmentation: Lessons from the Portmore municipal experiment, Jamaica 102-125
Eris D. Schoburgh

New Professionals on Tap? The Human Resource Challenges in Developing a New Generation of Municipal and Local Government Managers in Nova Scotia 126-144
Andrew Molloy, David Johnson

Commentary

Democratic Local Governance in the Southern African Development Community Region: Some Emerging Issues and Challenges 145-157
Bornwell Chikulo

New Directions In New Zealand Local Government 158-175
Peter McKinlay

The Commonwealth Local Government Pacific Project: Seeking 'Most Significant Change' 176-188
Graham Hassall

CONTENTS: ISSUE 5 – MARCH 2010

Conference Notes

Working Group 1 <i>Christine Platt</i>	189-194
Working Group 3 <i>Shelia Roseau, Elsie-Bernadette Onubogu</i>	195-202
Working Group 4 <i>David Grossman, K. K. Pandey</i>	203-211
Working Group 5 <i>Ronald McGill</i>	212-219
Working Group 6 <i>John Hayes</i>	220-221
Working Group 10 <i>Andrew Fiddaman</i>	222-228
Working Group 11 <i>Paul Spencer</i>	229-232
Working Group 13 <i>Kristof Varga</i>	233-238

Appendix

Improving Local Government: The Commonwealth Vision (Background Discussion Paper) <i>Philip Amis</i>	
---	--

Commonwealth Journal of Local Governance

Special Issue March 2010:
Commonwealth Local Government Conference
Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Graham Sansom

UTS Centre for Local Government
Australia



This special issue of the *Commonwealth Journal of Local Governance* publishes a substantial number of papers, commentaries and notes drawn from presentations at the Commonwealth Local Government Conference held in Freeport, Bahamas in May 2009. In particular it focuses on contributions to the Research Colloquium that formed part of the conference.

The conference theme was *Improving local government: the Commonwealth vision*, and this was also the subject of a detailed background paper prepared by Dr Philip Amis of the University of Birmingham (UK).¹ I recommend reading it together with the articles published in this issue, not merely for its relevance to the other work, but for its cogent analysis of the contemporary practice of local government in the Commonwealth. A short commentary on the background paper by Joseph Stern is also included.

An overview of the conference is provided by Susan Rhodes, highlighting some of the key topics discussed and conclusions reached.



¹ The paper can be accessed from: <http://www.clgc2009.org/index.cfm/pageid/305/Background+paper>; alternatively it is included within the complete version of this issue downloadable from the contents page.

The 2009 Research Colloquium was attended by over 40 delegates from 14 countries, representing around 30 research and training institutes, donor agencies, other international organizations and local government bodies. The sponsorship of the Canadian International Development Research Centre is gratefully acknowledged, and Mark Redwood of IDRC has contributed a very useful introductory piece on 'Making Research Matter to Local Government' that reflects on lessons drawn from some of the Centre's recent projects.

The Colloquium provided an opportunity both for discussion of the conference theme and background paper, and for fifteen presentations on current research and practice – eight of which are included in this issue. Topics covered by the presentations were:

- Democratic local governance issues and reforms in the Caribbean, Southern Africa and India
- Public participation in local government in South Africa and rural India
- Challenges of urban development and poverty in Sri Lanka and Uganda
- Governance of capital cities in federations
- Inter-government relations in small island states of the Pacific and in rural India
- Internal structures and governance of municipalities in South Africa
- Infrastructure finance
- Performance monitoring and management systems
- Human resource development in the Canadian public sector
- New directions in New Zealand local government

Colloquium delegates highlighted the need for practice-oriented research to become more prominent in the work of the Commonwealth Local Government Forum (CLGF) that sponsors both the biennial conference and this journal. Increasingly, international agencies are demanding evidence-based policy and programs, while CLGF's global reach and membership mix of local and national practitioners plus research and training institutes makes it an ideal vehicle to identify needs for research, and then to disseminate findings and promote practical application. However, to take advantage of this opportunity, we will need to explore in more detail how local governments learn and share knowledge, and at the same time strengthen CLGF's capacity for knowledge management and dissemination.

A principal conclusion of the Colloquium was that *transformational change* in local government is required to produce sustainable organisations that can address the challenges of the 21st Century. Local government needs to be re-shaped and re-positioned in systems of government if it is to overcome capacity constraints and its current ‘invisibility’. It needs a more confident ‘language’ that speaks of opportunity and innovation rather than helplessness. This will involve among other things a broad ‘developmental’ model of local government that goes beyond direct service delivery and brings together key players (governments, civil society, private sector) to generate solutions to community needs through new frameworks of local governance. Local councils should be seen as *enablers of community action*.

There is no single narrative for ‘improved’ local government: it must be ‘fit for purpose’ in different local contexts. By the same token, care needs to be taken in applying ‘best practice’ solutions out of context. We need to understand what works and what doesn’t, but also the conditions that breed success in different places and how (or whether) they can be replicated elsewhere. In particular, we need to accept that ‘western’ models of local government are not always appropriate: in some cases adapted systems of traditional governance may be the best way forward.

As well as capacity building, some of the most critical elements in bringing about necessary change will include:

- ‘Strategic leadership’ on the part of mayors and councillors, and support to improve their skills
- Examining alternative governance structures within local councils (committee systems, executive mayors, ‘civic cabinets’ etc)
- Finding new ways to use local government’s powers to ‘unlock’ or leverage other resources through advocacy, partnerships and facilitating innovative community programs (such as local banks)
- Meaningful and effective community consultation and participation, so as to create a ‘new local citizenship’
- Improved monitoring and evaluation of local governments’ performance as a basis for improvement, and to demonstrate its worth to central governments and international agencies.

The issue of inter-government relations featured prominently in Colloquium discussions. There was a general view that local government itself needs to take the lead through consultation and planning to promote improved inter-government frameworks and stakeholder relations at both local and regional levels. Different forms of decentralisation (devolution, deconcentration, agency arrangements etc) should be applied on their merits in different contexts, and in particular taking into account the attitude of provincial and/or central governments towards local government.

Moreover, while central government support for stronger local government is essential, it cannot be assumed that 'political will' is sufficient to bring about necessary change (such as through policies for decentralisation). Ways need to be found to overcome often entrenched bureaucratic opposition, and bureaucratic discretion in implementing policy should be reduced. Local government(s) may need to devise strategies to 'draw down power' where or when higher tiers of government are reluctant to relinquish this.

The *Report of the 2009 Research Colloquium* and Colloquium presentations can be viewed at the following link: <http://www.clg.uts.edu.au/research/colloquium.html>



The research papers and commentaries published in this issue cover most of the main themes discussed at the Colloquium. Shuaib Lwasa and Gilbert Kadilo from Kampala, Uganda, and Neranjana Gunetilleke from Colombo, Sri Lanka, report on action research projects undertaken to strengthen links between researchers and practitioners, enhance policy formation and implementation processes, and thus address urban challenges of poverty and environmental degradation.

Raghabendra Chattopadhyay, Bhaskar Chakrabarti and Suman Nath evaluate recent approaches to decentralisation and people's participation in West Bengal, India. Their telling analysis of village meetings and development councils reveals concerns about low levels of participation, party-political infighting and inadequate transparency and accountability.

In a quite different context, Jaap de Visser discusses a similar theme: the perception that local councillors in South Africa are often seen to be inaccessible and unresponsive to

the needs of their communities. People allege that councils are inward-focused, preoccupied with the goings-on within the political realm and the technicalities of administration. Why is it that many communities do not trust their councillors and what can be done to remedy this?

Eris Schoburgh also considers the complex terrain of community engagement and empowerment in her study of the establishment and early years of operation of the Portmore Municipality adjoining Kingston, Jamaica. She reviews the extent to which the philosophy and practice of local/community self-management are in fact being institutionalised in the operations of the municipality, and considers lessons for the wider adoption of a process of municipalisation.

Andrew Molloy and David Johnson discuss the human resource challenges of developing a new generation of local government managers, specifically in Nova Scotia, Canada, but with reference to global issues. They note that demographic trends – especially pending retirement of many ‘baby boomers’ – are causing municipalities to consider how to go about recruiting young talent. However, few have done enough to execute succession plans and recruitment strategies that are sufficiently imaginative and forward thinking.

Three extended commentaries are provided by Bornwell Chikulo, who outlines emerging issues and challenges for democratic local governance in the Southern African Development Community (SADC) region; Peter McKinlay, who reports on new directions in New Zealand local government; and Graham Hassall, who reviews the progress of the Commonwealth Local Government Pacific Project.

The final section of this issue presents ‘Conference Notes’. This material has been drawn from the conference working group program, and includes presentations as given, or short articles written later by presenters that expand on their contributions. These notes are intended to give a sense of the scope of work and ideas covered at the conference, and as might be expected, it is a very diverse selection covering themes of: planning in the 21st Century, and the Inclusive Cities Network project (Christine Platt); gender and local government in view of decentralization and local governance (Shelia Roseau; Elsie-Bernadette Onubogu); the work of the ICMA in the Americas (David Grossman); Resourcing local government for improvement (Dr. K K Pandey); practical capacity building in local government (Ronald McGill); local government improvement in the UK

(John Hayes); local government and youth business entrepreneurship (Andrew Fiddaman); the challenges of local governments in the Americas and the work of the OAS (Paul Spencer); and, local democratic governance in Europe (Kristof Varga).



Finally, I would like to acknowledge the work of the Assistant Editor, Daniel Grafton, in both organising the Research Colloquium and putting together this special issue. Thanks also to Anna Vo, our publications assistant, who worked on four issues of the journal before leaving us to take up a scholarship in Germany. We wish her every success. As well, Chris Watterson again contributed his expertise in preparing the final text for the website.

Some reflections on the conference background paper: 'Improving Local Government: the Commonwealth Vision'

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Joseph Stern

International development consultant, Canada



Even before considering its content, one has to admire the confidence of Dr. Philip Amis to undertake the preparation of a paper titled: *Improving Local Government: the Commonwealth Vision*. Dr. Amis, head of the International Development Department at the University of Birmingham and a trusted friend of the Commonwealth Local Government Forum, would have understood the challenges of this assignment. There is no commonly accepted definition of 'local government' and practitioners have agreed that replicable models or templates for local government improvement are hard to find. Moreover, the Commonwealth is not much easier to define than local government and has been reticent historically to translate its various 'vision' statements into actionable plans.¹

¹ This reticence reflects the ethos of the Commonwealth as a familial association promoting dialogue and fostering consensus. The aversion to judgments and actions that characterize deficiencies in some member states as failures in governance is based on a desire to preserve that ethos. Nevertheless, the Commonwealth has not backed away from stating, promoting and protecting its core values. The 1991 Harare Declaration and the subsequent adoption of the Millbrook Action Program to implement the Declaration clearly demonstrate this resolve.

The paper (<http://www.clgc2009.org/index.cfm/pageid/305/Background+paper>) itself vindicates the confidence of the author. The research and narrative presented is a *tour de force* of the field of local government and the series of progressive responses by the Commonwealth. It lays out the case for focusing on local government, noting *inter alia* the contribution of Professor Jeffrey Sachs in his paper to the 2007 CLGF Conference, identifying the link between effective local government and the achievement of the Millennium Development Goals. The three substantive sections of Dr Amis' *Improving Local Government* – Financing Local Government; Democracy and Accountability; and Improving Performance – all draw upon case studies from the Commonwealth where different approaches have achieved positive outcomes. The paper concludes with an agenda for the 2009 Bahamas Conference. The outcome of the Conference, expressed in the Freeport Declaration, uses the framework of issues for discussion and implementation presented by Dr Amis, and draws on both his analysis and the conclusions of the Research Colloquium where the background paper was discussed in the two days before the Conference formally convened. Thus the paper clearly served the purpose for which it was drafted.

This short commentary will not attempt to summarize the content of the paper. Dr. Amis' study, in its entirety, is relatively concise and highly readable and I commend it to the readers of this journal who are not already familiar with it. I particularly recommend the report to researchers and development practitioners for despite the title, the work is much more a practitioner's guide than it is a vision statement. Indeed, while the paper invokes the antecedent statements of principles that led to the Freeport conference, a Commonwealth vision for local government remains elusive. This is an observation, not a criticism of the paper. In the field of development, particularly in relation to governance and democratic reform, the main problem is not the absence of vision or policy or even research for that matter. It is the inability to transform the thinking and the analysis to action. The theme Amis weaves through his paper is the importance of finding out what works and how to make it sustainable.

As noted earlier, the attempt to identify what works is constrained by an absence of common nomenclature for local government and thus a shared appreciation of the problems that need to be solved. In addition to a lack of consensus on exactly what is meant by decentralization or local government, the very concept is highly variable to questions of scale: the size of states themselves and the size of units of local

government. Amis presents the astonishing statistic that more than half the world's population now lives in urban areas, many or perhaps most of whom live in mega-cities that are more populous than the majority of Commonwealth countries (two-thirds of which have populations under 1.5 million). In addition to the variable of size, there are multiple models reflecting different constitutional or statutory provisions, differences on the spectrum of power sharing, ranging from greater citizen participation at the local level through decentralization of services to devolution of authority and resources to local democratic organs, as well as differences in the heterogeneity of the populations, their stage of development, and their state of fragility.

The way Amis deals with this difficulty is to take an approach that situates his analysis and prescriptions at a high enough level of aggregation to be as inclusive as possible. His section on the local government context thus focuses on issues such as: rapid urbanization and urban poverty; the importance of local government in achieving the Millennium Development Goals; the implementation of energy efficiency and mitigation approaches to climate change; and local government and the global economic crisis. He is in good company. Since the mid 1980s the World Bank has viewed the transfer of power from the national to sub-national levels of government as an essential strategy for economic development and poverty reduction. This approach has been embraced by other institutions including the Organization of American States (OAS) and the Inter-American Development Bank (IDB), which ranks decentralization and effective local governance as one of the five essential attributes of good governance upon which its funding decisions are based. The Secretary-General of CARICOM, in his address to the Freeport conference, acknowledged that the strengthening of local government is inextricably linked to sustainable development and regional integration in the Caribbean.

If there is something missing in the vision implicit in this approach, it is the inspiration of the Harare Declaration and its recognition of governance and basic human rights as the unifying commitment of Commonwealth states. What distinguishes local government reform from macro-economic strategies as an engine of economic development, is that the latter (by its nature) reflects a growth-based approach, and the former (also by its nature), opens the door to a rights-based approach. We know from the era of mega infrastructure projects and the subsequent efforts under structural adjustment programs that growth-based approaches often do not reach the people most desperately in need of the benefits of development. A rights-based approach promotes human development by

striving to respond to the rights of every citizen to good governance and quality services, to essential infrastructure, to social stability, to a clean and safe environment, to potable water and health care, and to economic opportunity. This is the promise of local government reform.

As noted earlier, previous evaluations as well as the Amis report all conclude that one size does not fit all, and that it is more important to discover what succeeds in each particular situation than to look for some illusive template that can be broadly replicated. In its most recent evaluation of its \$22 billion portfolio of decentralization programs, the World Bank noted that a consensus on what needs to be done in any particular situation is a high predictor of program results. The consensus the World Bank is referring to is not a consensus among states or donor consortia on what needs to be done, but importantly a consensus within states by all the stakeholders at the various levels of government, in the private sector, and in civil society. This consensus-based polity is missing in many Commonwealth states where a well-established tradition of winner-take-all is difficult to dislodge. Until this approach is broadly embraced, the relatively anodyne analyses and technical prescriptions contained in the background paper for the Freeport conference will not be capable of achieving the results that are so manifestly needed.

The vision for improving local government that should animate the Commonwealth is to encourage its member states to act upon their local as well as global responsibilities to protect and enhance the health and well-being of humans and ecosystems. In so doing, states must be committed to see this vision reflected in the way they govern, the way they communicate, the way they allocate resources, and the way they respond to the needs of their most vulnerable citizens. For example, if this vision were more evident in the background paper, there might have been greater attention to the impact of local services on women who are particularly affected by access to potable water, primary health care, education, sanitation, local transportation, and recreational facilities. All of these are primarily matters best dealt with at the level of local government. To make governments respond to these needs, the argument must be framed in the context of respect for the rights of women and not just in the language of efficient service delivery. More focus on a rights-based approach might have also resulted in more attention to the special circumstances of indigenous peoples. The world's 200 million indigenous peoples are often in the most underprivileged and underdeveloped position in society, facing poverty,

human rights abuses and social exclusion. Aboriginal self-government is an important issue in a number of Commonwealth countries including my own country of Canada. There should be room in the Commonwealth vision for local government that encompasses indigenous peoples.

The path of the Commonwealth's embrace of the issue of local government is one marked by incremental but steady progress. Both the report prepared by Professor Amis and the Freeport Declaration follow that trajectory and portend continuing progress. The penultimate section of the background paper – Towards a Way Forward – lays out some of the steps necessary to sustain that progress. The section would have been strengthened by highlighting the importance of civic education and the need for more dialogue within countries to build consensus on the role of local government.

Changes in local government will only occur when national governments have the will to act. For that to happen, people need to be made aware that effective local government gives them an opportunity to take charge of many of those aspects of their lives that most concern them on a daily basis. The essential message that needs communication at the local level is that local government empowers ordinary citizens to bring about that change. When meaningful local government reform occurs in reluctant states, it is more likely to be a result of a groundswell of demand from the grassroots than from an epiphany in the councils of national governments.

A decade of improvement for local government

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Susan Rhodes

Director, Communications
Commonwealth Local Government Forum

The theme of this year's Commonwealth Local Government Conference was Improving local government: the Commonwealth vision. This theme is fundamental to all of us working in and with local government, but particularly so in the current economic climate where councils are having to once again look at how they can tighten their purse strings while they are facing greater demands with less income - doing more with fewer resources.

The conference was held in Freeport, Grand Bahama, hosted by the Government of the Bahamas and the councils of Grand Bahama at the Our Lucaya Conference Centre. More than 550 local government ministry, association and council representatives from 48 countries attended the conference. Previous conferences set out Aberdeen Agenda and Auckland Accord as to the kind of local government we want to strive to achieve: local democracy and good governance for effective services to respond to the needs of the local community and strong local leadership to drive development and support local communities. This conference builds on these previous outcomes, with speakers and delegates calling for local government to continue to improve as part of a broader process of development. Jamaican Minister Robert Montague summed up what is needed as a shift in attitude to include the public as important partners – a shift he called 'business unusual' to encompass improving service delivery, improving revenue streams, increasing community dialogue, finding new partners and leading from the front.

Reasserting local government

In times of need, citizens turn to their councils for help and have increasing expectations of what their councils can do for them. As the sphere of government that usually supplies the core basic services such as water, sanitation, housing and primary health care and education, local government has an essential role in poverty reduction and meeting the MDGs. It also increasingly has to respond to other challenges such as rapid urbanisation, climate change, and the current economic climate. But all too often local government is invisible to policy makers in central and provincial government and to development partners, and so sidelined in discussions. Yet it is on the front line in development and implementation of responses to these challenges. As part of local government's improvement it must address this; re-positioning itself to be more confident in its own role, to be more assertive, and seek opportunities to improve financing, systems, services and development. Local government must be aware of the different roles it has in the community. As well as being provider of some of the key basic services to help reduce poverty and improve the quality of people's lives, it can often do a lot by using its administrative and/or legislative muscle to make things happen and drive the development and progress of the area.

A decade of improvement

The conference statement, the *Freeport Declaration on Improving Local Government*, sets out action for a decade of continuous improvements for local governments in the Commonwealth. The Declaration reflects many of the issues discussed in the conference background paper *Improving local government: the Commonwealth vision*¹ and sets out strategies for improvement in key areas that all local governments can address around financing, service improvements, community engagement, partnerships, training, and monitoring and evaluation. The next step is for CLGF member governments and local governments to look at the recommendations and develop and implement their own improvement agendas. CLGF will be looking at how it can support this work, building activities into its own business plan and seeking resources to take this forward. Local government associations also have an important role in supporting councils to help them

¹ Dr Philip Amis, 2009, *Improving local government: the Commonwealth vision*, background discussion paper for the Commonwealth Local Government Conference, Freeport, Grand Bahama, 11-14 May 2009, Commonwealth Local Government Forum (CLGF). See [H<http://www.clgc2009.org/index.cfm/pageid/305>](http://www.clgc2009.org/index.cfm/pageid/305)

improve governance and service delivery, provide training and development and promote innovations such as using ICT.

Improving the financing of local government

Local governments must improve their financial base and respond to the current international financial climate, being aware of and taking opportunities to boost their financial resources. Good financial management and control is essential, and local governments must demonstrate financial responsibility and accountability to their public and other stakeholders. The impact of the economic recession has meant not just a fall in direct local tax revenues but the impact of a decrease in other revenues. The fall in oil revenues in Nigeria, for example, has led to a fall in central government revenues with a resulting fall in grants to local government. ALGON President Hon Ibrahim Waziri said that this had pushed councils to look at other revenue sources, including accessing capital markets and obtaining credit ratings, and shopping mall type projects to generate extra income. However it has also provided opportunities to be creative in revenue raising. Many local governments are benefiting from stimulus packages – such as the stimulus package in Australia where local government will receive a significant proportion of the A\$20bn package for improving local infrastructures and economies. According to the Australian Local Government Association, this has also had the added benefit of creating a good opportunity to strengthen their relationship with national government and raise their profile with government and citizens.

Margaret Eaton, Chairperson of the Local Government Association of England and Wales, said that UK councils had significantly increased performance in recent years. Improvements have helped to save money, but over time there will have to be something more fundamental to make greater savings: “[moving] beyond efficiency improvements to a more radical transformation of service delivery: this requires leadership”. She also highlighted the importance of communicating improvements to build confidence of public and others

Community engagement and participation

Effective democratic local government is built on strong citizen participation and consultation. Working with the community is fundamental to improving local government to ensure that citizens have some ownership of and involvement in the

development of their communities. Community involvement can help councils improve their services to ensure that they respond to the needs of the whole community and assist in poverty reduction. But involving the community and citizens should go further than this, to actually empower citizens to contribute and make decisions themselves – democratic localisation. This could be at parish or neighbourhood level or through mechanisms as small grants. In the Bahamas, delegates saw some of the results of direct consultation and responding to citizens concerns such as new bus stops to provide shade for people waiting for buses and protect them from bad weather, and new fences around schools near roads with heavy traffic.

The Freeport Declaration emphasises that traditionally excluded groups should be targeted and included, including women who make up a half of the population, yet the full value of their contribution is not always recognised. Mainstreaming gender into policy-making was highlighted by many delegates and speakers.

Effective partnerships

It is now recognised throughout the Commonwealth that councils cannot address all their problems or provide their whole range of services alone. Councils need effective partnerships with a range of organisations and stakeholders: with central and state governments, regional partnerships, and local partners and stakeholders including the private sector and with civil society. Effective partnerships between local and state/provincial and national government is an essential element for improving local government. This does not mean always agreeing, but creating strength through a range of views and ideas and being able to reach a consensus and work in cooperation. It also requires ministries with local government in their portfolios to have the right capacity and skills on governance, decentralisation and public sector reform.

In some cases, having formal or constitutional recognition for the local government association (as in South Africa) helps to ensure adequate resources for staffing and services. In other cases, as in Australia, the local government association has built up its own recognition and relationships with central government and others, enabling it to operate effectively without constitutional recognition.

Regional partnerships both within and between countries are a practical mechanism for improving local government, offering exchange of information and good practice, joint advocacy, collaborative service delivery and regional cooperation on economic development. Country to country partnerships can also provide valuable learning and support, as evidenced in CLGF's Good Practice Scheme where partnerships between councils or local government associations allow them to work together on practical projects, bringing in the skills and experience of both partners to find sustainable solutions to a particular problem.

Improving the calibre of councillors and staff

Development and training is critical to ensure the high competence of councillors and staff and that roles and responsibilities are understood and respected. Targeted programmes for leaders and managers can boost their capacity and competence to carry out their roles effectively. Leadership programmes (such as those that the CLGF Pacific Project is running), target particular development areas such as interpersonal, negotiation and mediation skills, as well as a commitment to integrity, honesty, transparency – all basic qualities for effective leaders. Both the CLGF programme in the Pacific and its recent democracy workshops in Asia have developed materials through training of trainers that can then be more widely applied for training councillors.²

Monitoring and evaluation of local government

Modern local government requires effective and comprehensive systems of monitoring and evaluation of performance improvement. This enables councils to assess how they are meeting their targets and goals, to demonstrate their achievements, and to highlight any problems at an early stage so that remedial action can be taken. Many Commonwealth countries have developed innovations for monitoring performance, such as mechanisms for recognising excellence, peer reviews and the Urban Governance Index. CLGF's pilot project in Uganda helped to establish a locally owned and driven process to measure local governance and democracy. The project was led by Makerere University and involved a wide range of stakeholders and resulted in a broad consensus

² CLGF, Local Democracy and Good Governance Training Programme, South Asia, CLGF 2009.

for the future, including highlighting the need for continuous improvement.³ CLGF is now seeking ways of rolling out the process to other member states to adapt.

CLGF – Supporting its members

The declaration is the first stage in the process to encourage all local governments in the Commonwealth to join a decade of improvement. Delegates at the conference and CLGF members who agreed to the recommendations in the Freeport Declaration have been invited to take the recommendations back to share with colleagues in their own councils and countries to develop their own plans for a culture of improvement and a commitment to implement the recommendations. CLGF will support its members in taking forward the agenda, looking to raise the profile of local government within the Commonwealth, and seeing how it can widen its support for training and capacity building for councillors through its technical programmes and projects.

CLGF will be working closely with its associate members in university departments and training institutes to disseminate the outcomes of the conference and share ideas and information on current thinking around the improvement agenda for local government and monitoring and evaluation methodology. CLGF's Research Advisory Group has an essential role in this to help support further development of practice-oriented research to feed into our policy and programme development. Two specific projects where CLGF will be undertaking some preliminary research and taking forward are the Forum of Inclusive Cities and a Gender and Local Government Action Plan.

CLGF's wider role is to seek political endorsement for the recommendations in the *Freeport Declaration on Improving Local Government: the Commonwealth vision* and the Commonwealth Heads of Government Meeting (CHOGM) was an opportunity to do this. The Declaration was presented to Rt Hon Patrick Manning, Prime Minister of Trinidad and Tobago, in London in May. Prime Minister Manning chaired the Commonwealth Heads of Government Meeting in Port of Spain, Trinidad and Tobago (27-29 November) at which CLGF, as a designated Commonwealth organisation and with accreditation to the CHOGM, presented conference outcomes to Heads of Government for endorsement. Backing at this level will help CLGF to pursue a goal of a

³ CLGF 2008, *Meeting the challenges of the Aberdeen Agenda – an assessment of local governance and democracy in Uganda*, CLGF.

decade of continuous improvement for local government in all the countries of the Commonwealth.

References:

Amis, P. 2009, *Improving local government: the Commonwealth vision*, background discussion paper for the Commonwealth Local Government Conference, Freeport, Grand Bahama, 11-14 May 2009, Commonwealth Local Government Forum (CLGF).

CLGF 2009, *Commonwealth Local Government Conference 2009: Improving Local Government: the Commonwealth Vision*, Conference Report, CLGF.

CLGF 2009, *Local Democracy and Good Governance Training Programme, South Asia*, CLGF.

CLGF 2008, *Meeting the challenges of the Aberdeen Agenda – an assessment of local governance and democracy in Uganda*, CLGF.

Bridging the divide: Making research matter to local government

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Mark Redwood

Program Leader, Urban Poverty and Environment
International Development Research Centre, Canada



The ‘Freeport Declaration on Improving Local Government: The Commonwealth Vision’, affirmed at the May 2009 Commonwealth Local Government Conference by 550 councillors, mayors, and senior officials from 48 countries, outlined the clear importance of research in public policy development. In the words of the Declaration: “practice oriented research should become more prominent in the work of CLGF,” and this is to be achieved through the Commonwealth Local Government Forum (CLGF) Research Advisory Group, comprised of participants drawn from universities, training organizations and other research-related bodies in about a dozen member countries. These statements should be the basis of a radical change in how researchers engage local governments.

Since 2005, Canada’s International Development Research Centre (IDRC) and the Urban Poverty and Environment Program has been working with communities of researchers linked to municipal governments in eight cities. One of their main objectives: trying to bridge the sometimes too large a gap between local government and the research community. Lessons from this experience suggest to us that a renewed effort to push for policy relevant research is required. The eight projects, collectively known as the Focus Cities Research Initiative (FCRI), have found that research can be highly valuable and

widely utilized when it responds directly to local government needs.¹ However, the program has also found that while there is broad agreement that evidence-based policy and programs are required to support local government decision making, in practice, the transfer of knowledge from researchers and scientists to governments and service deliverers is problematic and not always easily achieved.

The gravity of problems faced by local governments – frequently being on the front lines of service delivery – is stretching conventional models of governance. Examples of this are widespread and well known. For instance the pace of migration to cities is outpacing the ability of local governments to provide adequate basic services while land markets are excluding all but the richest in accessing adequate and secure housing. Compounding these problems is the fact that limited financial resources are available hindering the ability of local governments to respond. So, instead of focusing on long term resilience of their communities, local governments are all too frequently working from day-to-day and responding to various crises. The end result is that many constituents have lost faith in their representatives.

Most problems faced by communities are not technical in nature, but rather they reside in the institutional and behavioral realm. In some fast growing municipalities across the globe there exist many illegal settlements. Being illegal prevents proper services from being delivered. Given the complexity involved in regularizing settlements, some local governments take the easier route and just ignore them. This can have disastrous consequences. Since receiving municipal services typically depends on official recognition as a ratepayer, a lack of recognition means that entire communities have little hope of receiving sanitation, water, schooling, and other essential services. While this is a well-understood dynamic in the research literature, many governments still have not been able to change despite the plethora of material on what should be done. It is just as likely that the proposals offered by academics are not well understood or simply not feasible, as it is that the municipal government is not interested in reform. Another common challenge can be labeled the ‘transformation mindset’ of incoming elected officials who tend to want to dramatically change the work of their predecessors and to

¹ The cities are Dakar, Moreno, Cochabamba, Colombo, Jakarta, Lima, Tunis and Kampala. Papers on the Colombo and Kampala projects are included in this issue of the Commonwealth Journal of Local Governance. For more information on the program, see [Hwww.idrc.ca/upe](http://www.idrc.ca/upe)

do so quickly. This timeline can be out of sync with the methodical development of research, which takes time to do well.

It is also a fallacy to believe that money will always solve things. Yes, it is a critical factor, however, many quality governments work with very few financial resources – and usually this is because they are endowed with strong capacity in human resources. Moreover, some municipalities with very small budgets can do great things if they are allowed the freedom to do so. Researchers should thus endeavor to develop work that ties their research interests with the needs identified by their partners in local government. For example, research can highlight, compare and measure the effectiveness of service delivery alternatives.

Finally, the dearth of locally-derived and evidence-based guidelines for major policy direction is a serious problem that needs to be addressed. The water and sanitation sector is a good example of where standards developed for Northern countries are often applied with little realism in the contexts of many resource-poor countries. The WHO guidelines for wastewater use, for example, were for many years derived from EU and California standards.

The need for locally developed and owned data is an important one.

While most of these problems are well known and well understood, there is an increasing demand being made for donor organizations and research granting bodies to ensure that research is ‘policy relevant’. Such a strategic aim often assumes that good science will easily lead to better public policy. In fact, the relationship between research and the results of scientific inquiry and the development of better public policy can actually be very weak. An exhaustive inquiry led by IDRC into how policy and research are intertwined found that the design of research to influence policy rarely has an impact. Rather, less tangible factors such as policy champions, ‘windows of opportunity’ and unforeseen change can have a more direct impact on public policy debates. It is more likely that research will contribute to change through a circuitous route rather than a direct one. The question then is really how to make research most relevant to local governments. Or, how to direct research from the outset in order to make it as useful as possible when it is complete. Our experience suggests that this is a much more

challenging task than most researchers assume but that there are several avenues to make it happen:

1) *Researchers need to be strategic political thinkers*: The challenge for researchers is to be ready with the data and information that may suddenly be required for policy development. This is an art as much as a science and requires a keen eye to identify where innovation can be found. It also helps to have a sense of needs and priorities from a political standpoint. Local governments do not have the luxury to spend years designing and implementing programs, and are required to respond quickly when crises or opportunities arise.

2) *Speak and understand their language*: Economic arguments carry weight when proposing policy options. Convincing local government of the economic value of specific policy programs is one way to feed public policy debates. This requires research on the costs of inaction, for example, when tackling issues associated with pollution and the environment. Health risks are another driver – for instance, when citizens are at risk, local government policy tends to react and sometimes in a knee jerk fashion. A good example is local government policy on urban agriculture, an activity with many benefits that is often banned based on exaggerated fears of health risks. Peer pressure is also a notable way to convince policy actors to be innovative. No mayor or council wishes to be seen as a laggard when compared with their peers.

3) *Geography matters*: Most cities no longer fit within the administrative geography set up by colonial authorities. Reform to encourage metropolitan forms of governance that join disparate local governments in a cohesive fashion is a step forward. Research on the fiscal effectiveness of such metropolitan governance as well as the environmental and economic value of ‘city regions’ will be a key area of work in the near future.

4) *Communicate!* Responsibility also rests with researchers to become better communicators and to learn how to work with media. Many researchers fail in communicating what they do and know, and the end result is that research remains in the ivory tower. The assumption should not be made that learning from research is obvious. Messages need to be tailored and communication strategies clearly defined. Workshops are the standard venue to share learning but while they are useful, more is needed. Straightforward and categorical language is essential. For example, training scientists on

how to explain their research in 3-minutes (probably the amount of time they will have to influence a mayor) can encourage precision and effectiveness. Researchers can also sometimes fail to understand the varied power and responsibility of the civil service: policy is a combination of elected officials and the city staff – technocrats, engineers, health professionals etc., that are working on day to day implementation of city programs.

Other lessons about the mechanics of bridging research policy can be extracted from the FCRI. First of all, where researchers are on the ‘outside’ of local government it is much more difficult to influence policy. Two options to address this include creating special research-oriented units housed within local governments, for instance an anti-poverty cell. A second is to cross-appoint staff between local universities and the city government. This institutional linkage can encourage mutually useful research programs, not to mention the possibility of students developing a better appreciation of the realities of local government. Cross appointments have been attempted in Kampala, Uganda and Rosario, Argentina with a fair degree of success.

The ‘Commonwealth Vision’ of local government is a key effort to harmonize an approach to increasing the effectiveness and accountability of governments. Challenges do remain. For one, the Commonwealth is diverse and local governments are subject to very different cultural and economic contexts. Local governments also vary in the responsibility afforded to them by their national governments, and while this is not an insignificant challenge, local governments will continue to be at the forefront of service delivery. In the context of decentralization, they are likely to continue to be delegated authority (but not necessarily the financial wherewithal) to manage these services. Research can not only provide the information and data required to build better policy, but can also be an avenue through which to build local government capacity to improve the effectiveness of its responses.

Participatory action research, strengthening institutional capacity and governance: Confronting the urban challenge in Kampala

Commonwealth Journal of Local Governance

Special Issue March 2010:
Commonwealth Local Government Conference
Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Shuaib Lwasa PhD

Department of Geography
Makerere University

Gilbert Kadilo

Department of Mass Communication
Makerere University



Abstract

Urban governance presents the most daunting and challenging task for sub-Saharan African countries in this century (Rakodi, 1997: 3; Rakodi, 2001: 5; McGill, 1988: 6). Africa is urbanizing faster than any other region. The level of urbanization stands at 39.1%, with annual rates of growth ranging between 8% and 13%. It is estimated that by 2025 half of the African population will be urban. This demographic shift, particularly in the sub-Saharan region, presents major problems for urban management. Although urban management programs of infrastructure development, financial management, economic development, environmental planning, spatial development mechanisms and social services provision continue to be enhanced, there is a mismatch between the program outcomes and need. Due to this shortfall, alternative strategies have been sought but with little documented evidence of successes, failures and lessons because of limited evaluation. The importance of research-informed policy is underscored by the apparent disconnect between actors in the urban field. These actors include city managers, researchers, political leaders and most important, communities. The latter are often disregarded yet they largely influence the development path and shape the fabric of

urban space. Even where communities are engaged, they exert less influence than other actors on urban policies and programs. This paper examines how participatory action research is changing the relationships between researchers, communities and city authorities in a search for alternative approaches to address urban poverty and environmental challenges in Kampala – in particular service delivery, solid waste management and flood control. Based on an action-research and development project conducted in Kampala since 2006, there is evidence that communities can be galvanized not only to design solutions to their problems, but also to engage with city authorities through information sharing platforms about their needs and thus bolster outcomes of urban development programs through improved governance.

Keywords: Participatory action research, Informed policy, Urban communities, Urban poverty, Urban environment.

Introduction

Experiences in many developing countries suggest that the level and quality of urban services and infrastructure does not match the growth of populations in their cities (Brockerhoff, 2000: 1; UN-Habitat, 2005: 14; UN-Habitat, 2008: 15). Financial, management and technical challenges continue to limit the capacity of urban governments to provide adequate services and infrastructure (UNECA, 2007 31). As a result, the quality of life for urban populations remains characterized by poor environmental conditions, poor sanitation and health problems, which dominate the agendas of local governments. These inadequacies have also led to a polarization of urban populations, with large proportions of city residents (often the poor) living with very limited basic services amidst scattered neighborhoods with relatively adequate services (Rakodi, 1997: 25; Simon, 1992: 21; UN-Habitat, 2008: 15). Targets 7, 10 and 11 of the United Nations Millennium Development Goals (MDGs) emphasize among other things the need to tackle urban infrastructure through pro-poor urban service delivery in order to reduce poverty in cities of the developing world.

In Uganda, municipalities have grappled with the problems of service delivery, particularly solid waste management, with little success due to the dynamics of urban systems in terms of population, governance and management challenges. The initial response to these challenges was a project-oriented sectoral approach to urban development, with the establishment of specific public works authorities to finance and

install infrastructure. While these proliferated, coordination problems emerged, coupled with little attempt to ensure ongoing operation and maintenance by the local governments. In the face of this failure of local governments and public works authorities to cope with the problems of rapid growth, the response has been advocacy for a multitude of approaches including decentralization, local community organization, participation, self-help and public-private partnerships (WBG, 2001: 33; Jain, 2004: 34; MoLG, 2001: 35). More recently privatization of urban service and infrastructure provision has been implemented and shaped by different experiences, taking on many forms including monopoly, competition, management contracts and community-based infrastructure provision. For example, the World Bank Group has proposed community contracting (where appropriate) and this is envisaged to be a double-edged in terms effect, of providing employment *and* improving services in poor communities (WBG, 2001: 33). Most of these approaches have embedded governance improvement tenets but there is little evidence of improvement of urban governance systems which are still technocratic and top-down with skewed power relations (Rakodi, 2001: 32), leading to polarization of urban communities. Privatization, for example, has improved service delivery (Rugadya, 2006: 36) but despite this improvement, it has also created problems of less service coverage, unhealthy competition among providers, and inflated service costs. Some of these problems (ie cost inflation) are created at the outset during the tendering process, leading to end-pipe problems such as accumulated solid wastes and inaccessible potable water, as well as conspicuously different neighborhoods in terms of 'haves' and 'have nots'.

This paper examines how the knowledge-base from action research is galvanizing information exchange platforms around which urban actors including communities, researchers and policy makers can engage to improve governance and service delivery in Kampala. An information exchange platform here is taken as a network of researchers, communities, organizations and government agencies – either formal or informal – through which research is undertaken, practices evaluated and experiences shared across the diverse stakeholders. The network operates on a premise that knowledge will be generated and can be accessible to many actors in urban development. Although there are several requirements for improved urban governance, information and knowledge are key, and research shows that much useful knowledge is scattered rather than pooled to provide answers to the burgeoning urban challenges (IEG, 2008: 40).

Urban management challenges and responses

This section sets the context and theoretical framework, while positioning the argument regionally in relation to the gaps between urban management needs and the policy response. The outcomes of urban management in sub-Saharan Africa, and Uganda in particular, have become unpredictable (Egbu, 2006: 7; Arimah, 2000: 11). Planned outcomes are often not achieved because cities develop as a result of millions of independent consumption and production decisions by different individuals, organizations and groups. But the perpetual financial and institutional capacity challenges have also continued to curtail sustainable urban development (McGill, 1988: 42). In Uganda, there is evidence of positive outcomes of urban management with increased and innovative urban service delivery. But this success is scattered in a few areas creating isolated pockets of well serviced and developed neighborhoods and/or industrial parks and transportation corridors (TAHAL, 2005: 37) amidst widespread impoverishment. Successes in urban service delivery are also evident in numerous secondary towns dotted around the country, where somewhat more responsive delivery processes are still in place and followed by the town managers and developers. But the greater part of urban development throughout the towns and major city of Uganda is occurring largely informally with inadequate services.

The failures of planning, an arm of urban management in Uganda, can be attributed to many factors including lack of municipal resources and regulatory enforcement, land issues, and inadequate human resource capacity, but governance and institutional aspects as well as knowledge management have of late become outstanding (Lwasa, 2006: 36, Peirce, 2008: 41). As Pierce noted, the time for action is past and innovative urban research is necessary for sustainable urban development. Yet the major players in urban growth – those carrying out development – generally have not been well linked to the values of planning and orderly development nor to the knowledge bases to guide development. The fundamental basis for urban planning and management is that development should meet the needs and aspirations of the population, or enable people to innovate to meet their own needs. It is therefore important to recognize the differing needs and aspirations of a diverse society and population, with possibly differing locally defined values (UNECA, 2007: 31).

Promoting pro-poor urban service delivery

Despite six decades of fast-paced development in Kampala, the poor form the biggest proportion of the urban population in Uganda, thereby creating a high demand for urban services. As noted by ILRI about 40% of the population of Kampala is in the ranks of the urban poor (ILRI, 2002: 43). These people are contributing greatly to the urban economy through the informal sector, but remain marginalized in terms of urban services. Due to problems of affordability, non-cooperation and the difficulty in organizing residents of poor neighborhoods, a large proportion of Kampala's population remains without services (REEV, 2008: 38; Rugadya, 2006: 36; Sengendo, 1997: 22).

UN-Habitat has been at the forefront of efforts to promote pro-poor urban service delivery in sub-Saharan Africa. Pro-poor urban service delivery has three main elements: first, it is service delivery that enables the poor to be recognized as citizens with a social right to urban services; second, it is a system that includes poor neighborhoods into the planning of areas for expansion and extension of urban services; and third, it is a system that involves innovative standards and procedures for urban service delivery (UN-HABITAT, 2004). These three elements would make a system that enables accessibility and makes services affordable: *accessible* in the sense that people in poorer neighborhoods would have services such as water in quantities and of quality that suits their needs; *affordable* in that the quantity and quality of services available to individuals or households would not be reduced due to price. The cost of services charged to the urban poor should as far as possible enable all people to access the service. Experiences in Kampala indicate that there is a knowledge gap regarding the ways and means of making urban service delivery pro-poor.

Current responses to the overwhelming needs of the urban poor are characterized by ad hoc approaches to service delivery. An example is the reactionary response to needs triggered by catastrophes or disasters (Prasad, 2009: 2). Although the causes of health epidemics such as cholera are known and can be tackled by provision of basic services such as water and sanitation, there is a repeated reactionary response to the epidemics which recur annually as a result of high rainfall. This reactionary approach has taken root in Kampala and ad hoc committees are established to deal with predictable disasters. At the same time, many individual urban dwellers provide urban services by themselves with or without municipal support due to the gap between local government service delivery and need. Thus, individual ingenuity and community action are also helping

urban communities cope through such ‘self-provisioning’ where urban communities mobilize human, financial and other resources to provide services such as extension of water supply, urban drainage utilities, solid waste management and sometimes road maintenance.

Such experiences in urban service delivery, and efforts for improved urban neighborhoods, are inherently disjointed with many different actors involved: civil society organizations, individual, households and development aid bodies. But knowledge is important in driving the ingenuity and thus knowledge platforms become an important tool for enabling these actors to engage with each other on development issues and popularize best practices.

Urban local authorities and development planning

Through decentralization policies in Uganda, local governments have been mandated to provide services to the population. The Local Government Act 1995 outlines the mandate of town councils and municipalities in respect of the services they are supposed to deliver to the population, including road opening and maintenance, street lighting, garbage collection, drainage installation and other services. The Act is implemented in conjunction with others including the Town and Country Planning Act 1964, Public Health Act, the Land Act 1998 and National Environment Management legislation. Decentralization has devolved administrative and managerial powers to local governments and through a national capacity building program, local governments have been equipped with toolkits for planning and development including services planning and delivery. Three-year development plans form the basis of budgeting and annual work plans, providing an outline of the mid-term strategic goals of the local government and reflecting the resource base. The focus is on allocation of resources, mainly financial, increased productivity, and improvement in socio-economic welfare and poverty reduction (KCC, 2005: 12).

Until the year 2000 when 3-year development plans were launched, planning occurred on a sectoral basis through the various line ministries and departments within local governments. The new ‘bottom-up’ approach to development planning has been rolled out through the Local Government Development Program (LGDP). Local Governments prepare ‘investment plans’ with estimates for projects which are identified from the lowest administrative unit of a parish through to sub-county level. Community

identification of projects, community contribution to project investments, and local decision making concerning the allocation, prioritization and implementation of projects is emphasized in this approach. The motivation for this new approach is three pronged: first, the persistence of poverty and now urban concentrated poverty; second, the concern that foreign direct investments have not been successful in reduction of poverty; and third, the emergence of new partnerships for pursuance of development.

The LGDP has provided the platform for engagement of a range of urban development actors, especially local communities and municipal authorities, but until now a key category of actors has been missing, namely researchers. Research is essential to inform the planning cycle and prioritization of investment projects (Peirce, 2008: 41). Although some research is done currently through local government planning departments, this is inadequate in identifying the key issues and entry points for poverty eradication, let alone the fundamentals of development programs.

Research shows that there is still more that can be done to improve outcomes of development programs. Participatory action research shows that the actors are yet to be fully engaged and that knowledge utilization needs to be stepped up to improve service delivery (UNECA, 2007: 31). For example in the areas of environmental services such as water, waste management and sanitation, knowledge about alternative means for provision and improvement is yet to be integrated into urban local authority plans. The current focus on 'traditional' service provision (with strategies led by the private sector) is contributing to the polarization of urban communities. Procurement procedures emphasize private sector contracting without considering community contracting or building the capacity of existing community based organizations that would improve services and also generate jobs locally. Practical solutions do exist that would deliver multiple benefits, but they are scattered and little known. Knowledge exchange platforms are needed to galvanise improved service provision.

The Kampala research project

As noted above, urban service provision has remained largely a mandate of Kampala City Council (KCC), and is characterized by top-down relations that have for a long time put communities on the receiving end. Even with the emergence of newer forms of private sector-led service delivery, that sometimes include community-based organizations, the dominance of private firms is undoubted.

Against this background, a participatory action-research project was initiated to identify alternatives for enhanced service delivery and to inform policy for reform and change in urban governance. The research sought to find practical solutions to the intertwining challenges of urban poverty and environmental distress. Also, as a component of the bigger study, the issue of platforms for exchanging information, good practices, lessons and networks was studied with an understanding that communication is the key to propelling interactions between researchers, communities, policy makers and city managers for improved governance. This is because of the undoubted importance of evidence-informed policy. Objectives were:

- a) to conduct a situation analysis, identify existing communication channels, and collect proposals for improved information flow among the urban actors
- b) to develop a communication strategy that would encourage networking and information sharing among stakeholders utilizing existing communication channels
- c) to initiate a local platform involving policy makers, researchers and communities in Kampala that would enable engagement and dialogue on urban management.

The study was conducted in the Makerere II, Bwaise III and Kasubi Parish administrative zones within Kawaala-Kasubi, a densely populated neighbourhood including both hill slopes and low-lying land. The neighborhood has an estimated population of 40,000 and a density of 141 persons per hectare. It is one of the 'poverty hot-spots' characterized by informal settlements with limited services and infrastructure (ILRI, 2002: 43). The neighborhood experiences several environmental burdens, including accumulated solid wastes, poor sanitation and flooding.¹

The neighborhood has been a focus of urban environmental policy debate among policy makers and Kampala City Council. The challenges experienced in the neighborhood are also grounds for testing the urban governance system, how the system responds to the problems, where and how knowledge is acquired as well as the decision making processes involved. The study employed qualitative methodologies including focus group discussions (FGDs), field observation and in-depth interviews. A total of eight

¹ Flooding spreads organic and inorganic wastes and contaminants, and also makes impassable the narrow earth roads that connect this area.

FGDs were conducted and 70 community members participated.² Field observations complemented FGDs on important issues around which engagement with policy makers and researchers could be pursued. These issues included garbage management, health risks, constrained drainage flow and flooding. A total of four in-depth interviews with key partners were conducted. These included Kampala City Council (KCC) staff, Environmental Alert (EA), the Ministry of Agriculture, Animal Industry and Fisheries, and researchers. This allowed conversations on issues of planning for service delivery and involvement of different actors in decision-making. Interviews focused on the roles of different actors in urban service delivery and the communication process, and the channels used for communication with other partners and the target communities. An interview guide was used for each category of respondents.

In addition to the methods described above, follow-up activities were organized to get broader views from a wide spectrum of stakeholders in urban management. A series of information exchange activities such as city consultations, community days and roundtable meetings were organized to provide a platform for the actors to dialogue on urban governance systems and possible alternatives for improvement. These activities provided the rationale for improved knowledge exchange platforms, as well as information on changing institutional roles and engagement among actors.

² The groups comprised two women groups, two youth groups and four mixed-sex groups. Each group included 8-10 participants.

RESEARCH and EVALUATION

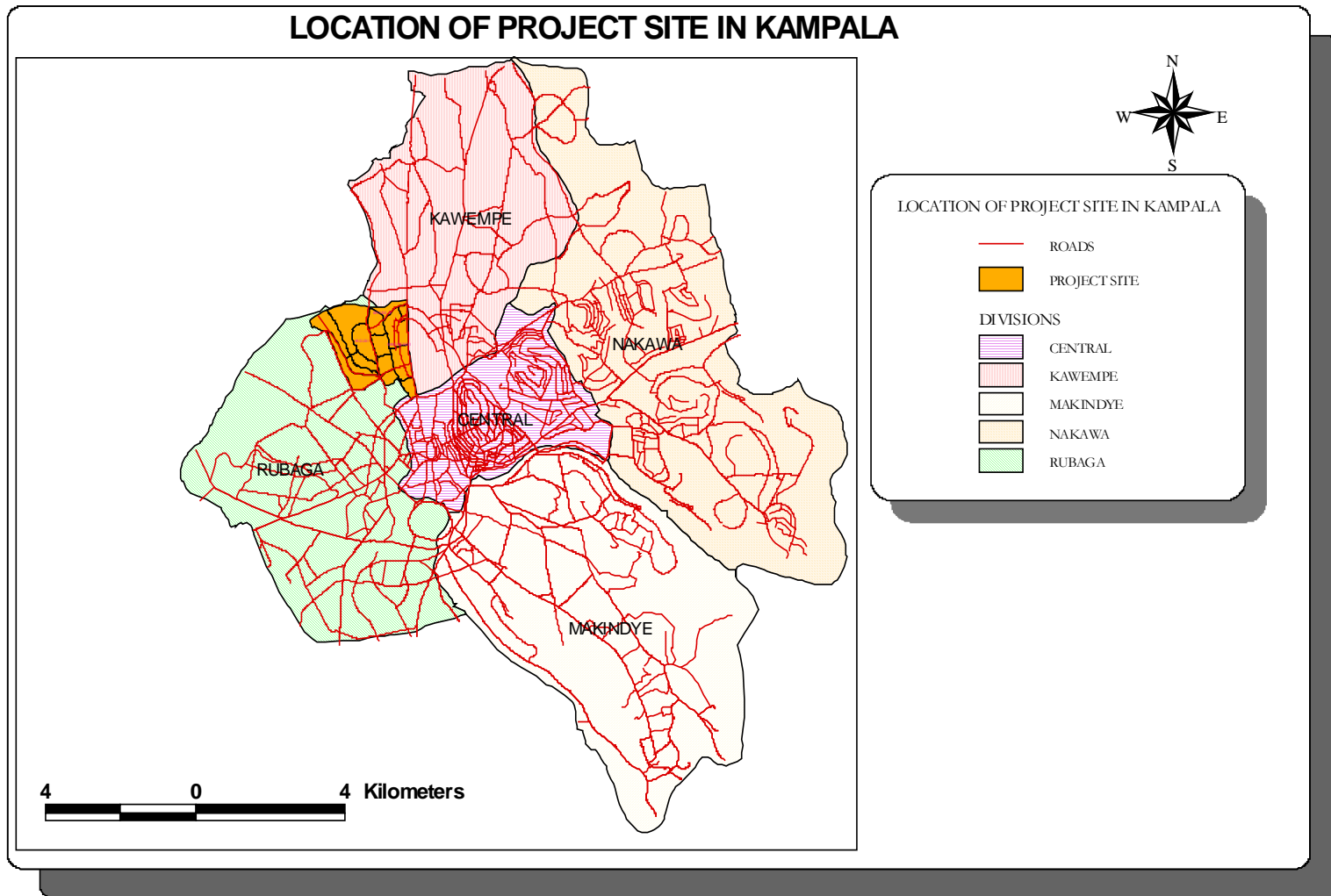


Figure 1. Location of project site in Kampala.

Findings

The disconnect among urban management actors

Field data confirmed the need for better networking amongst the different actors in socio-economic development, which has yet to be accomplished in urban areas. Civil society organizations have provided leadership in the field of networking and coordination and continue to work with municipal authorities to improve socio-economic wellbeing. They also relate well with researchers. However, relations between researchers and municipal authorities are a disconnect. Researchers have been called in to provide short-term expert assessment and advice, but without close engagement and deeper interaction on the underlying development issues. The disconnect is often manifest in claims on the part of municipal authorities that advice from researchers and or think-tanks is theoretical or non-practical, while from researchers there is a view that municipal procedures and plans are unrealistic or not working (Rakodi, 2001: 32).

This situation results in the lack of a research-informed dialogue about urban development. The apparent disconnect hinders improved urban service delivery because it has curtailed the innovation that comes with sharing and exchanging information for the betterment of communities. Interviews with key informants showed that municipal authorities rarely participate in research oriented meetings to learn how they can improve service delivery. Likewise key informants from civil society organizations indicated that whereas they engage in knowledge generation, it is not regularly checked by researchers nor readily up taken by municipal authorities. Communities tend to be on receiving end, they feel isolated from other actors and thus continue to rely on what municipal authorities provide, especially when it is backed by legal and regulatory frameworks.

Institutional issues in urban governance

Urban governance relies on institutional, regulatory and legal frameworks, but it is important also to recognize the need for knowledge to support the process of decision-making. Governance is about more than the organizational structure (IADB, 2002: 39). It involves the 'rules of the game' that determine the nature of relations, authority and power in decision making. It is how municipal authorities and communities as well as the general public relate to each other to make development decisions. The level of response to community needs

depends on both the laws, regulations and procedures in urban governance and the ‘rules of the game’ between the different actors. The key informant interviews were important in eliciting information regarding the relationships involved.

Two major institutional arrangements determine the engagement of the actors in urban service delivery in Kampala. These are firstly, the three year development plan processes, with associated annual work plans and budgets, and secondly, the strategic spatial plan for the city, which provides the overarching framework for development and allocation of resources in service delivery. The former follows the annual planning cycle including budget conferences held at lower levels of local government and is more directly accessible by urban actors.³ The intention of the budget process is to solicit investment priorities starting with the lowest administrative unit and proceeding through to the higher-level local government which, in this case, is the City of Kampala. Priorities are shuffled and re-arranged based on criteria including resource availability and coverage. This bottom-up process has ushered in participatory prioritization and implementation of urban service delivery. Communities are guided through a series of steps on how to identify problems and projects for investment in the following financial year. In this way the public feels included in the planning and decision making. However, it has the drawback of progressively filtering priorities which subsequently leaves some communities not benefiting from investments. The filtering process and its consequences acts as a disincentive to engagement by communities, who see their power in decision making as illusory.

Also the process is linear in nature, without effective feedback and updating of priorities. Whereas budget conferences are held every year, little changes in terms of the selected investment projects to reflect the needs of the communities. Although one can argue that due to chronic urban poverty, basic needs are unlikely to change, the detail and approach to implementation of projects ought to be adjusted. This would reflect new knowledge on optimal alternatives for service delivery. For example, improved water supply in the study area has remained a perennial need – although standpipes were installed, these remained operational for only a short time due to factors such as apathy, personalization and elitist

³ A budget conference is a meeting of stakeholders involving community representatives, managers, elected officials, development aid organizations and partners in development to discuss budget proposals for a local government area.

capture. Another example is the collection of garbage which has been privatized. Whereas community based organizations were willing to provide the service (thereby creating a double benefit as discussed earlier), the law and regulations do not allow community contracting. It is recognized that community contracting is not the panacea for garbage problems but it is an alternative worth evaluating. Thus emerging knowledge and experience about processes and needs should be integrated into strategies for improvement, rather than urban authorities remaining stuck in the linear process and procedures that seem to be inflexible and less responsive to the needs of communities.

The second institutional arrangement is that of strategic spatial planning which occurs once in two or so decades. This process brings together the social, economic, governance and environmental aspects of urban development into an overarching spatial plan. The last strategic plan for Kampala was formulated in 1994 and expired in 2004, but was extended for two years. With the support of the World Bank, Kampala City Council is now formulating a new spatial plan for the metropolitan area. This process is also participatory and involves multi-level consultations with all stakeholders including communities. Following from the strategic plan, more detailed neighborhood plans are to be developed along with action plans for implementation. This is where community involvement in urban governance would have most impact. Urban communities are meant to participate in decision-making concerning the layout of the neighborhood and services to be provided.

Spatial planning and its implementation is where the most significant gaps exist between what is proposed and the reality. For example, through participatory action research, it has been established that decent housing is elusive to an estimated 40% of the residents in the study area due to overcrowding. Additionally, 90% of the residents rely on pit-latrines for sanitation. Implementing the spatial plan would mean an extension of sewer networks and water supply to the community, but this has not happened, nor have alternative means been adequately explored. Research showed that the planning and implementation process failed to adequately mobilize individuals, resources and ideas on how to improve service delivery. By contrast, action research has enabled realization of the community's potential by coupling the issues of urban poverty and environmental quality, and providing platforms for testing innovations and also learning by doing, galvanizing relations between the actors. It has

sparked off partnerships in decision-making on priority activities and needed services. For example community bazaars displaying innovations, consultative meetings and community advocacy have improved communication with policy makers. KCC is now integrating some of the lessons from the project site into the strategic plan for services provision, and streamlining the relationships between the major actors to facilitate the bottom-up decision making process. There is also an indication of institutional strengthening and coordination for service delivery. KCC staff has now realized that alternative strategies can offer solutions for urban governance. Knowledge exchange has linked research to policy and this bridge is recognized as important in improving urban governance.

Knowledge exchange platform

The platform developed through the action research is represented schematically in figure 2. This participatory model provided the basis for enhanced stakeholder participation in improving urban governance and services provision. The model recognizes the importance of communication, which is at the centre of decision-making that involves communities, civil society organisations and other partners. It also sets clear roles and responsibilities for each of the actors. The platform is not merely about inclusiveness but stresses the importance of democratization, participation at all level, and reciprocal collaboration. Listening to what others say, respecting the counterpart's attitude and having mutual trust are inbuilt into the platform. The idea here is that development efforts should be anchored on people's capacity to discern their needs and to participate actively in transforming themselves. Thus local people become controlling actors or agents for development: they are active in self- and communal improvements, are engaged in dialogue rather than monologue, and are fully included in the democratic process (IEG, 2008: 40; MoFPED, 2000: 3; UNECA, 2007: 31).

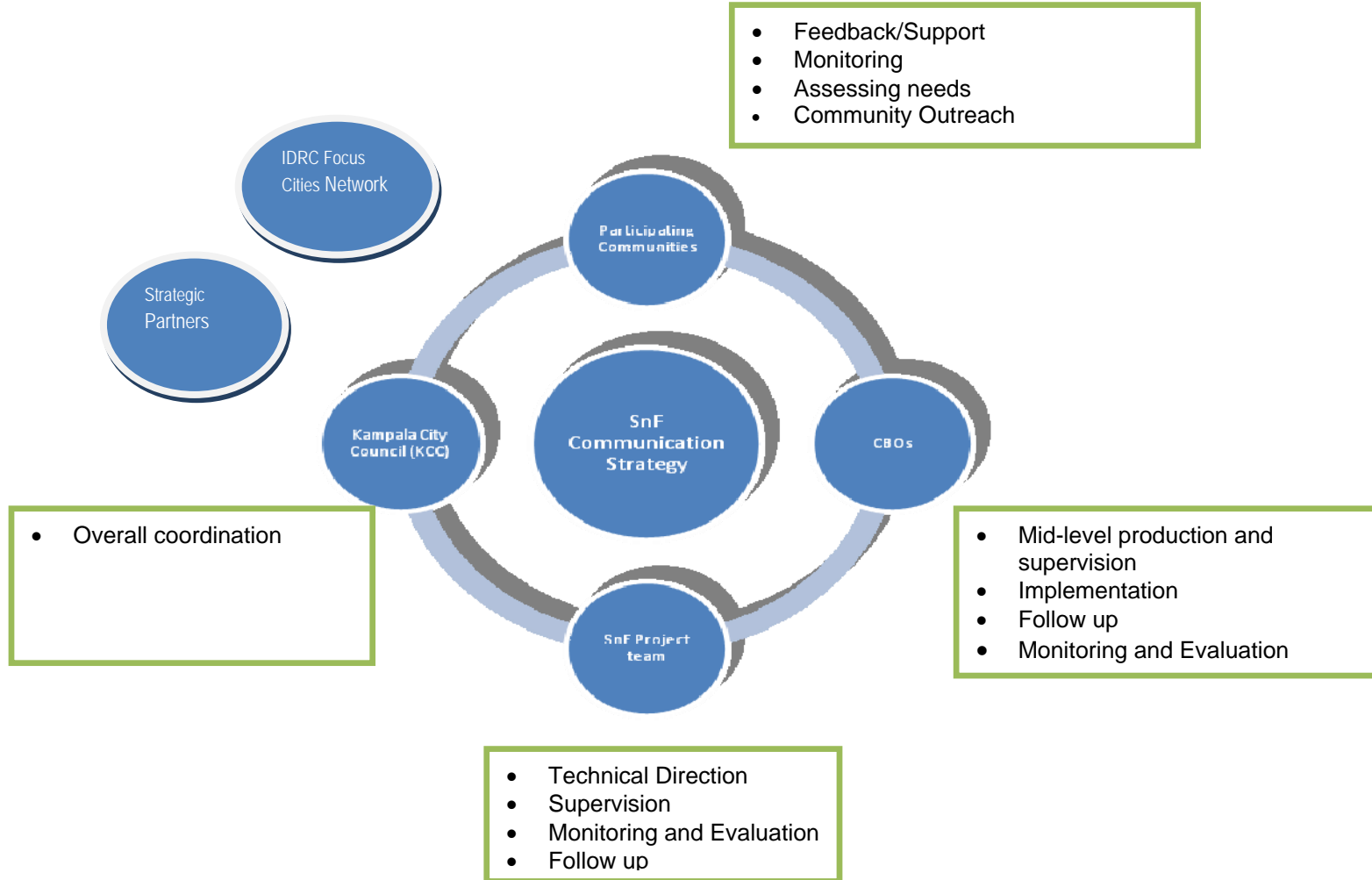


Figure 2. Schematic representation of Knowledge Exchange Platform.

The research revealed a dominance of formal communication through local leaders, community-based public announcements, posters and banners, coupled with reliance on electronic media (especially FM radios). But when it comes to real neighbourhood problems and solutions it is largely the informal channels which are important. An innovative solution is required to galvanize these informal channels of communication for cross-sectional sharing of information, best practices and knowledge. Community feedback mechanisms are needed to provide space for communities to voice their needs and also report how they are coping. Feedback mechanisms used in the action research have stimulated non-structured communication and engagement between urban actors thereby enhancing advocacy. For example dialogue meetings were held involving communities, councillors, researchers, technical managers and to some degree the media (Peirce, 2008: 41). The media's role is to continue informing the public about lessons learned. In these meetings, community members freely exchanged ideas about needs and solutions with councillors and municipal officials. Policy briefs were useful to provide readily available information to feed into municipal council debates about priorities and resource allocation in line with the community's needs. Another outcome is greater appreciation on the part of policy makers that researched information is useful for policy formulation and decision-making. Research protocols have been developed and implemented which has triggered demand for more research-based information.

Community advocacy

Another aspect of participatory action research which has paid off is strengthening community advocacy. Relations between communities and municipal authorities are often structured by regulatory frameworks that limit inclusive decision making. However the community in the project area now exhibits evidence of having been empowered to engage proactively with different actors. It now can advocate on an issue through community brainstorming in advocacy groups to identify areas for improvement, and then using new ways to dialogue with political leaders. For example, memos and advocacy documents have been developed regarding the issues of flooding and solid waste management, which has led to policy debates in the municipal council. Previously, advocacy involved representations to the area councillor and/or Member of Parliament but without documentation. Once a satisfactory

response has been achieved, advocacy groups disband which dynamic is critical to building confidence in community.

Advocacy also involves promoting action by fellow community members. This is now practiced through community bazaars that are entirely organized by the community leaders and innovators. In these bazaars, innovators display (and put on sale) items made out of recycled materials and also new technologies such as energy briquettes which are reducing environmental problems. The influence of innovators on fellow community members is raising awareness and stimulating adoption of new ideas. Community members have also engaged in writing about their experiences, especially in regard to innovations but also other ideas. Through a periodic newsletter community members are now freely writing and encouraging their fellow members to adopt innovations and also to exercise behavioral change in respect to improving their environment and well-being. The newsletter reaches out to all actors in urban service delivery including policy makers, municipal authorities and the public. It is now the voice of the community and is already starting to generate interest from other communities and organizations. Through the newsletter and advocacy memos, the community is beginning to influence urban policy. Trials of community contracting for solid waste management have also been initiated.

Conclusion

The disconnect between researchers, policy makers, municipal authorities and communities is not something that will be resolved completely in the near future. However, as illustrated in the paper, self propelling knowledge platforms can offer significant improvements in improving information exchange, engaging communities, strengthening governance and stimulating innovation and creativity. Evidence also points to the knowledge exchange platform as a vehicle for promoting pro-poor urban service delivery that mobilizes local resources, enhances commitment on the part of the municipal authority, and promotes inclusive approaches. Steps have been taken as part of the research to ensure continuity of the knowledge platform beyond the life of the project, although this cannot be guaranteed.

However knowledge platforms and networks are just one part of achieving better urban policy responses. There are several other requirements for improved urban service delivery

and development. The importance of institutional reform cannot be over-emphasized, while the need for greater capacity within urban local governments has also been underscored in many studies (Rakodi, 1997: 25; UN-Habitat, 2008: 15). Whereas there are signs of enhanced urban governance at community level from this local initiative, the sustainability of such changes remains in the hands of institutional readiness to mainstream the lessons for future urban governance. This would require re-engineering urban authorities to adopt alternative approaches to service delivery and adjusting regulatory frameworks. Policy reform and change is thus necessary, and building human resource capacity for this task is important.

In conclusion, the role of knowledge in improvement of urban service delivery and governance cannot be underestimated. Research-informed policy has the promise of transforming urban development, achievement of Millennium Development Goals and enabling urban actor engagement for enhanced governance. The lessons drawn in this paper need to be scaled-up and disseminated, but also reinforced and adapted based on the experiences of other actors and initiatives in urban management.

Acknowledgements

This work was carried out with the aid of a grant from the International Development Research Center, Canada (IDRC). Thanks also go to the Uganda project team partners including Environmental Alert, Kampala City Council, Makerere University, the International Center for Tropical Agriculture within the Ministry of Agriculture, Animal Industries and Fisheries, and the community of the Kasubi-Kawaala project area.

References

- Arimah, C. B. and Adeagbo, D. 2000, 'Compliance with urban development and planning regulations in Ibadan, Nigeria', *Habitat International*, vol. 24, pp. 279-294.
- Bevan, P. and Sewayya, A. 1995, *Understanding Poverty in Uganda: Adding a Sociological Dimension*, CSAE, Oxford.
- Brockerhoff, M. P. 2000, 'An Urbanizing World', *Population Bulletin*, vol. 55, no. 3, p. 48.
- Byerley, A. 2005, *Becoming Jinja: The production of space and making of place in an African Industrial Town*, Stockholm University, Stockholm.
- Egbu, A., Antwi, A. *et al.* 2006, *An economic assessment of the institution of land use planning in the cities of sub-Saharan Africa*, Wolveharmpton RICS, p. 36.

- Government of Uganda (GoU) 1995, *National Population Policy for Sustainable Development*, Kampala, Government of Uganda.
- Hoogvelt, A. M. M. 2001, *Globalization and the postcolonial world: The new political economy of development*, Johns Hopkins University Press.
- Hulme, D. 2003, *Conceptualizing Chronic Poverty*, World Development Institute, Washington.
- Inter-American Development Bank (IADB) and International Development Research Center (IDRC) 2002, *Organizational Assessment: A framework for Improving Performance*, IDRC, IADB, Ottawa, Washington.
- IEG 2008, *Using Knowledge to Improve Development Effectiveness: An Evaluation of World Bank Economic and Sector Work and Technical Assistance, 2000–2006*, The World Bank, Washington DC.
- ILRI and CBS 2002, *Mapping Poverty in Kenya and Uganda*, Nairobi, ILRI.
- Jain, R. and Das, P. 2004, *A Framework for Assessing Universal Service Obligations: A Developing Country Perspective*, Ahmadabad, p. 15.
- Kampala City Council (KCC) 1998, *Kampala District Environmental Profile*, NEMA, Kampala.
- KCC 2001, *Kampala District Environmental Profile*, NEMA, Kampala.
- KCC 2002, *Kampala City Development Strategy*, KCC, Kampala, p. 90.
- KCC 2003, *The Three-Year Development Plan, 2003/04-200/06*, KCC, Kampala, p. 236.
- KCC 2005, *Kampala District 3 Year Development Plan*, KCC, Kampala.
- KCC 2008, *Kampala District 3 Year Development Plan*, KCC, Kampala.
- KCC and World Bank 2000, *City Development Strategy; A Situational Analysis*, KCC, Kampala.
- KCC and Belgian Technical Cooperation (BTC) 2008, *Baseline Survey for the Kampala Integrated Environmental Management Project*, Bwaise III, KCC, BTC, Kampala, p. 81.
- McGill, R. 1988, 'Planning for Strategic Performance in Local Government', *Long-range Planning*, vol. 21, no. 5, pp. 77-84.
- Ministry of Finance, Planning and Economic Development (MoFPED) 2000, *Uganda Participatory Poverty Assessment Report: Learning from the Poor*. MoFPED, Kampala, p. 150.
- MoFPED 2005, *Uganda Poverty Status Report, 2005*, Government of Uganda, Kampala.
- MoFPED 2007, *Planned Urbanization for Uganda's Growing Population*, State of Uganda Population Report 2007, Kampala, p. 93.
- Ministry of Local Government (MoLG) 2001, *Public Private Partnership for Urban Environment*, MoLG, Kampala, p. 63.
- Mukwaya, P., Sengendo, H. *et al.* 2008, *The New Core Periphery Relations in Uganda: Institutional Responses in a Globalizing World*. Inequality beyond Globalization: Economic changes and the dynamics of inequality, Midterm Conference of the International Sociological Association's Research Committee Economy and Society, Neuchatel, Switzerland, June 26-28, 2008, ISA.
- Mukwaya, P. I., Lwasa, S. *et al.* 2007, *Urban Agriculture for Sustainable Livelihoods in Uganda*. State of Uganda's Population 2007, MoFPED, p. 93.
- Nyakaana, J. B., Sengendo, H. *et al.* 2004, *Urban Development, Population and the Environment in Uganda: The Case of Kampala City and its Environs*, Kampala.
- Peirce, N. R. and Johnson, C. W. 2008, *Century of the City: No time to lose*. New York, The Rockefeller Foundation.

- Rakodi, C. (ed.) 1997, *The Urban Challenge in Africa: Growth and Management of its large cities*. Tokyo, The United Nations University.
- Rakodi, C. 2001, 'Forget planning, put politics first? Priorities for urban management in developing countries', *JAG*, vol. 3, no. 3, p. 15.
- Raworth, K. 2007, 'Beyond aid as we know it', *Development and Cooperation International Journal*, vol. 48, no. 11, pp. 408-412.
- REEV and KCC, et al. 2008, *Baseline study for the Kampala Integrated Environmental Planning and Management Project*, Kampala, Belgian Technical Cooperation, p. 81.
- Rugadya, M. A. 2006, *Situation Analysis Report and Action Plan for Kampala City Council: Kagugube 1 and Mbuya 1 Parishes. Cities Without Slums Sub-Regional Programme for Eastern and Southern Africa*, Kampala, Kampala City Council, p. 71.
- Samura, S. 2008, 'The pitfalls of Africa's aid addiction', *BBC News*, viewed 24 November, <<http://news.bbc.co.uk/2/hi/africa/7740652.stm>>.
- Sartre, J.-P. (ed.) 2001, *Colonialism and Neocolonialism*, Routledge.
- Seborer, S. J. 1974, *Neocolonialism in Africa*, New York, International Publishers.
- Sengendo, H. 1997, 'Urbanization, Urban Governance and the environment: Critical conditions for formulating of an environmental strategy for Kampala-Uganda', *Mawazo Journal*, vol. 7, no. 2.
- Simon, D. 1992, *Cities, capital and development: African cities in the world economy*, New York, Halstead.
- TAHAL and Ministry of Works, Housing and Communications (MoWHC) 2005, *Transport Master Plan for Greater Kampala Metropolitan Area*. Kampala, Ministry of Works, Housing and Communications, p. 230.
- UN-Habitat 2001, 'UN-Habitat Country Statistics Overview 2001', UN-Habitat, Kenya, <<http://www.unhabitat.org/list.asp?typeid=44&catid=240>>.
- UN-Habitat 2005, *Responding to the challenges of an urbanizing world*, Nairobi, United Nations Human Settlements Programme, p. 38.
- UN-Habitat 2006, *2006 Annual Report*. Nairobi, United Nations Human Settlements Programme, p. 28.
- UN-Habitat and ECA 2008, *The State of African Cities – A framework for addressing urban challenges in Africa*, Nairobi, United Nations Human Settlement Programme, p. 206.
- United Nations Economic Commission for Africa (UNECA) 2007, *Public Expenditure and Service Delivery in Africa: Perspectives on Policy and Institutional Framework*. Addis Ababa, United Nations Economic Commission for Africa, p. 62.
- World Bank Group (WBG) 2001, *Carrying Out Community Contracting*, World Bank Group, Washington.

A local government authority leading action research: Impacts and replicability

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Neranjana Gunetilleke¹

Centre for Poverty Analysis

Abstract

This paper explores whether the approach taken by the Colombo Focus City project has had an impact on overcoming urban challenges through research-based learning designed to influence the policy and implementation processes of local government. The Colombo project, initiated and led by the Colombo Municipal Council, offers a model and strategies that offer insights into how action research might influence policy and practice at the local level. The model is one where the policy-makers – or more accurately, policy advisors and interpreters – lead the research team and are part of the implementation stages and learning processes. The paper also considers how the nature of this particular local government authority influenced the potential for policy change. Finally, it draws out factors that can be considered critical in replication of this model of research influencing policy.²

Keywords: Sri Lanka, Local government, Policy influence, Action research.

¹ The author wishes to thank all members of the Colombo Focus City Project, particularly Azra Abdul Cader, MHU Chularatne, Kumudhini Samarasinghe, and Mark Redwood of IDRC for comments on the original Working Paper. Special thanks to M.H.U. Chularatne for presenting the paper at the Commonwealth Local Government Forum, Research Colloquium at Freeport, Bahamas, May 2009 on behalf of the author, and to colleagues at the Centre for Poverty Analysis (CEPA) who contributed extensively to developing the ideas set out in this paper. The author may be contacted via CEPA at www.cepa.lk

² The following is a direct link to the Colombo City Focus work: http://www.idrc.ca/en/ev-103124-201-1-DO_TOPIC.html

Introduction

The Focus City (FC) research initiative comprises action research projects in eight cities that seek to promote in-depth research and allow time to successfully monitor outcomes.¹ The initiative is funded through the Urban Poverty and Environment Programme of Canada's International Development Research Centre (IDRC). The Colombo Focus City Project, titled *Community-based Assessment and Improvement of Living Environment in Underserved Settlements and the Environs: The case of Gothamipura-Colombo*, sought to reduce environmental burdens that contribute to poverty in 'underserved settlements' (USS) by strengthening the capacity of people to better access basic urban services, reduce environmental pollution and lessen vulnerability to natural disasters. The Colombo project had the following specific objectives:

- Using water and sanitation (focusing on sewerage) as an entry-point, to develop a model of participatory service provision that addresses how best to deliver different types of urban services.
- To improve upon knowledge of the link between poverty as expressed through financial, socio-political, resource and human assets, and environmental burdens (flooding, health issues, poor sanitation affected by the lack of proper sewerage).
- To assess how improved access to services contributes to an improved sense of land tenure security.
- To use an integrated model in order to improve on other Colombo Municipal Council initiatives and policies related to urban service provision and poverty reduction in USS.
- To enhance team capability in doing participatory research and communication through involvement in a learning network with other Focus City teams and in the community.

The project involved four interventions in order to meet these objectives:

- Constructing a sewer system for Gothamipura
- Improving the solid waste disposal system
- Strengthening the capacity of the local Community Development Council
- Developing a USS policy document for improved service provision.

Integrating learning and evidence into policy-making and implementation

The research community's conviction of the worth of their knowledge to policy makers and implementers has not always been shared by those groups, but this is slowly changing.³ As these groups are becoming more open, researchers are engaging in bridging the gap between research knowledge, the production of evidence, and the particular demands of policy-making and implementation. A body of literature has developed around this theme, led mainly by development research institutions such as the Overseas Development Institute (ODI), the International Development Research Centre (IDRC), and the Institute of Development Studies (IDS).⁴ The debate has been taken up by networking forums,⁵ and case studies are used extensively in an effort to understand the success and failures in different contexts and the move towards best practice.⁶ A fundamental lesson has been recognition of the need to facilitate the process of linking research/evidence to policy-making/makers. According to the ODI's Research and Policy in Development (RAPID) framework, research can successfully influence policy when the information provided is credible (evidence), appropriately communicated (links), and the environment is ready for change (political context).⁷ This framework reflects the general trend in the literature which is oriented either towards sensitizing policy makers regarding the value of research, or towards researchers increasing their understanding of the policy context. The latter approach advocates using policy analysis frameworks to understand the context, and using that understanding when research is first conceived and later disseminated.⁸ The former highlights ideas about greater inclusion of policy makers and implementers in the research process. This can lead to greater usage of research, increased ownership and 'buy in' – critical to the absorption of research learning into policy-making. Increased understanding of the factors involved has highlighted opportunities and strategies to bridge the gap between research and policy. Strategies include: research themes and questions being influenced by an understanding of the

³ See work by P. Davies: *Is evidence-based government possible? Policy Evaluation in the United Kingdom*, and G. Banks, *Evidence based policy making: What is it? How do we get it?* Australian Government Productivity Commission, ANZSOG/ANU Public Lecture Series 2009, Canberra.

⁴ See also the following ODI and IDS associated links: <http://www.eldis.org>; <http://www.odi.org.uk/Rapid>; <http://www.ebpdn.org/index.php>

⁵ Ibid. See <http://www.who.int/rpc/evipnet/en>

⁶ See for example J. Court (ed.), *Bridging Research and Policy Development: Evidence and the Process of Change*, ITDG 2005; G. Yaron and Louise Shaxson, *Good Practice in Evidence Informed Policy: An initial review for DFID*, 2008.

⁷ See http://www.odi.org.uk/RAPID/Projects/R0166/Docs/RAPID_framework_HIV.pdf

⁸ W.Gill, 'How far does research influence policy?' *European Journal of Public Health*, 4, 1994, pp. 233-235.

policy environment, agendas of key players and negotiation spaces; targeting ‘champions’ (policy makers in key positions who will be influential change agents); building trust between research providers and users; placing academics/researchers on ‘advisory boards’ for policy-making; ‘proving’ using high quality research; and presenting a combination of existing/accepted knowledge and new knowledge. Communicating research findings to policy-makers has also become a core activity, involving strategies such as making research findings less technical, linking them to priority problems (with summarized credible evidence), and research designed specifically to translate evidence into policy.⁹

In this paper we present a model that adds to the portfolio of strategies of research influencing policy and practice. Using the experience of the Colombo FC action research project (initiated and led by the city’s local government authority – the Colombo Municipal Council), we consider a case where the policy makers, or more accurately, the policy advisors and interpreters, led the research team and were very much part of the implementation and learning processes. Exploration of this approach has been facilitated by in-process monitoring which required and enabled the action research team to target itself as a subject of study. Initial analysis has shown that the implications of this institutional arrangement can be considered from two points of view: that of the local government or service provider, and that of researchers. For the local government/service provider, the main new learning is in the area of alternative sources of funding for sustainable development of underserved settlements. The main lesson for researchers is about their impact on the policy process, and scaling-up project learning via absorption by key stakeholders. This paper focuses on the latter.

The Colombo model

The institutional model of the Colombo Focus City project was deceptively simple, and at first glance it involves little that has not been tried out before in Colombo or in other cities around the world. The institutional arrangement was based on a partnership approach that brought together groups that are perceived as the main stakeholders for improving the living environment of the Gothamipura USS.¹⁰ Those stakeholders were

⁹ Yaron, Gil and Louise Shaxson, 2008, Good practice in evidence informed policy: an initial review for DFID.

¹⁰ Colombo city has 1,614 USS within its municipal limits, within which live approximately 50% of Colombo’s population. While the USS have very high population density (approximately 820

the Colombo Municipal Council (CMC) as the regulatory authority and the service provider, and the Gothamipura Community Development Council (CDC) as the direct beneficiaries. In addition, as required in an action research project, a research institution, the Centre for Poverty Analysis (CEPA) and a non-government organisation (NGO) specialising in urban development (Sevanatha), completed the partnership, along with the research advisor and funding provider, IDRC. The unique element of this model, however, is that the action research project initiator and leader was the local government authority, the CMC. Action research most commonly germinates in traditional research spaces such as universities and independent research institutions. In water and sanitation research, the researcher will look to developing partnerships with an implementing organization, community and local authority. The nature of the partnership, including the role played by each partner, is often determined by balancing the research agenda with the 'on the ground' realities of institutional interests and capacities. The norm, however, is for the research project to be led by a research institution or NGO, and for the local authority to play an implementation role.

In the case of the Colombo FC the role of the local authority was markedly different. It was the CMC that: identified the potential project; selected Gothamipura as the beneficiary community; invited Sevanatha and CEPA as study partners; initiated the work; and provided leadership in preparing and submitting the research bid to IDRC. Once the proposal was accepted, the institutional model that was confirmed for the action research project was that of the CMC as project leader, undertaking overall coordination and management, and with specific departments within the CMC having planning and implementation responsibilities for the action elements of the research. Sevanatha's role included community mobilization and implementation of additional projects identified by community action plans (CAP), while CEPA had specific research and monitoring and evaluation (M&E) responsibilities. The Gothamipura community (represented by the CDC) had the key responsibility of identifying community priorities, coordinating community input and implementation of construction of sewer lines, and other action components of the project. The IDRC was the funding partner and provided inputs to both research and monitoring and evaluation. The following discussion will explore how this institutional model helped increase the local government authority's (LGA)

persons per hectare or four times the city average), a unique characteristic of most settlements (74%) is that they are relatively small (less than 50 housing units) and have porous boundaries.

ownership of the project, and the implications of this increased ownership. Ownership by the community as the key complementary stakeholder is also considered briefly.

Enhancing ownership

‘Ownership by key stakeholders’, ‘strategies to increase ownership,’ and ‘project failure due to lack of ownership’ are phrases that appear in many evaluation reports as well as in the discourse on creating evidence-based policy making or greater usage of research learning by targeted stakeholders. The following discussion identifies some key factors that drive ownership, its impact on implementation and sustainability of the project, and the potential for policy influence, especially via the bureaucracy which is directly involved in policy advice, interpretation and implementation. In the case of Colombo, three main factors are identified as influencing LGA ownership and its implications: (1) integration into CMC strategies and plans for the city; (2) having an ‘action’ component of the research that can provide sufficient resources to make a critical difference in a priority intervention; and (3) integration into the CMC institutional framework.

Integration into the CMC plan for the city

The approach adopted for the research was aligned to the principles of the Colombo City Poverty Reduction Strategy (PRS), and more importantly, included a specific intervention relevant to the CMC’s plan for the city. It maintained this focus throughout the project planning and implementation phases. CMC was able to ensure the continued relevance of the project as it led the research and could negotiate directly with the funders. In most other projects, where the LGA is not the team leader, the competing priorities of the project leaders and the LGA have to be negotiated, often resulting in interventions that are not necessarily a priority of the LGA and undermining ownership. At the level of strategic policy orientation, the 2004 Colombo PRS identifies as priorities ‘equitable distribution of basic amenities among all the citizens’ and ‘effective delivery of municipal services across the city and among all its citizens’. The action research bid that was put in by the LGA was directly in line with these overall priorities for the city. In addition, the methodology of the action research – based on a partnership approach with the community as key stakeholder – aligned with the CMC’s principles governing the PRS, which include:

- Principle A: Responsive to community needs and aimed at tackling the causes and consequences of poverty.

- Principle B: Relies on beneficiary participation in planning, implementation, monitoring and sustaining the systems.
- Principle D: Promotes sustainable partnerships in which resources, responsibilities and risks are shared among the key stakeholders.
- Principle H: Relies on genuine community empowerment where resources, functions, and responsibilities are shared between the urban poor and the Municipality (CMC, 2004:4).

While alignment with the strategic orientation of CMC policy documents was a key factor in LGA ownership, the project's focus on more micro-level (and hence realizable) priorities also played a significant role. Improving sewerage facilities, particularly in flood prone areas, is a priority development target of the CMC. Lack of sewer lines in specific areas has been identified by the CMC as creating bottlenecks to the development of USS, and the clearing of these bottlenecks is the basis for the CMC's incremental approach to broader upgrading of those settlements. Hence a critical element of the Colombo FC project has been the early identification of a specific intervention (primarily the construction of the sewer line) in a specific location (Gothamipura USS), and a continued focus on that priority. This focus was identified and maintained in its original form from the project proposal stage onwards. In-process monitoring strongly indicated that the LGA as project initiator and leader (and its officers) had a strong commitment towards ensuring this operational focus, while also providing space for the research orientation.¹¹

Providing sufficient resources to make a difference

The challenges facing city governments in funding the development and maintenance of pro-poor utilities are discussed extensively in global fora.¹² The Colombo City is no exception where revenue and regulatory constraints leave very little resources for capital expenditure in USS. The CMC has in the past experimented with many sources of funding and resource generation to meet these needs, but current allocations amount to only some Rs.50,000 per USS per annum. This does not allow for spending a substantial

¹¹ Project completion impact evaluation advisory input was provided by CEPA to the CMC/GTZ PRIMUSS project (unpublished source), and Colombo FC in-process monitoring KPI data (unpublished source).

¹² For example, see *Financing for Cities and the Urban Poor*, see <http://www.citiesalliance.org> and 'Financing Local Government' in *Improving Local Government: The Commonwealth vision*, background discussion paper for the Commonwealth Local Government Conference, Freeport, Grand Bahama, 11-14 May 2009, by Dr Philip Amis

amount on a single intervention in a particular USS. The cost of developing the sewer line in Gothamipura exceeded Rs.20m (about USD 0.18m)¹³ and was far out of the range of existing CMC budgets for development within a single USS. However, the funding and resources made available for the Colombo action research allowed not just the construction of the sewer line but also complementary holistic upgrading of the community's physical space. Such access to resources which enable critical changes to be made in areas prioritised by the LGA had a very direct impact on ownership and thereby on implementation and sustainability of the intervention as it was incorporated into the main CMC system.

Integration with the CMC institutional structure

Since it was the project leader, project management and implementation was and continues to be embedded in the institutional structure of the CMC through its Professional Services Department. This department is the organisation's central point for all externally funded special projects, and it prepared the proposal for the IDRC Focus City programme. The project was structured accordingly:

- the Project Leader was the head of the department and the coordinating officer was attached to the same
- the project implementation teams were drawn from the relevant implementation departments within the LGA such as the Engineering Department and Solid Waste Management Department
- the Steering Committee was aligned to the LGA management structure and headed by the Municipal Commissioner.¹⁴

Unlike most other externally funded research or implementation projects, there was no separately located project office, nor were there any non-national 'experts' or project members. The project partners Sevanatha, CEPA and the Gothamipura CDC all provided input from within their own institutional structures. The funding partner, IDRC, does not maintain a national presence in Sri Lanka, and provides inputs from its home base. This integration of the project in the CMC institutional structure further influenced ownership.

¹³ Project cost benefit data collection, 2007 (unpublished source).

¹⁴ The Municipal Commissioner is the most senior position of the officials in the governing body of the Municipal Council.

Impact of increased ownership

As the project was implemented, in-process monitoring highlighted the implications of high level of ownership by the key stakeholder, the LGA.

- *Presence and active participation of all levels of LGA officers was extremely high.*
This is in contrast to the levels of participation noted in evaluation reports of externally facilitated pilot projects where ensuring active participation of key implementing partners can be a challenge. In-process monitoring clearly indicated that the LGA as well as all stakeholders involved, including the Gothamipura community, saw the project as a ‘CMC project’ rather than ‘x institution’s’ as is common in externally funded projects with more visible and separate project offices.
- *Decision making and problem solving was led by the LGA, with a resulting acceptance of responsibility for implementation.* The external partners (CEPA and Sevanatha) were very closely involved in the discussions and decision process, however as the leader of the project the LGA assumed responsibility for project management and implementation of the intervention. This had a direct impact on the research-based intervention entering the mainstream CMC system, thereby increasing its potential sustainability.
- *The FC team was able to attract good participation from other state institutions and officials (resource providers and implementers).* For the ancillary interventions of the project such as securing land deeds, urban agriculture, reconstructing the community hall, the project team worked in close association with senior state sector officials as well as private service providers such as surveyors. Access to these stakeholders was facilitated by the legitimacy of a project led by the LGA as well as by the existing networks of both CMC and Sevanatha that include high level officers of parallel state agencies.
- *Securing active participation and buy in of the community.* This is a critical issue faced by all interventions that are carried out with any degree of stakeholder orientation. Participation and acceptance of the project by the community is particularly important within the USS context, not only due to the participatory design of the project, but also to address socio-political structures that can potentially disrupt project implementation. Despite the sewer line being a strongly felt need, the community was skeptical that the actual intervention would take place. However, this attitude changed as the implementation of the

sewer line as well as other project activities commenced and progressed. The community's trust in the project as well as in the LGA increased substantially, which has had a positive impact on both project implementation and the community's longer-term relationship with the CMC as a key service provider.

- *Accountability of project management.* Accountability to the partner community was built into the design of the Colombo Focus City along the same lines as most action research and development projects. However, the Colombo institutional model demonstrated two additional forms of accountability due to its integration into the LGA structure:
 - 1) Being answerable to elected representatives of the people (as all officers of the CMC are directly accountable to the council). At the early stages of the project questions were raised by the elected members regarding the selection process of the partner USS Gothamipura, as well as the partner institutions CEPA and Sevanatha. The project obtained council approval to proceed only after satisfactory explanations were provided, thus illustrating the functioning of a democratic accountability mechanism that is often under-recognised in development projects.
 - 2) Being accountable to the national legal framework, as the CMC had to get prior approval to provide services to housing zones that were not in line with city building regulations.¹⁵ Such legal clearance was obtained prior to the project proposal being submitted.

In summary, the high-level and direct involvement by the key stakeholder institution, the LGA, plus a large group of its officers, created a participatory learning environment. The research work and project learnings of the Colombo FC team and research partners have had immediate resonance with the implementers and decision-makers. The positive outcome of this participatory work has meant that extensive strategizing of activities to internalize learning has not been required. For example, observations of the research partners were discussed and debated at partner meetings and at monitoring and evaluation meetings prior to the production of research papers. Hence, while the LGA decision makers and implementers may not in fact have read the research papers, they had already provided input to – and become familiar with – the discussion of issues raised and learning outcomes.

¹⁵ The Slum and Shanty Development Programme (1978) relaxed urban planning regulations in designated areas and termed them Underserved Settlements.

Creating conditions to influence procedure and policy

The challenge of feeding-in evidence to policy-makers and the process of policy-making, is one of most dynamic topics of discussion among the research community. This section considers how the scope for research to influence policy can increase when the research project is led by the LGA, which is also the policy-maker and implementer. The proposal prepared by the LGA-led team and presented to the IDRC included a specific objective to “...improve on previous CMC initiatives and policies related to urban service provision and poverty reduction in USS.”¹⁶ However, it was at the design stage of the study’s monitoring and evaluation plan that the implications of the LGA-led institutional model on policy influence were more fully realised and discussed. The planning sessions identified the high potential of influencing LGA policies (formally and informally) from within the system as a distinct advantage in meeting the policy change objective. CMC team members who had an extensive understanding of the realities of the policy-making process within the LGA, including the challenges and space available for changes in policy, were seen as a distinct resource that should be capitalized upon.¹⁷ Two groups were identified by the project team as key players in policy-making and implementation: elected council members (MMCs) who *are* the policy makers, and the LGA bureaucracy which advises these policy-makers, interprets and implements policy.

Municipal council members

Despite knowledge of the vital role of the MMCs in directly investing in USS programs via their individual budget allocations, neither the design nor the implementation of the action research drew this group directly into the study. Also, potential spaces for direct inclusion such as steering committee membership were not opened up. Thus an opportunity for close contact that would have helped policy-makers internalise learning was lost. However, as the research study was embedded in the LGA through direct project leadership, approval of the council had to be obtained at all necessary points, and as noted previously, CMC officials remained accountable to the elected members. The unstable nature of the current council and the lack of experienced elected members were given as the reasons for minimizing the project’s links with them.¹⁸ While

¹⁶ Project Proposal, Community Based Assessment and Improvement of Living Environment in USS and Environs, CMC 2007.

¹⁷ Outcome Challenge 2, Project M & E Plan, 2008.

¹⁸ Council elections were held in 2006, and for the first time in 50 years the political party in power changed, primarily due to a technical electoral issue during nominations. The possibility of the council being dissolved was constantly a issue and a number of court cases followed. This

acknowledging that these are legitimate issues, in-process monitoring of the project's policy influence has nonetheless identified this as a key area of weakness which may have benefited from greater effort and more creative thinking.

Policy advisors and implementers

The policy impact and broader internalizing of project learnings through the CMC bureaucracy has been substantially greater than in the case of elected members. It was specifically targeted and gradually showed results as the project progressed. Within the bureaucracy, the project team identified several layers of potential influence. The project cell, which comprised officers from the Professional Services Department, heads of three operational departments, Sevanatha and CEPA was seen as the group that would internalize the learning directly and be responsible for influencing other layers of influence. These included the implementing departments of CMC, the Municipal Commissioner and council, and government agencies such as the National Housing Development Authority, the National Water Supply and Drainage Board, and the Urban Development Authority.

- *The Project Team.* The direct access of CMC project team members to the high levels of CMC management was a distinct advantage in influencing policies and decisions. For example, the project leader and the leader of the implementation group were members of the six-person 'Apex Management' group of CMC by virtue of their office – Deputy Commissioner (Professional Services) and Deputy Commissioner (Engineering). Also, the design and implementation of the action component of the research (construction of the sewer lines, solid waste management, land deeds, urban agriculture) directly involved the implementing departments of the CMC as well as the senior level officers of other government agencies. The direct participation of a critical mass of senior level officers in study initiation, planning and implementation has been a further key factor in internalizing learning and, potentially, influencing institutional policy and interpretation. Because implementing officers were drawn from the CMC permanent staff they have contributed both via their pre-existing knowledge, and by continuing to facilitate the institutionalization of the project learnings within the LGA. An important outcome of this has been a more efficient bureaucratic

situation is not the norm in the CMC, where previously the Mayor and council had run their full terms.

process: there was less need to establish the importance for policy change amongst decision-making officers (including the process and causes), and it was easier to communicate with them on the issues involved. Thus the credibility of the project and evidence base could be established through an on-going process in which the relevant officials were active participants.

- *The Steering Committee.* As noted earlier, the Colombo Focus City Steering Committee is headed by the Municipal Commissioner with all relevant CMC department heads as members. Those who make up this committee are the senior officers that would in other studies likely be targeted in an effort to influence policy from the ‘outside’. In Colombo, the established level of trust, knowledge of each other as colleagues, and familiar working arrangements has enabled faster and greater absorption of new ideas into other activities of the LGA. See below for an example.

Edited extract from Colombo Focus City Process Monitoring Report, April 2009

Outcome Challenge - the Local Authority:

The local authority will use the learning from the piloted participatory integrated model to influence policy on service provision and poverty reduction in USS.

Due to the structure of the Focus City (FC) project which includes the main CMC decision makers, some infiltration of ideas and opportunities from the FC activities and Gothamipura community into broader CMC operations has been observed. For example, reporting on the FC activities at the Steering Committee, which is chaired by the Municipal Commissioner, led to discussions on the possibility of applying the following two project approaches elsewhere in CMC.

- The method followed in obtaining land deeds for the households in Gothamipura was discussed as a possible model to be used in other USS which had the pre-requisites for land deeds being issued. It was accepted that the existing state mechanism, though cheaper for the people, was very time consuming. If the Gothamipura project found that the people were willing to contribute more towards the cost, this quicker approach could be used as a model.
- Consideration of urban agriculture activities led to a discussion on the possibility of the Gothamipura community taking on the model urban agriculture plot of the CMC at Viharamahadevi Park. The option of making a payment either to the Community Development Council or individuals for taking on the activity on behalf of the City was discussed.

At the steering committee meetings it was observed that the Municipal Commissioner engages actively with not only the implementation aspects of the FC project but also the potential learning. There is keenness to see how the project learning could benefit other USS and the City.

- *Parallel agencies and the ‘Capital City’ effect.* Service provision and development in underserved settlements require cooperation with a number of Colombo-based national agencies such as the National Housing Development Authority (NHDA), the Water Supply and Drainage Board (WSDB), and the Urban Development Authority (UDA). The Colombo FC project has worked directly with the NHDA and WSDB in its planning and implementation of the sewer system, land titling and other interventions. Benefits for these agencies from this working relationship have been learning outcomes including: the amount the community is willing to pay to obtain prioritised services such as sewer line and land deeds; the impact of incremental change; and the role of partnership approaches. Because the CMC project team members were senior officers, staff of the other agencies interacting with the Colombo FC also tended to be officers at decision-making levels. This created an added benefit of a direct channel to feed lessons learned from the action research into these partner agencies. Also, given the national outreach of these agencies any learning absorbed by them could potentially influence decision-making and activities in other urban areas. Similarly, given that the CMC is the oldest and largest municipal council in Sri Lanka, as well as that of the capital city, other municipal councils and organizations involved in urban service delivery look to its experiences.¹⁹ However, it is still too early to identify any solid evidence for this spread effect of learning.

Influencing the wider development agenda

A second element of policy influence arises from the role of IDRC as the funding and global research partner. The Colombo FC project is part of an eight-city global research initiative with shared learning and policy influencing objectives.²⁰ Having a well networked international partner focused on linking research to policy has meant that the learnings of the Colombo FC project can contribute to the global debate on policy influence. This opportunity would have been more limited had it been purely a national study. A particular benefit of this broader dissemination of learning is when studies reveal results that in some cases challenge the status quo in development practice. Specifically, the lesson from the Colombo FC project of the potentially positive impacts

¹⁹ E.g. Solid waste disposal, urban greening and composting was tried in Kurunagala, Badulla.

²⁰ See www.idrc.ca/en/ev-81920-201-1-DO_TOPIC.html

of LGA-led action research and implementation is in contrast to the widely adopted approach of giving leadership to research institutions, community-based or non-government organizations, or the private sector.

Potential for replication of the model

A core element of a 'model' is its potential for replication. The way in which the institutional model used in the Colombo FC project was developed and functions provides some indicators for its replicability. This would require at least some of the following features to be present in the key partners.

- *The CMC's pro-poor orientation.* The CMC's focus on improving the quality of services and access to sanitation within the USS reflects a strong pro-poor orientation. The regulatory role of CMC could create a challenge to service provision to the USS, as their location and development are in breach of regulations relating to building, tax, hygiene etc. In addition, the line between public property and private ownership is blurred within USS, potentially creating further constraints to developing and maintaining services and utilities. However, the pro-poor orientation of the LGA, derived to a large extent from the welfare orientation of the Sri Lankan state, has led it to continuously explore methods of service delivery to the USS. Unlike many other large cities in the world, where the poor live in segregated enclaves with little access to the services and investments of the 'formal City', the relatively small size and integrated nature of USS in Colombo has enabled their residents to access free education and health care, fuel subsidies etc. provided by the central government. In addition, USS residents are prime beneficiaries of the various welfare services offered by the CMC exclusively to the citizens of Colombo such as good quality and well-located health care services, playgrounds and recreation spaces, grants for students and for households during times of crisis (for example funerals and natural disasters), and vocational training. Financing the development of USS has, however, remained a challenge as these locations generate no revenue to the LGA in terms of taxes or other service fees. In addition, there are few specific budgetary allocations for improvements to USS. This situation has led to some very innovative financial and institutional experiments by the CMC, of which the Colombo FC project is one of the more successful examples.

- *Institutional flexibility of the funding partner:* The strong orientation of the IDRC towards linking research to policy (IDRC, Corporate Strategy 2005-2010) has complemented the CMC's effort to move into a non-conventional area of action research as a means of improving services to the underserved communities of Colombo. IDRC's call for proposals for the global FC project only required a partnership approach; it did not state how or where project leadership should be formed. This created the space for the CMC to initiate the bid itself. In fact, IDRC has two projects within the broader Focus City project (including Colombo) that are led by a LGA partner. This reflects a deliberate plan to have a balanced portfolio of lead partners (international organisations, local governments and research institutions), and to generate a range of learning opportunities. Despite the realization that working on research projects with local governments can be highly risky, the growing body of evidence that research is best guided by its users has led the IDRC to experiment with LGA leadership in its action research.²¹ Importantly, the institutional orientation of the IDRC, which embodies neither a totally research orientation (that would have led to partnering research institutions), nor a conventional bi-lateral model (that would favour working with a state ministry), allowed the combination of research and a LGA as lead partner.

Factors that prompted the IDRC prior to accept the experimental institutional arrangement put forward by the CMC included the unusually positive welfare orientation of the LGA; the openness of the CMC to new institutional forms as illustrated by the role of its Institutional Development Centre (see Box 2); the potential for partners CEPA and Sevanatha to fill the research and participatory gaps as required; and the scope for significant policy influence and scaling-up in a city the size of Colombo.²²

- *Familiar working partners.* CMC's decision to partner with known institutions and the community was influenced by the need to reduce the external risks that would impact on project implementation and possibly failure. This was considered particularly important as the action research was seen as a pilot project, where the learning would enable scaling-up to other USS. All three partners were identified by the CMC based on previous working relationships.

²¹ Process monitoring interview, IDRC Project Manager (unpublished source).

²² Process monitoring interview, IDRC Project Manager (unpublished source).

Sevanatha and CEPA brought exceptional skills in urban mobilization and research. Both organisations had a strong Colombo base and experience in working at the community level as well as with government agencies and global research institutions. The Gothamipura CDC was one of the most experienced in project participation among the USS of Colombo.

Learning and summary

The scheduled date of completion of the Colombo FC action research was the end of 2009. An evaluation of its impact will take place after a time lag of at least six months following the construction of the sewer lines and end of other project activities. However, many impacts and implications of the research design and implementation can already be observed and studied. CEPA and Sevanatha have studied the institutional arrangement of the Colombo FC team and the role of LGA leadership. They have been able to observe the internal workings of the team very closely while maintaining sufficient objective distance as researchers. This dual role created the space to discuss initial thoughts regarding the institutional structure and its implications with the LGA members of the team. The extensive experience of CEPA and Sevanatha in development research, externally funded implementation projects, academic debates on institutional forms, and evidence-based policy-making, brought a capacity to the FC team that enabled both a degree of reflection and comparisons with other situations where they have either been a partner or evaluated a project as researchers. Their observations of the Colombo FC indicate clearly that the project has benefited substantially from the LGA-led institutional arrangement. Key factors were the focus on a specific intervention that is a critical priority (and in line with the LGA's plan for the city and USS), and that the project is embedded within the existing LGA institutional structure. The Colombo experience makes a strong case for using existing state structures to achieve the objective of increased ownership of action research and implementation, but, as discussed in the section on replicability, the correct conditions are critical for such a model to succeed in other contexts.

The role of community participation has not been a focus of this paper, as a great amount of knowledge already exists in relation to this issue. In addition, in-process monitoring of community participation in this project has shown a pattern very much in keeping with expectations based on past experience. A significant variation in this model, however, was that identification of priority interventions was based on the LGA's existing

knowledge of needs and only *verified* via community participation. This resulted in a much shorter and simpler participatory process for selection and planning of project activities than is usually the case with externally funded development projects. The policy impacts of the project are still developing. The paper has discussed the findings of the in-process monitoring which point to a conducive environment for potential absorption, at least within the professional space. Lack of effort within the political space was justified by circumstances specific to the period under study. It would be useful, however, drawing from global learning and methods, to look more closely at the best ways to inform and influence the elected members of council.

Bibliography:

- Amis, P. 2009, *Improving Local Government: the Commonwealth vision*, Background discussion paper for the Commonwealth Local Government Conference, Freeport, Grand Bahamas 11-14 May 2009.
- Asian Development Bank 2000, *Sri Lanka Urban Development Sector Study*.
- Banks, G. 2009, *Evidence based policy making: What is it? How do we get it?*, Australian Government Productivity Commission, ANZSOG/ANU Public Lecture Series, Canberra, 4 February 2009.
- Bastian, S., Gunatilleke, N., Jafferjee, A. and Weeratunge, N. 2005, *Working Elephant or Perahera Elephant? An Ex-Post Evaluation of the Regional Rural Development Project (RRDP)*, Kandy, Centre for Poverty Analysis, Working Paper Series No. 4, February 2005.
- Billand C. J. 2006, 'Expanding Local Government resources for capital projects through municipal borrowing and other market based financing', *Global Urban Development*, vol. 2, no. 1.
- Colombo Municipal Council 2005, 'Poverty Reduction Strategy for Colombo City (2004)', in J. Court (ed.), *Bridging Research and Policy Development: Evidence and the process of Change*, ITDG, 2005.
- Centre for Poverty Analysis (CEPA) 2009, *Colombo Focus City Process Monitoring Report, April 2009*, CEPA.
- Davies, P. 2004, *Is Evidence-Based Government Possible?*, Government Chief Social Researchers' Office, Prime Minister's Strategy Unit, Cabinet Office. London
<<http://www.nationalschool.gov.uk/policyhub/downloads/JerryLeeLecture1202041.pdf>>.
- Evans, B., McMahon, J. and Caplan, K. 2004, *The Partnership Paper chase: Structuring Partnership Agreements in Water and Sanitation in Low-Income Communities*, (paper) Building Partnerships for Development, London.
<<http://portals.wi.wur.nl/files/docs/msp/paperchase.pdf>>.
- Evans, B., Hutton, G. and Haller, L. 2004, *Closing the Sanitation Gap - the Case for Better Public Funding of Sanitation and Hygiene*, OECD background paper for the Round Table on Sustainable Development, 9-10 March 2004.
<<http://www.oecd.org/dataoecd/35/48/39358569.pdf>>.
- German Foundation for World Population 2008, *Budget Support Consequences for Sexual and Reproductive Health*, German Foundation for World Population.
<<http://www.euroresources.org>>.
- Gill, W. 1994, 'How far does research influence policy?', *European Journal Of Public Health*, vol. 4, no. 4, pp. 233-235.

- Gunetilleke, N. *et al.* 2004, *Understanding the dimensions and dynamics of poverty in USS in Colombo*, CEPA.
- Hettiarachchi D. P., *Legal Structure of Local Authorities in Sri Lanka, Municipal Councils, Urban Councils & Pradeshiya Sabhas*. Ministry of Local Government (Power point presentation).
- International Development Research Centre (IDRC) 2005, *Corporate Strategy and Program Framework 2005–2010*, IDRC, Canada.
- United Cities and Local Governments, *Is Providing Budget Support to Developing Countries Effective?* United Cities and Local Governments.
- Param, L., Evans, B., Cardoso, J. and Hicks, N. 2005, *Operational Guidance for World Bank Group Staff Rural Water Supply, Sanitation and Budget Support - Guidelines for Task Teams*, The World Bank, September 2005.
<http://siteresources.worldbank.org/INTWAT/Resources/4602114-1206643460526/RWSS_Budget_Support.pdf>.
- Satterthwaite D. 2002, *Local funds and their potential to allow donor agencies to support community development and poverty reduction in urban areas*, Workshop report on Environment and Urbanization, April 2002, International Institute for Environment and Development. <<http://eau.sagepub.com/cgi/content/abstract/14/1/179>>.
- Jayarathne, K. A. *et al.* 2002, *Poverty Profile: City of Colombo: Urban Poverty Reduction through Community Empowerment*, Report of DFID / UNDP / UN-HABITAT / UMP Urban Poverty Reduction Project, SEVANATHA, Colombo, February 2002.
<http://www.ucl.ac.uk/dpu-projects/drivers_urb_change/urb_society/pdf_liveli_vulnera/Sevanatha_Poverty_Profile1.pdf>.
- UN-HABITAT, 'Sharpening the Global Development Agenda, Institutional and legal failure', in United Nations Human Settlements Programme 2003, *The Challenge of Slums: Global Report on Human Settlements*, United Nations Human Settlements Programme.
<<http://www.unhabitat.org/downloads/docs/GRHS.2003.1.pdf>>.
- Yaron, G. and Shaxson, L. 2008, *Good practice in evidence informed policy: an initial review for DFID*, Department for International Development, UK.
<<http://www.dfid.gov.uk/Documents/publications/research/good-practice-policy-review.pdf>>.

Village forums or development councils: People's participation in decision-making in rural West Bengal, India

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Raghendra Chattopadhyay,
Bhaskar Chakrabarti,¹
Suman Nath

Indian Institute of Management,
Calcutta



Abstract

The policy shift towards decentralisation promises important social change in rural India, providing as it does a three-tier system of local self-governments, the Panchayats: at the village level, the district level, and an intermediate level between the two, called the Block Panchayat. There is evidence of far-reaching social change in rural West Bengal, a state in eastern India, after the Left Front government came into power, particularly because of revitalisation of the three-tier Panchayat system. The initial years of Left Front rule saw the village poor enthusiastically attending Panchayat meetings and taking part in decision-making at the village council, the Gram Sabha, the general body of villagers of voting age covering 10-12 villages, and the Gram Sansad, the forum of local democracy at the ward level. However, today, relatively few people in the villages are taking part in government-sponsored initiatives. Panchayat meetings are scarcely attended and almost always exclude certain classes and members of the community. In order to combat the problem, the Government of West Bengal has recently tried to further devolve the power and responsibilities of local government and has established Gram Unnayan Samiti (GUSs) or Village Development Councils, consisting of political members from both

¹ Author for correspondence.

elected and the opposition parties and certain nominated members. The GUSs are supposed to bring in more participation at the grassroots level. In this paper, we study the formal policies regarding decentralisation and people's participation in West Bengal, and analyse the dynamics of political processes regarding decision-making at operational level after the introduction of GUS. We have analysed audio recordings of meetings of the Gram Sabhas and the dynamics of the newly formed GUSs to uncover the actual rate of people's participation, actual meeting procedures and reasons behind people's reluctance to participate. We argue that solutions lie in having a strong third-tier in order to address issues of lack of transparency and accountability in decision-making, and make recommendations as to how that might be achieved.²

Keywords: People's participation in decision-making, Local politics, Village development councils.

Introduction

Rural local governments in West Bengal, the Panchayats, have two related aims: a) decentralisation of power, and b) encouraging people's participation in development and decision-making. The Village Panchayat (*Gram Panchayat* or GP) has at least one member from each village, and covers 10-12 villages. Sometimes, if a village is too big then more than one member represents it. There is then a block-level *Panchayat Samiti* covering all the Village Panchayats in a particular block (area). This is the intermediate level of the Panchayati system between the villages and the district. Above the *Samiti*, there is a *Zila Parishad*, or the district-level Panchayat body representing all *Panchayat Samitis* in a district. A voter elects his or her representative to all three tiers.

The *Gram Sabha* is the general body of villagers of voting age operating alongside the Village Panchayat. It is the decision-making body at the local level. There is another forum of local democracy at the ward level: the *Gram Sansad*. Voters are members of both the *Gram Sabha* and the *Gram Sansad*. The *Gram Sabha* is expected to meet at least once every year to discuss issues related to the overall development of the

² An earlier version of this paper was presented at the Research Colloquium of the Commonwealth Local Government Conference, Bahamas, 10-14 May 2009. The authors thank participants at the Colloquium for the discussion, anonymous reviewers for their valuable comments, and Soumyasubhra Guha for copyediting.

villages, while the *Sansad* is supposed to meet twice. It is expected that local participation will be channelled through regular meetings of the *Gram Sabha* and the *Sansad*. It is mandatory to notify all people in the village above eighteen years of age at least one week before these meetings. Ten percent of the villagers need to be present to make a quorum. If these meetings are not held, the activities of the Panchayat are not approved and a higher authority may suspend the Panchayat. *Gram Sabha* meetings provide an opportunity for common people to:

- Discuss, approve, disapprove, and prioritise future plans of action according to their felt needs
- Identify and include people-in-need for poverty alleviation projects
- Perform social audits (Government of India on Panchayati Raj, 2009).

These are tasks to be carried out by through voluntary participation to enable people to make decisions about their own lives and resources. *Gram Sabha* meetings provide the place to exercise the power that rests in individual voices. The Government of India emphasises the importance of a strong *Gram Sabha*:

The 73rd amendment thus envisages the *Gram Sabha* as a foundation of the Panchayat Raj system. “*Gram Sabha*” means a body consisting of persons registered in the electoral rolls, comprised within the area of Panchayat at the village level. In the Panchayat Raj system *Gram Sabha* is the only permanent unit. Mukhiyas [heads] and other members of Panchayat continue for 5 years only from the date appointed for the first meeting, but the villagers do not change.

Empowerment of *Gram Sabha* means strengthening of the Panchayat Raj Institution (PRIs). Success or failure of this system depends upon the strength of the *Gram Sabha*. ([Planning Commission, Government of India on Panchayati Raj](#), 2009, 91).

As well as acknowledging *Gram Sabha* as the foundation of Panchayati Raj system, the Government of West Bengal has made two further provisions (Planning Commission, 2009). In 1994 in the light of 73rd amendment to the Indian Constitution, *Gram Sabhas* have been empowered to form *Gram Sansad* for planning and implementation, and in 2003 through a revision of the local government Act of West Bengal, *Gram Sansad* were given authority to form one *Gram Unnayan Samiti* (village development council) for local planning and implementation in each area (Panchayat and Rural Development Department, GoWB). These initiatives are

expected to encourage people's participation in the development process, and make local governments more accountable to the common people.

In the research for this paper we have used two methods for studying the dynamics of meetings of *Gram Sabha* and *Gram Unnayan Samiti*. First, we carried out phenomenological transcript analysis of *Gram Sabha* meetings to explore the nature of the meetings. Second, we analysed data from ethnographic fieldwork in nineteen wards having *Gram Unnayan Samitis* in the East Midnapore district, in order to explore local issues related to the formation and activities of the *Gram Unnayan Samitis*, and the level of people's participation. In this way we sought to capture the larger domains of politicisation and people's apparent reluctance to participate. We find that *Gram Sabha meetings* and *Gram Unnayan Samitis* (GUS), which are expected to function apolitically, have failed to fulfil their goals. People's participation at the *Gram Sabha* meetings is alarmingly low and their space suffers from unintended politicisation. The ethnographic study of issues related to GUS formation and activities has unmasked a detrimental political culture that underlies people's lack of interest. Explanations for the failure of these two democratic spaces are presented here with the argument that in a politicised state like West Bengal, where the Left Front government has been in power for more than 30 years, there needs to be a strengthened third tier. Further devolution of power through the village development councils will not necessarily mean a better system.

Methodology

As noted above we used a mixed-method approach to address different contexts *viz.* *Gram Sabha* meetings and issues related to *Gram Unnayan Samiti*. The mixed-method was required to yield data that could uncover the essential dynamics of the two different contexts. We conducted audio recordings of the entire activities of 44 *Gram Sabha* meetings in the Birbhum district over a period of one year – without intervening in the free flowing events. After completion of the recordings, written transcripts were generated from the audio files and the essence of the discussions analysed. This led to an understanding of the broader contextual nature of people's voices within the development discourse. Following Giorgi (1970) we have used phenomenology to describe the essence of the meetings. In doing so, we drew on the work of Devanish (2002) and Schweitzer (2002) who discuss the inductive analysis of interview

transcripts inspired by Giorgian phenomenological analysis. We have applied a relatively simple form of this analysis in three steps, which helped us generate essences that contextualise the discourses and map local issues within the larger context of people's participation in decision-making. The three steps were:

1. 'Thick description' of the meetings with minute details of the discussions, along with context references (see Geertz, 1973)
2. Coding, to identify themes of discussion and quantify themes
3. Integration of themes to discover the core issues in *Gram Sabha* meetings.

To study the effectiveness of the *Gram Unnayan Samitis*, ethnographic fieldwork was carried out in nineteen wards (that make up the *Gram Unnayan Samiti*) in the East Midnapore district. We interviewed and conducted group discussions with Panchayat officials, elected representatives and villagers. In each of the nineteen *sansads* there was one group discussion followed by individual interviews with various stakeholders. We did not restrict our fieldwork to any defined sample of the number of people to be interacted with, because the aim of studying the *Gram Unnayan Samitis* was to expose the nature of the issues at grassroots level that related to their formation and functioning.

Context of West Bengal

The level of popular participation in community affairs is certainly one measure of the quality of democracy at the local level. One could conclude that the more people participate in decision-making, the more democratic is the system of the government (Parry and Moysen, 1984). However, effective local democracy requires not only participation, but also that people's suggestions are reflected in policy outcomes (Saward, 1994). Even extensive participation may yet fail to produce a decision outcome that is supported by the majority or (ideally) all of the involved stakeholders (Satterfield, [article under review]). One of the dangers of decentralisation is that it may create 'pseudo-participation' and actually further empower local elites. For instance, during budget decision-making concerning water projects, each competing group could become defensive in terms of its own short-run goals instead of focusing on what is best for all (Rhoades 1999, p.339). Bias in the distribution of benefits from rural development could also derive from the fact that "a (political) regime might

depend for its political support” from a certain class in the rural areas, and hence reward them (Blair, 2000).

As Bardhan and Mookherjee argue, problems derive from “weaknesses in the functioning of a fair electoral process at the local level, lower levels of political awareness of the poor, and the tendency for wealthier groups to form special interest groups” (Bardhan and Mookherjee 2000, 34-35). However, by reducing the cohesiveness of interest groups at the local level, and raising voter awareness and political competition, decentralization could be a beneficial process (Bardhan and Mookherjee 1999, 25-30). But they warn that in districts of high inequality and poverty local institutions will be vulnerable to ‘capture’, either by political leaders or by local elites:

Economic corruption in a centralised system then tends to be replaced by political corruption (in the form of diversion of services to local elites), despite the fact that agents in either system behave in a self-interested fashion. (Bardhan and Mookherjee 2000, 7).

Local people thus become consigned to a limited set of roles and relations with regard to the use of resources, and little autonomy is created. Ajay Mehta, in his study of two villages in southern Rajasthan in India, stresses the political processes within the Panchayat that strengthen those who already have the power to “control and co-opt the poor to serve their interests” (Mehta 2000, 16). In a study of the Indian state of Kerala, the authors state: “When a party dominates a Panchayat, it tends to reward its sympathizers exclusively,” (Platteau and Gaspart 2003, 1697) although this might ultimately backfire in the Panchayat election. In West Bengal, where the Left Front coalition government with Communist Party of India (CPI-M, henceforth CPM) as the dominant party has been in power for 32 years, participation in decision-making is a complex dynamic process located across various levels of politics. Local management activity is influenced by factors outside the village, where political dynamics, external support and networking, as well as accountability mechanisms between political actors guide the decision-making process (Chakrabarti 2004). There seems to be a large difference between the formal arrangements of decentralisation aimed at increasing people’s participation in decision-making, and what is actually happening in West Bengal. The present process, it seems, only aggravates the improper distribution of resources. Satadal Dasgupta (2001) argues that there has been polarisation of rural

West Bengal into two major groups, the landed and the landless, and it is the class identities of these groups that leads to political conflict. Harry Blair's (2000) work shows the bias in distribution of benefits because the ruling party wanted to maintain the loyalty of certain farmers and rewarded only them. Bhattacharya (1999) shows how the peasant society is 'captured' by local party members, leading to skewed decision-making. The village poor who now abstain from going to the *Gram Sabha* meetings no longer see grassroots participation as an important avenue to control their own resources.

Findings from Gram Sabha meetings

Detailed analysis of transcripts brings out the following indicators of effectiveness of the *Gram Sabha* meetings:

People's participation

As *Gram Sabha* meetings are for common people, their success largely depends upon people's participation. Data regarding people's participation in the *Gram Sabhas* during 2003-04 show that on average 1120 heads are required for attaining a quorum but the average participation of people is only 137. Kirnahar Village Panchayat recorded the lowest attendance, where the head of the local government was the only person present. He read out the yearly budget statement and then called off the meeting. The highest attendance was found in Kushmore, where 1427 heads were present, but this was still four short of quorum. The gap between quorum and people present shows a serious lack of people's participation and raises the question: how could the meetings continue? During our fieldwork we found that people's signatures were collected at their houses before or after the *Sabhas*, producing a false record of quorum attainment. Even so, 16 out of 43 Village Panchayats postponed *Sabhas* and are desperate to complete their responsibility to hold meetings

Meeting duration

The idea of *Gram Sabha* is not only to bring people together but also to discuss local development plans in detail so that people's voices are reflected in both planning and implementation. The time it takes is important because plan approval, review of budget statements and social auditing are time-consuming tasks. However, our studied *Gram Sabhas* took only on average 38 minutes to complete the meeting procedures.

The shortest meeting of only 5 minutes took place in Karidya Village, whilst the longest was 112 minutes taken by Md. Bazar Village. We do not argue that the quality of meetings directly depends on the time taken, but the average length of *Gram Sabhas* appears insufficient to complete the expected tasks.

Nature of issues dealt with in Gram Sabha meetings

After initial coding of the recorded transcripts we have identified the various issues discussed and calculated the percentage of *Gram Sabha* meetings that included them (Figure 1.) Figure 1 shows that most *Gram Sabha* meetings are confined to the discussion of budget and income-expenditure statements. Discussion of future plans has taken place in 54 per cent, and plan prioritisation in only 10 per cent. More than 20 per cent of the Village Panchayats have used *Gram Sabhas* to deliver long speeches on success stories of the Panchayats and particular political parties. In about 10 per cent of the *Gram Sabhas*, local influential party workers have delivered speeches. It seems that most of the *Gram Sabhas* have failed to incorporate people's voices in planning and decision making processes. The more alarming finding is the political interference in meeting procedures.

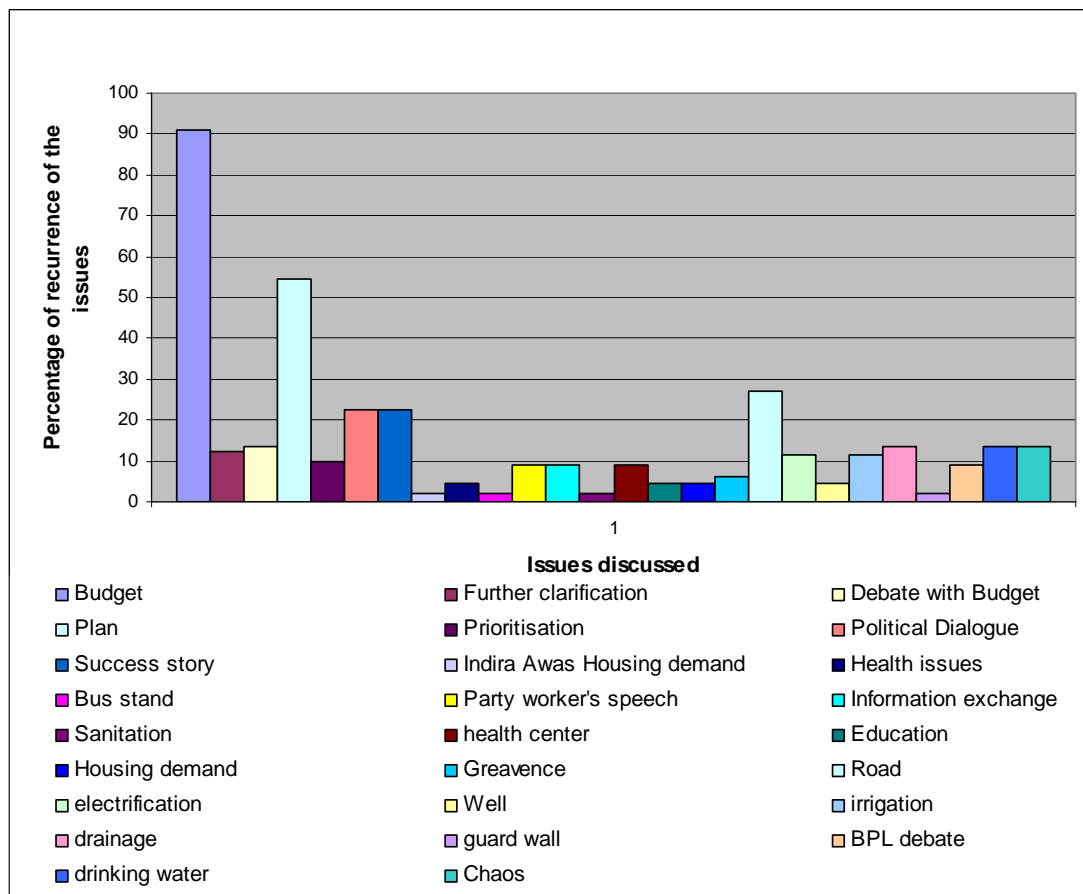


Figure 1. Frequency of issues discussed across Gram Sabhas

The interactions

Using the three-step transcript analysis, several domains of discussion reflect the nature of discussions in the Gram Sabhas. The agenda of planning and needs-based prioritisation require interaction between stakeholders. Our transcript analysis shows that interaction between representatives, official members and villagers has been limited to 27 per cent of the studied Gram Sabhas. Furthermore, only 9 per cent (4 out of 44) of the Gram Sabhas have free flowing conversation and long debates over planning and budget statements. In five Gram Sabhas (11 per cent) people demanded further clarification of the statement of budget and income-expenditure. Among these five meetings, in three cases a debate was forcefully halted by elected representatives. A chaotic reaction was noted in 13 per cent of the Gram Sabhas where no constructive discussion took place. If we add people’s active participation (27 per cent) and indistinct chaos (13 per cent), we can argue that in about 40 per cent of the Gram Sabhas, people have actively engaged in meeting procedures. However, the evidence

suggests their voices remained unheard except in two cases. Thus there is a failure of the participatory agenda of *Gram Sabhas*. It is important to search for the reasons for this failure, which requires a closer look at the other themes discussed at the *Gram Sabha* meetings. In about 91 per cent of the *Gram Sabhas* studied, budgets and income-expenditure statements were presented in a monologue without any discussion. Apart from the 9 per cent of the *Gram Sabhas*, where good interaction was noted, in another 9 per cent village members (of the local government) asked the people for their comments, and in about 7 per cent the people formally approved the budget statement. For example in Chowhatta, the people approved the budget in a very formal way after being asked by the head of the Village Panchayat:

Female voice: The income-expenditure statement which the Head has laid down, on

behalf of the women we approve it.

Male voice: The income-expenditure statement that the Head has laid down, we observe it to be true and approve it.

Female voice: The income-expenditure statement that the Head Sir spoke about, we approve it

Male voice: The income-expenditure that our head Sir read out, we approve it.

(Transcript of recording, Chowhatta, Birbhum, 8 January 2003).

This formal way of giving approval indicates people's passiveness and reluctance to enter into discussion, and it is worth recalling that even this minimum space to raise people's voices is provided only in 9 per cent of cases. Another important agenda of *Gram Sabha* meetings is constructive discussion on planning and decision-making. To generate such a discussion, a careful presentation of the future plan is necessary, however, we found that in only 54.5 percent of the *Gram Sabhas* were planning and project proposals read. Further discussion of projects was alarmingly low.

Politicisation of Gram Sabha meetings

Gram Sabhas are meant to be the common people's arena and, ideally, the nature of discussion and involvement of people in planning and decision-making should be impartial and apolitical. However, the transcript analysis revealed that in about 23 per cent of the *Gram Sabhas* a political speech was delivered. These discourses address three kinds of issues: the long history of success of the ruling party; blaming political differences between Block and Village Panchayats for failure; and comparative stories of success and failure where a changeover in the political party has taken place. It is

important to see who delivers the speech because that reflects the person who embodies political power. In 16 per cent of *Gram Sabhas*, we found that the political leader from higher level, usually the Block or the District, is invited to deliver the speech. For example in Khoyrasole, a Local Committee member started his speech by mentioning the Left Front government's success:

Friends! The Panchayati Raj system has brought in radical changes in the rural socio-economic scene in West Bengal; the left ruled state in India has made all the difference...

(Transcript of recording from Khyarasole, Birbhum 31 December 2003)

Similarly in Chowhatta, the change in political scenario was emphasised:

In 1977 the political change that took place in West Bengal... the Left Front Government was elected by the people... Immediately after being elected they declared that they won't direct everything from the Writer's Building as was done previously and power would be in the hand of people.

(Transcript of recording from Chowhatta, Birbhum 8 January 2003)

In Haridaspur, a local political leader was invited to deliver a long speech which took away time from the people's discussion. In Dhakalbati a comparative account was presented to show the better performance by the newly formed board.

In the 25 years tenure of Left Front this is the first time in... that there is no allegation against the village Head. Last five year's progress has been excellent... We have worked beyond our expectation. There is no political disparity... everything was divided equally... previously, there was partiality, but our tenure has been impartial...

(Transcript of recording from Dhakalbati, Birbhum 3 January 2003).

In Mallikpur, Siuri the focus of the meeting was to blame the Panchayat Samiti at the upper tier, the Block:

...there is no development inputs by the current Panchayat Samiti. 'Our' previous Panchayat Samiti was engaged in running literacy centre. It is true that the current Panchayat Samiti is also continuing this programme, but the momentum is lost... Moreover in the estimated budget, there is no allocation for our region... (Transcript of recording from Malikapur GP, Birbhum 7th January 2003)

The presence of political leaders from outside the area was noted in 86 percent cases and in each, a special mention of the visitors was made by the Village Panchayat heads. In many areas these *Gram Sabhas* have thus become a new forum to revitalise political agendas.

Voice suppression

Being a space for common people's activities, *Gram Sabhas* should rely on the power of individual voices. The success of active participation depends on how far people's aggregated voices get reflected in discussion of development issues in the locality. However, transcript analysis indicates that in 39 per cent cases people's voices are suppressed and/or ignored during discussions. For example, in Mallikpur, Suri, female voices are at first suppressed and then simply ignored.

Female: I am from Mulipara of Nudur area. I wish to let you know that we are extremely poor widows. We ought to depend on others...

Assistant from the Panchayat: We are here to listen to area problems, tell us about your area, not about yourself.

Female: I have lost my husband too. I am in serious crisis. It is about us, the widows living in extreme poverty.

Female: My husband has lost both of his legs. I need help to sustain. I request you to help me.

Female: I am a beggar with a handicapped son. Please do something for me. I have seen many people getting money, clothes, etc. I did not get anything.

Female: Muslimpara suffers from paucity of water. We do not have any pond or tubewell. Please do something.

Assistant: The woman coming from Nahodari spoke about the water scarcity too, the Head is also aware of this. It is known to us that you are new settlers beside the highway. We have noted down your demand.

(Transcript of recording from Malikapur GP, Birbhum 7 January 2003)

The conversation suggests that apart from the last request, which was already known to the Village Panchayat, others are ignored. Phenomenological transcript analysis thus uncovers two related issues: first, the failure of the participatory agenda due to people's reluctance to become engaged in discussion; and second, ignoring or suppressing people's voices. Since the number of participants is alarmingly low in the first place, any voice suppression will have a considerable additional adverse effect on the participatory agenda. Thus, lack of opportunity for people to raise their voices, the formalised approval process for proposals put forward by the Panchayat, and meeting politicisation are all possible reasons for the reluctance of people to participate. It is for these reasons that the local government department has tried to promote Village Development Councils, the Gram Unnayan Samitis.

Village development councils: Organised effort to empower people?

A brief glance at the organisational structure of *Gram Unnayan Samiti* (GUS) reflects an intention to promote people's participation from all sectors, including the different political parties. In this section, we analyse the functioning of a council in East

Midnapore district and explore whether or not it has been successful in addressing the problem of participation visible at *Gram Sabhas*. In the district the GUS consists of a nominee of local women, an opposition member (the candidate who lost the village level election by the smallest margin of votes), self-help group members, retired teachers, and former government employees whose political leaning (at least ideally) is not clear. Formation of the GUS takes place through a pre-announced and well communicated meeting chaired by the head of the Village Panchayat, where the local government secretary presides. Villagers are supposed to propose, support or oppose the names of the people from the region to become members of the GUS. This structure of the GUS is supposed to increase involvement of local people in bottom-up planning, and enhance economic development and social justice through an apolitical body. The council is assisted through training in: preparing a resource database, identifying existing problems (and making effective plans to cope with them), and the implementation of existing plans. In six backward districts, including East Midnapore, as determined by a District Development Index, the UK Department for International Development (DFID) has sponsored a programme of Strengthening Rural Decentralisation (SRD), which provides special support for continuation of GUS activities.³

Politicisation of the GUS

Our study shows that the policy of forming the GUS as an apolitical body of villagers is confronted with problems deep-rooted in the nature of village politics and polarisation in the East Midnapore district. Village factional politics and recent changes in the political scenario have only added to the difficulties. Soon after the Panchayat elections, the different political parties started mobilising people to gain support and secure a strong presence on the GUS, which is commonly misunderstood as a space for exercising economic and political control. For this study, we interviewed 81 GUS members and asked about peoples' interests (not their self-interest) in joining the GUS. Most viewed the organisation in opportunistic terms including one or more of the following:

- Economic gain (73 out of 81 GUS members).
- Space to strengthen an existing political base (69 out of 81)

³ See <http://www.dfid.gov.uk/Documents/publications/transforming-rural-livelihoods-india.pdf>

- Space to exercise power as an individual and as a member of a specific political party (33 out of 81 GUS members).

Every village reported the phenomenon of ‘panel placement’ by party members for the GUS. When the local government secretary (ie. the presiding officer) sought nominees for the reserved and unreserved positions, two panels were put forward by the ruling and opposition parties respectively. Their supporters then aligned themselves accordingly to make the voting process easier. This process indicates that the GUS is becoming another political entity and not a common people’s arena. Fourteen out of nineteen village areas studied formed their GUS in this way. Four GUSs are yet to be formed as endeavours to do so failed due to the low rate of participation and political conflict. In another case, the outcome is subject to a court ruling and the GUS is inactive. It is also noteworthy that because of these problems, the Government of West Bengal is not imposing the mandatory formation of GUSs.

Political conflicts: the GUS battleground

As noted above, the evidence indicates that a number of GUSs have become politicised before, during and after their formation, and effectively used as a tool to appropriate political interests. Controlling the GUS seems to have become a pre-occupation of the political parties. In two regions, villagers were threatened by the defeated party not to attend the *Gram Sansad* meeting where people were to be nominated for appointment to the GUS. In these two *Gram Sansads*, a quorum was not attained on the first day and the meeting adjourned. On the next day, the winning party urged villagers to attend and assured their safety and asked for their vote. This resulted in a one-party GUS. In another case, the defeated party brought supporters from outside the village to increase the number of votes. The winning party reciprocated and hence the place became a ‘battlefield’ between the two groups and the meeting was cancelled. Several months later the ‘blame-game’ around these events is continuing. The question of ‘who did it first’ became more important than the formation of the GUS. In another village, political conflict went so far that the meeting had to be adjourned and police called to escort local government officials to safety. The villagers argue:

It is hampering our daily lives - after that meeting we all know who is from which side! I know who is with me and who is against me. I am afraid about

my security. Who will save us from the party mafias? After that meeting either you are with me or you are against me. No one can stay in between. If you choose not to go to meeting you are against the both. (Villager, Kamarda GP area, East Midnapore recorded 10 December 2008)

A new level of conflict was attained in another case, mentioned earlier, where the GUS was established but then its legitimacy challenged in the district court. In the said village, nominations for the GUS were dominated by the party that lost the Panchayat election, but which had previously ruled the ward for more than two decades. The winning party challenged the legitimacy of the GUS on the grounds that villagers had voted in fear, given the open voting process. These situations have divided villagers into two groups as their political allegiance becomes evident. Many strong local, friendship and kinship ties have broken down after the formation of a GUS. Sadly, this has created a new hierarchical division in village society and a tension-filled environment.

Motivation of GUS members

We enquired about people's motivation to participate in the GUS, and present the results in Table 1:

Motivation	Number	Percentage
Dissatisfaction from previous work	3	3.7
Helping others	14	17.2
Party pressure	35	43.2
Village pressure	10	12.4
Both party and village pressure	2	2.5
Seen as a new opportunity for employment	11	13.6
Feeling lonely after retirement	6	7.4
TOTAL	81	100

Table 1: Peoples' Motivation to participate in the GUS

The table shows that party pressure plays a major role. Most members agree that their entry to politics is through the GUS, which is seen a step to learn and then get involved with the Village Panchayat. A threefold incentive for working voluntarily as a GUS member emerges: power, money and prestige.

[The] Government never makes people work without pay! We still feel that by satisfying them, we will get something in return.

When we see people asking and discussing their demands with us, showing respect, it makes us happy.

(Members of GUS, Basantapur GP, East Midnapore recorded 11 December 2008)

Impacts on programmes

The formation of a GUS is the first step in continuing existing programmes and initiating new ones however political conflict clearly creates obstacles in programme implementation. There are instances, for example, of political opponents denying access to land needed to create work under the recently implemented rural employment guarantee schemes. In another case, the social forestry programme was severely affected by the destructive attitude of opponents who uprooted saplings and destroyed the protective fences around the plants. Elsewhere, almost twice as many labourers as were really needed were given work on a rural employment project because both the dominant and opposition groups within the GUS sent their respective supporters.

Core findings from the two contexts

The study reveals numerous localised issues that reflect two larger domains: first, the unintended politicisation of the democratic space; and second, people's passiveness. In the following sections, we discuss these core issues, their dimensions and their impact on local government.

Unintended politicisation of the democratic space

The primary issue related to the failure of the participatory agendas of both *Gram Sabhas* and GUSs is unintended politicisation. In *Gram Sabha* meetings, political agendas are created and presented through delivered speeches, while in case of the GUS, politicisation starts from the period of GUS formation as it is viewed as a space to exercise political control. In both cases the formal mechanism has been subverted by informal party political activity. The political process of decision-making is of course important and could play a productive role if large-scale people's participation is ensured – the original agenda of the Panchayat system. However, the poor rate of participation in *Gram Sabhas*, and problems with GUS formation reveal a detrimental political atmosphere in the villages. A significant factor is people's fear of being

'tagged' politically due to the open voting system. The situation creates problems in three ways: it hinders large-scale and equitable participation in planning and implementation processes; it constrains the operation of development programmes; and, it disengages people from politics and decision-making. This creates scope for opportunistic behaviour and corruption, as the political parties lose accountability to the common people.

That [politics] is not my place. I know I have voting rights, I exercise that right. That does not make any difference. We have to choose from possible alternatives! 'Whoever rides the chair, becomes the king!' the situation remains the same. Politics means threat... I don't want development, I want a peaceful life.

(Voice of a villager in Chaitanyapur GP, East Midnapore, recorded 12 December 2008).

Although issues of politicisation arise in both the *Gram Sabha* and the GUS, the degree of impact on people varies. The problems outlined with respect to *Gram Sabha* meetings are essentially procedural and 'simply' diminish their value. On the other hand, conflicts surrounding the *Gram Unnayan Samiti* reveal an organised effort by political parties that reflects the greater opportunity to exercise power. As a result, people are pressurised to participate in the open voting system to support one of the two panels because in such settings 'numbers' matter to the parties. The *Gram Sabha* carries no such incentives for the political parties and little pressure is placed on people, even though some political intervention is notable. These contrasting situations show that the core political incentive at work is to 'steer benefits'. People are left with no option but to choose from alternatives that are 'structured' by the different political parties.

People's passiveness

Political interference in democratic space is evidenced in both contexts, but people are often found to remain passive and detached even though this detachment is not in their best interests. Why do people remain passive? It is largely a result of the failure of collective mobilisation. A situation in which 'facts' speak out unmistakably for or against a definite course of action. Georg Lukács' argument is worth remembering here: "A situation in which 'facts' speak out unmistakably for or against a definite course of action has never existed, and neither can or will exist" (Lukács 1972, 23).

Therefore there is little possibility of change until some concerted effort is made to work towards organising people against their passiveness.

Conclusion

Our study supports previous work by Bardhan and Mukherjee (1999) and Satadal Dasgupta (2001) about the politicisation of decision-making in rural West Bengal, reflecting among other things the underlying divisions in village society, the “controlling power of knowledge” (Sim 2001), and the path dependency that flows from long-term control by one party and which makes local institutions self-reinforcing (Pierson 2000).

This paper has documented problems associated with a lack of communication, understanding (and hence people’s involvement), the nature of village politics, and open voting procedures. In particular, the aims of GUS have never been communicated properly to local people who do not realise the benefit of having such a body within the village. Political parties have taken advantage of this lack of awareness and see the GUS as an alternative power base, especially for those who lose control of or positions in the Panchayats. Political polarisation has deepened divisions in village life: many common people currently avoid political participation, whilst others are supporters or members of different political parties who are used as the ‘medium’ for approving decisions and exercising control. A strategy is needed to restore the political peace and encourage people’s participation in the development process.

Tactics such as the devolution of power and encouragement of people’s participation do not lead automatically to a better system of local government. Increasing the effectiveness of the system requires strengthening of the administrative arm of Panchayats, and/or, large scale and better informed participation by the common people, which in turn calls for a concerted effort. One option may be to establish a support structure that enables the local governments to engage more effectively at the grassroots level. This might consist of personnel responsible for:

- Creating awareness about participation amongst the villagers

- Searching for people from the village with leadership skills by involving party workers (who are not elected representatives), elected representatives and common people
- Empowering others to act and remove barriers through communication in a culturally sensitive way
- Encouraging people to set achievable short-term goals so that more people feel interested
- Help in a monitoring and evaluation process so that people can see the benefits flowing to their localities.

Finally, it is important to understand that change through these endeavours will take time. A major problem with policies for development and participation is that they are initiated rapidly, frequently without proper social infrastructure. As a result, they fail and sometimes create long-term detrimental effects. It must be appreciated that these initiatives are aimed at cultural change – to make people active, participatory and less path-dependent in a society with a long legacy of division and polarisation. The endeavour should be slow and steady and should build on current arrangements in a culturally sensitive way to bring about long-term and sustainable change towards collective benefits.

References:

- Bardhan, P. and Mookherjee, D. 2000, 'Decentralizing Anti-Poverty Program Delivery in Developing Countries', *Journal of Public Economics*. Viewed 20 March <<http://globetrotter.berkeley.edu/macarthur/inequality/papers/#Bardhan>>
- Bardhan, P. and Mookherjee, D. 1999, *Relative Capture of Local and Central Governments: An Essay in the Political Economy of Decentralization* (Working Paper), Center for International and Development Economics Research, University of California, Berkeley. Viewed 20 March 2009 <<http://globetrotter.berkeley.edu/macarthur/inequality/papers/cap31.pdf>>
- Bhattacharya, D. 1999, 'Politics of Middleness: The Changing Character of the Communist Party of India (Marxist) in Rural West Bengal (1977-90)' in Ben Rogaly (ed.), *Sonar Bangla: Agricultural Growth and Agrarian Change in West Bengal and Bangladesh*, Sage: New Delhi.
- Blair, H. W. 2000, 'Participation and Accountability at the Periphery: Democratic Local Governance in Six Countries' *World Development*, vol. 28, no. 1, pp. 21-39.
- Chakrabarti, B. 2004, 'Participation at the Crossroads', unpublished PhD Thesis, University of British Columbia, Vancouver, BC.
- Dasgupta, S. 2001, 'Caste, Class and Political Conflict: Perceptions of Social Change in West Bengal Villages', Panchanan Mitra Lecture delivered on 6 July 2001 at the Asiatic Society, Kolkata, in *Journal of Asiatic Society*, XLIII, 1, pp. 48-76.

- Devenish, S. 2002, 'An applied method for undertaking phenomenological explication of interview transcripts', *Indo-Pacific Journal of Phenomenology*, vol. 2, no. 1, pp. 1-20.
- Department for International Development, 'Transforming rural livelihoods', viewed February 2010 <<http://www.dfid.gov.uk/Documents/publications/transforming-rural-livelihoods-india.pdf>>
- Geertz, C. 1973, 'Thick Description: Toward an Interpretive Theory of Culture' in *The Interpretation of Cultures: Selected Essays*. New York: Basic Books.
- Giorgi, A. 1994, 'A phenomenological perspective on certain qualitative research methods', *Journal of Phenomenological Psychology*, vol. 25, no. 2, pp. 190-220.
- Government of West Bengal 2006, *Panchayat and Rural Development Department, Gram Unnayan Samitir hatboi*. (In Bengali, Handbook of GUS). Kolkata: P&RD.
- Government of Rajasthan, Rural Development and Panchayati Raj Department, 'Chapter IIA Gram Sabha', viewed 15 May, 2009 <http://www.rajpanchayat.gov.in/index_english.htm>
- Giorgi, A., Fischer, C. and Murray, E. 1975, 'An application of phenomenological method in psychology' in A. Giorgi, C. Fischer & E. Murray (eds.) *Duquesne studies in phenomenological psychology*, vol. 2, Duquesne University Press, Pittsburgh.
- Giorgi, A. 1970, *Psychology as a human science: A phenomenologically based approach*, New York: Harper and Row.
- Lukács, G. 1972, *History and class consciousness: Dudies in Marxist dialectics*. (Trans. Rodney Livingstone), MIT Press.
- Mehta, A. 2000, 'The Micro Politics of Participatory Projects: An Anatomy of Change in Two Villages', in Pauline E. Peters (ed.), *Development Encounters: Sites of Participation and Knowledge*, Harvard Institute for International Development, Cambridge, MA.
- Parry, G. and Moyser, G. 1994, 'More Participation, More Democracy?', In David Beetham (Ed.), *Defining and Measuring Democracy*. London: Sage
- Pierson, P. 2000, 'Increasing Returns, Path Dependence, and the Study of Politics'. *American Political Science Review*, June.
- Pierson, P. 2004, *Politics in Time: Politics in Time: History, Institutions, and Social Analysis*, Princeton University Press.
- Planning Commission of India 'Objectives - Panchayat Raj Institutions: Gram Sabha'. Viewed 15 May, 2009 <http://planningcommission.nic.in/reports/sereport/ser/bihinter/st_bihch11.pdf>
- Planning Commission of Idea, *Report on PRI*. Viewed 15 May, 2009 <http://planningcommission.nic.in/reports/sereport/ser/bihinter/st_bihch11.pdf>
- Platteau, J-P and Gaspart, F. 2003, 'The Risk of Resource Misappropriation in Community-Driven Development', *World Development*, vol. 31, no. 10.
- Rhoades, R. E. 1999, 'The Participatory Multipurpose Watershed Project: Nature's Salvation or Shumacher's Nightmare' in Rattan Lal (ed.), *Integrated Watershed Management in the Global Ecosystem*. New York: CRC Press.
- Satterfield, T. 'Risk Communication, Fugitive Values, and the Problem of Tradeoffs: Diagnosing the Breakdown of Deliberative Processes', (under review) *Science, Technology and Human Value*, Sage.
- Saward, M. 1994, 'Democratic Theory and Indices of Decentralization' in David Beetham (ed.), *Defining and Measuring Democracy*. London: Sage
- Schweitzer, R. 2002, Editorial.[0] *Indo-Pacific Journal of Phenomenology*, vol. 2, no. 2, pp. 1-2.
- Sim, S and Loon, B. V. 2001, *Introducing critical theory*. UK: Icon books.

The political-administrative interface in South African municipalities assessing the quality of local democracies

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Jaap de Visser

Associate Professor
Community Law Centre,
University of Western Cape, South Africa



Abstract

South African municipalities experience serious challenges in dealing with the interface between politicians and officials. Inappropriate political interference in administrative matters as well as strained relations between key political and administrative officials in the municipalities appear to be the order of the day. Oftentimes, the lack of a separation of powers between legislative and executive authority at local government level is blamed for this. This contribution has attempted to draw the attention away from the conflation of legislative and executive authority in the municipal council while still recognising it as an important background. It is suggested that, instead of spending energy on examining a possible separation of powers in local government, the relevant stakeholders (i.e. national lawmakers, municipalities and supervising provinces) should consider smaller institutional changes to the governance makeup of municipalities. Even more importantly, the political and administrative leadership of municipalities and political structures that surround them should be acutely aware of the consequences that inappropriate political leadership has on the functioning of municipalities and therefore on service delivery.

Keywords: Local democracy, Legislation, Governance, South Africa, Municipalities

Introduction

The South African Constitution provides for a national system of local government. It charges local government with a developmental mandate and equips each municipality with a set of constitutionally protected powers. Provincial governments are tasked with supervising and supporting municipalities but play a minor role with regards to regulating the local government system. Municipal councils are democratically elected according to a electoral system that combines constituency (ward) representation with proportional representation. Politically, the local government scene is dominated by the African National Congress which controls the lion's share of municipalities, though with some notable exceptions, particularly in the Western Cape province where the City of Cape Town is controlled by the Democratic Alliance, the national opposition party.

Thus over the last fifteen years, South Africa has transformed its local government system from an illegitimate, racist institution into a democratic institution with a developmental mandate. Since 2000, a new generation of municipalities, led by democratically elected councils, comprise the local government system. By all accounts, local government has made tremendous contributions to the impressive record of extending service delivery to marginalised groups in South Africa. At the same time, the challenges remain daunting. Public perceptions of local government are negative.¹ Many communities and residents see their municipality as a locus of under-performance, corruption and inaccessibility.²

The reasons behind these perceived and real performance failures are multifold and their discussion goes beyond the scope of this paper. However, a particularly disturbing feature of the problems besetting local government is the perception that the

¹ Levels of trust in local government (48.1%) are substantially lower than those in provincial government (59.5%) and the national government (64.3%). See Good Governance Learning Network (GGLN), *Local Democracy in Action: A Civil Society Perspective on Local Governance in South Africa* (Cape Town: GGLN, 2008), 15. See also Department of Cooperative Government and Traditional Affairs *State of Local Government in South Africa* Pretoria: 2009, 11.

² In 2009, the national government conducted a country-wide audit of local government performance which concluded that local government in 'in distress'. See Department of Cooperative Government and Traditional Affairs *State of Local Government in South Africa* Pretoria: 2009.

democratically elected representatives are inaccessible and unresponsive to the needs of their communities.³ People do not see councillors as the champions of their wards, as the guardians for service delivery in the municipality. The allegation is that councils, and therefore councillors, are inward-focused, preoccupied with the goings-on within the political realm of the council and the technicalities of administration. This problem provides the main backdrop to this paper. Why is it that many communities do not trust their councillors and what can be done to remedy this? It is argued that councillors are often held accountable by communities for aspects of service delivery over which the municipality has little or no control. For example, communities may demand answers from councillors regarding policing issues, education, housing subsidies, identity documents, pensions etc (although the Constitution locates competence over these issues with national and provincial governments concurrently). The South African system of intergovernmental relations offers an advanced architecture for intergovernmental service delivery that should absorb and address fragmentation, but the reality is that communities experience disjointed service delivery. However, it is too easy to dispel the levels of mistrust and misgivings of communities over service delivery as the awkward side-effects of the complexities of intergovernmental relations. The continuing spate of community protests, directed at councillors and municipal officials, is evidence of a serious breakdown of relationships between communities and councillors.

This paper examines how the functionality of institutional relationships in municipalities contributes to this breakdown. It investigates whether there are aspects of the structural design of municipalities that prevent councillors from becoming champions of their communities. The paper also examines the interface between politics and municipal administration. It recognises that governance in South Africa may be decentralised but politics is not. It concludes that, while the local party caucus of the ruling party in the municipality should be the platform for rigorous debate of municipal issues on the basis of local concerns, it is often a proxy for regional and sometimes even national politics. While this is inevitable and, to a degree, legitimate in any party-based system of municipal governance, the degree of detailed and undue interference is threatening to drive a wedge between communities and councillors.

³ Department of Cooperative Government and Traditional Affairs *State of Local Government in South Africa* Pretoria: 2009, 37.

The overall argument in this paper is that the functioning of municipal councils is too heavily tilted towards the preparation and adoption of executive and administrative decisions and that, as a result, municipal councils do not hold the municipal executive and the administration accountable. Communities thus regard councillors as ‘complicit’ in the municipal machinery rather than as possible change agents in their quest to engage the municipality.

The conflation of legislative and executive roles in the council by the Constitution is often posited as a design flaw and is therefore a golden thread throughout this discussion. The paper provides some options for institutional change. Importantly, however, diagnosing institutional flaws and suggesting solutions for these flaws is but a small component of the overall improvement required. What will appear paramount in the discussions below is the need for ethical leadership on the part of local government politicians and their administrators, but also on the part of the party political structures that surround the local state.

The findings of this research are based on a series of interviews conducted in 2008 and 2009 with senior municipal officials and politicians throughout the country.⁴ Evidence is also drawn from three workshops conducted in 2009 with municipalities.⁵

Conflation of legislative and executive roles

A feature of local government (that is common to many jurisdictions) is the absence of a strict separation of powers between legislative and executive branches within the local authority. Indeed, section 151(2) of the Constitution provides that both legislative and executive powers are vested in the municipal council. In the South African local government system this is particularly relevant as municipalities are regarded as fully fledged legislative assemblies and are entrusted with an impressive array of legislative powers. In its landmark judgment on local government’s constitutional status, the Constitutional Court made it clear that “local government is no longer a public body exercising delegated powers. Its council is a deliberative legislative assembly with

⁴ In 2008 and 2009, over 30 in-depth interviews were conducted in five municipalities, of which four were controlled by the African National Congress. The interviewees were mayors, councillors, speakers, city managers and senior officials.

⁵ In 2009, three workshops were conducted with municipalities outside of the above sample. The workshops were attended by mayors, councillors, speakers, city managers and senior officials.

legislative and executive powers recognised in the Constitution itself.”⁶ Most of a municipality’s key policy instruments (such as its budget, tariff policies, property rates policies, debt collection policies etc.) are expressed in local legislation, called by-laws.

Statutory law provides for a degree of separation. It establishes a system of municipal executives. In the main, municipalities could be operating one of two systems. The first and most popular system is the executive mayoral system.⁷ The council elects an executive mayor who exercises all executive authority. The executive mayor appoints a mayoral committee to assist him or her.⁸ The second, less popular system is the collective executive system.⁹ The council elects an executive committee that collectively exercises executive authority.¹⁰ Importantly, neither of the two forms of executive have any original executive authority. The council delegates parts of its executive authority to its executive mayor or executive committee. As the delegating authority, the council therefore remains ultimately responsible for the exercise of executive authority and has concomitant controlling powers over the executive. Thus municipalities themselves are the most critical in delineating roles and responsibilities. The legislation offers three instruments that municipalities should utilise for this purpose. The terms of reference (s53 Municipal Systems Act) is a document that outlines roles and responsibilities of political office-bearers, political structures and the municipal manager. The municipality’s delegations (s59 Municipal Systems Act) represent the legal transfers of components of the council’s executive and administrative authority to political office-bearers, political structures and the administration. Finally the council’s rules and orders (s 160(6) Constitution) contain important rules surrounding the role of the speaker (see below).

Increasingly, the conflation of legislative and executive powers is being singled out as the cause for the problems in local governance. The Department of Cooperative Governance and Traditional Affairs (CoGTA) is investigating whether the functions should be separated (Carrim 2009). In this paper, it is argued that the conflation of legislative and executive authority indeed presents a challenge to municipalities. The

⁶ *Fedsure Life Assurance Ltd and Others v Greater Johannesburg Transitional Metropolitan Council and Others* 1998 (12) BCLR 1458 (CC) at para 26.

⁷ See section 7(b) of the Local Government: Municipal Structures Act 117 of 1998.

⁸ ss 54-60 of the Local Government: Municipal Structures Act 117 of 1998.

⁹ See section 7(a) of the Local Government: Municipal Structures Act 117 of 1998.

¹⁰ ss 42-53 of the Local Government: Municipal Structures Act 117 of 1998.

division of responsibility between the two branches of government is relatively clear at national and provincial level, where the Constitution itself separates the two.¹¹ Municipalities, however, are tasked with managing these complex relationships in a small environment. The conflation of legislative and executive authority in the municipal council presents three specific challenges to municipalities. Firstly, it complicates the position of the speaker of the council. Secondly, the question as to who is in charge of the municipal administration becomes more difficult to answer. Thirdly, it invites municipalities to adopt inappropriate committee systems. These three challenges are discussed in turn. With respect to all three challenges, it is argued that separating the executive and legislative roles will not materially affect governance in a positive way. Rather the solution lies in a better utilisation of the existing policy and legal frameworks and, importantly, effective political and administrative leadership.

The role of the speaker

The first challenge relates to the role of the speaker. All municipal councils are instructed by law to elect a speaker from among their members.¹² The speaker of the council is responsible, in the main, for the management of council meetings and for enforcing the Code of Conduct for Councillors¹³ which regulates ethical conduct of councillors. In a context where legislative and executive roles are separated, such as the parliamentary system at national and provincial level, the role of the speaker is clear. He or she is in charge of the legislative chamber and plays little, if any, role in the executive of which he or she is not a member. Administratively, the speaker oversees the implementation of the assembly's budget, which is separate from the executive's budget.

In the local government context, where the executive and legislative roles are merged, the situation is markedly different. Firstly, in constitutional terms, the speaker is a member of the executive because the council is designated as the executive by the Constitution. Even though much of the executive decision making authority may be delegated by the council to the executive committee or executive mayor (particularly in larger municipalities), there are always executive and administrative decisions that the full council must take – under the chairpersonship of the speaker.¹⁴ Administratively, the

¹¹ See ss 44, 85, 104 and 125 of the Constitution.

¹² S 36 of the Local Government: Municipal Structures Act 117 of 1998.

¹³ Schedule 1 of the Local Government: Municipal Systems Act 32 of 2000.

¹⁴ There are many provisions in the local government legislation that provide that certain executive or administrative decisions can only be taken by the full council. The appointment of

office of the speaker is not separate from the municipal administration. The municipal council does not operate a separate budget from the administration's budget. The speaker is therefore dependent on the municipal executive and the municipal administration when it comes to the formulation and the implementation of his or her budget.

As noted above, municipal legislation defines the role of the speaker as mainly related to the traditional speaker's role of chairing council meetings and enforcing the Code of Conduct for Councillors.¹⁵ Ordinarily, the speaker is the driver of council investigations into transgressions of the Code of Conduct. The law indicates that the speaker must conduct an investigation when he or she suspects a transgression.¹⁶ Often, the speaker is assisted in this by a council committee. However, it leaves room for further delegation of responsibilities to the office of the speaker.

In practice, the role definition of speaker has been fraught with difficulty. Ever since the introduction of the office of the speaker in 2000, municipalities have reported conflicts, internal tensions and political battles over the responsibilities of the speaker vis-à-vis the mayor (De Visser and Akintan 2008:15).¹⁷ At the very least, these conflicts often contributed to a toxic environment and an inward-focused predisposition of the council. In the worst cases, they brought about political stalemates and disruptions to service delivery. Frequently, the executive leadership of the municipality is reluctant to entrust the speaker with enforcing the Code of Conduct for councillors, and speakers complain of persistent meddling in council investigations. Conversely, there are instances where the speaker has been alleged to abuse his or her investigative authority for political ends. This is particularly the case in those municipalities where the offices of the speaker and the mayor have been allocated to cement coalitions across parties or to appease opposing political factions within one party.

the municipal manager (s82(1)(a) Municipal Structures Act) is a notorious example but there are many others such as those related to the sale of immovable assets (s14(1) MFMA), writing off irrecoverable debt from unauthorised, irregular, fruitless or wasteful expenditure (s32(2) MFMA) etc

¹⁵ s 37 Municipal Structures Act.

¹⁶ Item 14 Schedule 1 Municipal Structures Act.

¹⁷ See also Department of Cooperative Government and Traditional Affairs *State of Local Government in South Africa* Pretoria: 2009, 72 where role confusion among the members of the 'troika' (i.e. mayor, speaker and chief whip) is referred to as a root cause for instability in municipalities.

There are institutional and legal solutions that can be considered. As the problem is rooted in the conflation of legislative and executive powers, the separation of these powers would contribute to a clearer division of roles between the speaker and the municipal executive. The most drastic solution would be to abolish the office of the speaker altogether and return to the system whereby the mayor chairs council meetings. Code of Conduct issues could be assigned to council committees (De Visser and Akintan 2008: 22). However, the office of the speaker is now an entrenched institution populated by full-time office-bearers.¹⁸ The abolition will face considerable political opposition. Furthermore, to its credit, the office of the speaker has in many municipalities contributed positively to the development of community participation strategies and practices. The Code of Conduct for Councillors could be revisited; even judges have commented that the Code is not a shining example of clear legislative drafting.¹⁹ It could be changed to ensure that the role of the speaker – and particularly the interface between the speaker and other council structures and office-bearers around Code of Conduct issues – is set out in clearer terms.

It is, however, suggested that institutional and legal solutions are not necessarily the answer. The problems can be addressed within the current legislative framework. Research suggests that many municipalities have not adequately dealt with the delineation of roles and responsibilities in the instruments offered by the legislation – terms of reference, delegation and rules and orders (De Visser and Akintan 2008: 20). In many municipalities, the poor quality of these instruments contributes to the creation of unnecessary grey areas and overlap in responsibilities. The terms of reference, in particular, is a mandatory instrument that is specifically designed to deal with overlapping responsibilities, grey areas and disputes. Most municipalities have not adopted this instrument. The problems often emanate from poor political leadership and a treatment of these offices as a means of access to power and resources. The dedication of the office of the speaker as full-time position has been an important contributing factor in this regard. The adoption of a terms of reference, which is a soft document, outlining the organisational values, dispute resolution rules, reporting rules etc requires a special type of leadership from the municipality. It is adopted by ordinary majority resolution but

¹⁸ See Local Government: Municipal Structures Act (117/1998): Policy framework for the designation of fulltime councillors GN 2073, Government Gazette 23964, 18 October 2002.

¹⁹ In *Van Wyk v Uys* NO (2001) JOL 8976 (C), judge Dennis Davis commented that the Code of Conduct “does not represent a glittering example of the quality of legislative drafting to which the country is entitled”.

must be endorsed by every councillor for it to be effective. There is no point in 51% of the councillors respecting the role of the speaker as outlined in terms of reference when the other 49% of the councillors do not. The adoption and implementation of the terms of reference therefore requires particularly skilful leadership that crosses political and factional divides in order to achieve better governance.

Political-Administrative interface

The second challenge relates to the so-called political-administrative interface, i.e. who directs the municipal administration? Once again, in a context where legislative and executive powers are constitutionally separated, this question is less pertinent. For example, at a national level, the administration is directed by the national executive, i.e. the President with his or her cabinet. Parliament oversees the executive and may call in administrators to account to it, but it has no immediate authority over those administrators. A similar situation prevails at provincial level.

Local government, again, works in a more complex system. Since the Constitution designates the municipal council as the executive, it is essentially the employer of all municipal staff. Legislation has sought to separate council from the administration to some extent. The Municipal Systems Act mandates the municipal council to appoint senior managers (i.e. the municipal manager and managers that report to him or her, see s 82(1)(a) Municipal Structures Act and s 56 Municipal Systems Act), and further appointments are made by the administration itself. The Code of Conduct for Councillors includes a provision that prohibits councillors from interfering in the administration (item 11 Schedule 1 Systems Act). Taking a harder line of separation, the Municipal Finance Management Act has barred councillors from taking part in tender decisions (s 117 MFMA) and includes many provisions that seek to separate the council from the administration.

In practice, however, the political-administrative interface has become the ‘achilles heel’ of many municipalities. There is no doubt that councillors, members of municipal executives and officials are struggling to define clear roles amongst themselves. This is aggravated by undue political interference by political parties. There is growing concern around the inappropriate relationship between regional party structures and municipalities. There are reports of instances where regional party structures seek to operate municipalities by remote control.

Regional party structures should focus on recruitment and deployment of suitable candidates for political office in municipalities, ensuring and overseeing ethical behaviour among their cadres, and providing overall strategic guidance in the form of party political programmes. Instead, they often seem to focus their attention on two aspects: staff appointments and tenders.

The strongest evidence yet comes from a recent court case, involving the appointment of a municipal manager for Amathole District Municipality (*Vuyo Mlokoti v Amathole District Municipality and Mlamli Zenzile* (2009) 30 ILJ 517 (E), 6 November 2008). The court found that, under instruction from the ANC Regional Executive, the majority ANC caucus members of the council approved the appointment of one of the two final contenders for the position, despite the fact that the other candidate had outperformed him in the interview and assessments. The judge in the matter concluded that:

... the involvement of the Regional Executive Council of the ANC ... constituted an unauthorized and unwarranted intervention in the affairs of [the municipality]. It is clear that the councillors of the ANC supinely abdicated to their political party their responsibility to fill the position of the Municipal Manager with the best qualified and best suited candidate on the basis of qualifications, suitability and with due regard to the provisions of pertinent employment legislation This was a responsibility owed to the electorate as a whole and not just to the sectarian interests of their political masters...

[The council] has demonstrated a lamentable abdication of its responsibilities by succumbing to a political directive from an external body, regardless of the merits of the matter. It continues, with an equally lamentable lack of insight into its conduct, to contend that it was proper for it to have done so.

Too many reports of fraud and corruption in municipalities point towards inappropriate interference exercised by political office-bearers. A particular manifestation of the conflation of party and state at local government level is the practice whereby party office-bearers populate the municipal administration. In other words, a regional secretary or branch chairperson would be appointed as an official in the municipal administration. The rationale is not difficult to grasp: as senior municipal officials are generally paid better than councillors, their seats are often more attractive than the political seats. In a recent speech, commemorating the 98th birthday of the African National Congress, President Jacob Zuma referred to this phenomenon. He suggested that the senior office-bearers in political parties should not be permitted to be municipal officials. The

President attracted the ire of the South African Municipal Workers Union,²⁰ but the consequences of such a conflation of political and administrative office are often dire. It results in a municipality being ‘rewired’ in a very damaging way. The normal lines of political accountability do not apply and the administration takes on a strangely dominant role in the municipal polity. Anecdotes of municipal officials taking political precedence over their mayor and the resultant comedy of protocol as well as the so-called ‘untouchables’ in the administration have become a source of great hilarity in local government. However, the sad reality is that the municipalities where this phenomenon manifests itself often decline into utter bureaucratic and political paralysis as a result of sliding staff morale and perennial power struggles. It does not take long for this bureaucratic and political misery to spill over into service delivery. Ultimately, communities bear the brunt of this political mismanagement.

The municipal governance system is folded around political parties and depends on political parties to provide support, guidance and political accountability. The Deputy Minister for Cooperative Governance and Traditional Affairs recently remarked: “...it’s not for the party structures to micro-manage councillors, especially as this has sometimes less to do with ensuring that councillors perform effectively and more to do with influencing tenders and narrowly interfering in appointment of staff. Municipal structures should not be treated almost like sub-committees of party structures” (quoted in Local Government Research Centre 2009: 16). If party structures serve narrow personal or factional interests, this is fundamentally detrimental to the developmental local government enterprise. In addition, councillors themselves are increasingly resisting the interference by outside party structures. Such interference drives a wedge between councillors and their communities and councillors feel mistrusted by their own political organisations.

What is the way forward with regard to the problem of undue political interference, considering that political parties are vital to the survival of the local government system? Would the separation of legislative and executive roles help? There is some argument to be made that the conflation of legislative and executive roles in local government adds fuel to the fire in respect of political interference. Currently, the council as an assembly can be the *locus* of the type of executive and administrative decision making that deals

²⁰ See [Hwww.samwu.org.za](http://www.samwu.org.za)H and the union’s Press Statement of 3 February 2010.

with the hard and immediate allocation of resources, jobs and power, rather than being limited to policy making, appropriation and oversight which is less attractive to the proverbial political fraudster. In that line of argument, separating the legislative and executive roles may thus remove the incentive for party structures to interfere in council decision making. However, it is suggested that transforming the council into a legislative and oversight body will not do much to mitigate undue party interference. Inappropriate interference would merely focus more directly on the municipal executive and perhaps even intensify with a clear target in sight.

What is suggested is a combination of political and institutional solutions. Firstly, political parties need to recast their roles vis-à-vis local government, particularly at regional level. While political party structures at national level cannot be accused of endorsing the rogue practices of some regional party structures, they clearly have done too little to make them stop. The position of the local caucus of councillors needs to be redefined. It should be repositioned as a political structure that is subject to strategic and ethical oversight by a party structure, which fundamentally trusts its 'deployees' to take decisions and does not second-guess or by-pass it.

Secondly, it seems strange that the local government system somehow agrees to the combination of party political office with municipal officialdom. A translation of the practice to the national government polity may indicate how strange the combination is. Would it be acceptable for the Secretary-General of the African National Congress to be a Director-General in a national department, or for the Chairman of the Democratic Alliance's Federal Council to be a head of department in the Western Cape provincial government? Such a conflation of party-political and administrative office would undoubtedly raise eyebrows, yet the combination at municipal level is condoned. It is submitted that this is an area where specific institutional solutions are available and will yield positive results without major disruption. A specific provision should be inserted in the Municipal Systems Act to create a barrier between municipal officialdom and holding senior office in a political party. This would prod politicians to decide whether they wish to pursue a political or an administrative career, rather than seeking to combine both to the detriment of municipal governance. In addition, political parties themselves could insert a similar barrier in their internal rules.

Thirdly, the rules in the Municipal Systems Act surrounding staff appointments and staff discipline should be clarified. Practice indicates a number of areas of confusion. The legislation limits the municipal council's involvement with staff appointments to three aspects. Firstly, the council adopts human resources policies, including a recruitment policy, to be implemented by the municipal manager. Secondly, as indicated earlier, the council appoints senior managers. Thirdly, the council oversees the implementation of its human resource policies. However, practice suggests that council or councillors seek involvement with human resources issues on a variety of other levels. For example, the practice of councillors being part of appointment committees for staff other than senior management is not unknown, albeit clearly illegal. Also common is the practice whereby councillors sit in on staff interviews as observers.

Another major area of confusion is the position of managers. They are appointed by the council but report to the municipal manager, and the law is not clear as to where the responsibility and authority lies to discipline these officials if they violate staff codes. This is often an arena where politics and administration cross swords because these senior managers are political appointments (made by the council). Add to this the worst case scenario, namely where the senior manager is an office-bearer in the structures of the ruling party, and there is no realistic way out of the conundrum. It seems clear that the rules regarding staff appointments and discipline need to be clarified. The Municipal Systems Act should follow the same hard line as the Municipal Finance Management Act and limit the council's role to the abovementioned three aspects. A serious debate is also required on the need for the municipal council to appoint managers that report to the municipal manager. This configuration is not followed in the national or provincial public services, where Deputy Director-Generals are appointed by the accounting officer of the relevant department. Why are appointments of senior managers in local government explicitly labeled as political appointments? The rationale may have been to seek synergy between the administration and the council, and it may have fitted the overall theme of a council that is legislator and executive in one. However, the practice is one whereby the appointment of senior managers is potentially a source of conflict and tension between the municipal manager and his or her political masters. That tension could be mitigated by placing the responsibility squarely with the municipal manager (perhaps in consultation with the mayor).

Committee systems

The political functioning of municipal councils is critical to ensure sound democratic practices that facilitate responsiveness of political structures, informed decision making and oversight. With regard to the latter, the Auditor-General, in presenting the 2007/08 audit outcomes for local government observed that financial management of municipalities improved significantly in areas where a ruling party is pressured by opposition parties (Pressly 2009). This important observation points to the value of democratic oversight as an indispensable element of good governance.

By conflating legislative and executive roles in the council the current system of local government does not create ideal circumstances for political oversight of the council over the executive and the administration. However, this by no means exonerates municipalities from using the system to facilitate oversight. In fact, the research suggests that many municipalities have adopted political structures that hamper, rather than improve oversight. This relates specifically to committee systems.

It goes without saying that portfolio committees are critical for the functioning of any council. In any functioning democratic assembly, the hard work is done in the committees where the impact of decisions on communities and residents are often discussed in detail. The same applies to municipalities. It is only in the smallest municipalities where committee systems are superfluous. In all others, they are critical to ensure robust engagement between councillors, municipal executives and the administration. In terms of the law, municipalities have the freedom to fashion their own committee systems. Sections 79 and 80 of the Municipal Structures Act provide the basis for municipal committees. 'Section 79 committees' comprise all or most parties on the council and report to the plenary council. They are chaired by a councillor who is not a member of the municipal executive. 'Section 80 committees' also comprise all or most parties on the council but report to the municipal executive. The committee is chaired by a member of the executive (i.e. a member of the executive committee or mayoral committee) and is designed to assist the executive. Municipalities may adopt combinations of the above two systems.

Practice however suggests that most municipalities opt for the adoption of section 80 committees for all portfolios. It is usually only the Code of Conduct issues that are dealt with by a section 79 committee. Municipalities in the Gauteng province are the

exception; most of them have adopted section 79 committees. The result of the practice in other provinces is that municipal councils operate in terms of a committee system that exists to support the executive. The normal course of events is then that items (reports, recommendations, draft resolutions etc.) are prepared by the administration and then discussed and refined by the section 80 committee under the chairpersonship of the member of the municipal executive. The executive submits the item to the plenary council meeting. In most cases, the deliberation at the plenary meeting is minimal as the preparatory work is done in the committee. This practice does not assist in creating sound democratic governance, responsive municipal councils and oversight by the council over the executive and administration. Portfolio committees should not be reduced to working groups where decisions are refined and political coalitions are welded, even though that may be part of their role. They must also be the engines of democratic assemblies where policies and decisions are interrogated, progress is measured and the hard questions are asked in an open and vigorous debate that takes place on the basis of substantive issues rather political divisions.

More emphasis on the role of committees in exercising oversight over the municipal executive and administration should contribute to more responsive councils. When oversight and the measuring of progress is the desired outcome of a committee meeting, it provides a councillor with the platform to raise the concerns of his or her constituency. On the other hand, when the desired outcome of a committee meeting is the preparation of an item to be submitted to the municipal executive, that same councillor will undoubtedly feel constrained, if he or she is not already overwhelmed by the technical nature that usually characterises these draft decisions.

It is therefore important for the improvement of local democracies that municipal committee systems function not only to support the municipal executive and prepare council decisions but also as committees that exercise oversight over the municipal executive and administration. This can be achieved without separating legislative from executive roles; municipalities should adopt section 79 committees, chaired by 'ordinary' councillors, that operate to oversee the administration. In many instances, this will require significant investment in the functioning and skills of councillors that are designated to chair section 79 committees. In fact, municipalities will be quick to argue that there are too few councillors of the calibre required to chair a section 79 committee. However, if

political parties and municipalities are serious about enhancing local democracies, more councillors need to be empowered to take up these roles.

Conclusion

This paper has dealt with a number of critical governance challenges faced by municipalities in South Africa. It is suggested that these challenges deserve the attention of municipalities and political parties, but also of supervising provincial and national governments. The quality of local democracies needs to be seriously improved if a more constructive relationship between communities and their municipalities is to be achieved. The argument has attempted to shift the primary focus of attention away from the conflation of legislative and executive authority in the municipal council, while nevertheless recognising its significance. It is suggested, therefore, that instead of spending energy on examining a possible separation of powers in local government, the relevant stakeholders (i.e. national lawmakers, municipalities and supervising provinces) should consider smaller institutional changes to the governance make-up of municipalities. Even more importantly, the political and administrative leadership of municipalities and the political structures that surround them should be acutely aware of the disastrous consequences that inappropriate behavior and political interference can have on the functioning of municipalities and therefore on service delivery.

Bibliography

- Carrim, Y. 2009, *Addressing the financial challenges in municipalities in the context of a review of the local government model*, keynote address of the Deputy Minister of Cooperative Governance and Traditional Affairs to the Institute of Municipal Finance Officers Annual Conference, Johannesburg, 6 October.
- de Visser, J. W. and Akintan, O. 2008. *Institutional Tensions between Municipal Chairpersons and Executives - Speaking of Mayor Conflicts?*, Community Law Centre: 2008.
- Local Government Research Centre 2009, *SA Local Government Briefing September 2009*.
- Pressly, D. 2009, *Criticism fosters greater efficiency*, Business Report, 15 July.
- Good Governance Learning Network (GGLN) 2008, *Local Democracy in Action: A Civil Society Perspective on Local Governance in South Africa*, Cape Town: GGLN, 2008.

Modernising local government by fragmentation: Lessons from the Portmore municipal experiment, Jamaica

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Eris D. Schoburgh¹

Department of Government,
University of the West Indies, Mona



Abstract

Modernization of local government leads inevitably to the vexed question of how best to structure local authorities to meet the changing circumstances in which they operate. This is no less an issue for the Caribbean in general and Jamaica in particular, where forces such as increased suburbanization and increasing citizen demands have prompted policy shifts to respond to the changing world of local government. Re-structuring may be proposed to serve a number of key objectives: to achieve economies of scale; to assure organisational viability; or to reinvigorate local democracy. The Portmore Municipal Council in Jamaica, established under the Municipalities Act of 2003 represents fragmentation of the previous local government structure and innovates local policy and administration in two ways: through popular election of the mayor, and through new institutional arrangements designed to promote local/community self-management. This paper reviews the experience of the PMC during its formative years of operation to determine the extent to which the philosophy and practice of

¹ I am grateful for the comments provided by the reviewers which helped me to improve this article. I also acknowledge the assistance of Dr. Allister Hinds who was a member of the team of researchers lead by me and commissioned to collect data on the PMC for the National Advisory Council on Local Government Reform in Jamaica.

local/community self-management are in fact being institutionalised in the operations of the municipality, and to identify lessons for the broader adoption of a process of 'municipalisation'.

Introduction

Local government plays only a small role in the Jamaican system of government. In the 1980s local government was 'virtually dismantled' and its functions regionalised or subsumed by central government (CLGF, 2009). However, in recent years there has been renewed interest in decentralization and local government reform, although local authorities have yet to regain many of the functions they once had and remain heavily dependent on central government grants. There is strong central control: the Ministry of Finance sets the level of property tax, and local government staff are recruited by a national Municipal Services Commission. Currently there are 14 local authorities ranging in population from around 70,000 to over 700,000 – the capital city Kingston. The Portmore Municipal Council (PMC) is the newest of these, established in 2003 under the provisions of the newly promulgated Municipalities Act, which introduced a number of democratic reforms. PMC covers an area of recent suburban development on the western fringe of Kingston. The municipality's population was about 80,000 at the time of its creation. PMC represents an interesting experiment in 'reduction in scale' or 'fragmentation' of the administration of local government functions, given that the area was (and in some ways remains – see below) part of the much larger and long-established Parish of St. Catherine.

Throughout the post-independence period and even up to the enactment of the Municipalities Act 2003, local government in Jamaica has been a single-tier sub-national system administered through parishes. Each parish has its own local authority, known as a Parish Council, with the exception of the parishes of Kingston and St. Andrew that are administered by the Kingston and St. Andrew Corporation (KSAC).² While they vary considerably in area and population, the parishes are bound by the same legal provisions and occupy a similarly subordinate position in central-local relations. The Municipalities Act added a degree of complexity to the system of local government in that the creation of PMC expanded the number of local authorities to fourteen, and in the process divided an existing administrative unit, with the potential for similar fragmentation elsewhere in

² The KSAC is a consequence of earlier reforms that sought to amalgamate local government administrative units to achieve economies of scale.

Jamaica in years to come. The Municipalities Act 2003 does not define precisely the concept of ‘municipality’, but s3(3) makes it clear that their establishment is to reflect community aspirations for this new form of local government (electors and community organizations have to petition for a municipality), and should incorporate “a major urban centre that would be better served by a regime that is focused exclusively on managing the area in order to achieve sustainable and orderly development” (s3(5)). The normal minimum population for a municipality is set at 50,000. Functionally, a municipality is effectively the same as a parish, but a lesser status is implied in that firstly, a municipality remains located within a parish and its council includes those parish councillors elected to the divisions that also constitute the municipality; and secondly, through a ‘protective’ provision of the Municipalities Act (s3(5)(e)) that “the establishment of the municipality is not likely to have any adverse effect on the adjoining communities or the parish in general.”

A municipality is interpreted in this paper in libertarian tradition as a form of decentralization that is institutional in character. That is, a local government administrative unit, in this case a parish, is divided into smaller administrative units, effecting a shift in the locus of power from the capital town to other townships or neighbourhoods. Institutional decentralization can facilitate the development of direct democracies as decision-making is brought closer to communities. In this sense, then, the concept of ‘*municipalisation*’ may be described as the process of dismantling centralized decision-making in local government to facilitate citizens’ active participation. A municipality in Jamaica is distinguishable from a parish in that it expands the democratic realm and specifically seeks to promote active citizen engagement at an appropriate scale. This is highlighted by two further provisions of the Municipalities Act that introduce a popularly elected mayor and establishment of a community-based Advisory Council. Thus although the creation of PMC did not alter the single-tier system of sub-national government, PMC’s interactions with the St. Catherine Parish Council (SCPC) created a number of organisational and political tensions that have been difficult to overcome and have had significant consequences for the financial state of the fledgling municipality.

This paper therefore focuses on the ‘Portmore experiment’ to gauge the success of creating a new municipality in terms of both administration and service delivery, and the

extent to which the philosophy and practice of local/community self-management have been effectively institutionalised in its operations.

Consolidation or fragmentation?

As Leemans (1970:51) observes: “whenever a government wishes to fundamentally reform its system of decentralization, it tends to give primary attention to its overall structure, fitting other aspects such as allocation of powers and functions, size and boundaries of local government units into that structure.” Thus scale enlargement, scale reduction, or cooperative arrangements/partnerships represent typical policy responses in decentralization reforms.

The optimal size of local government units has for a long time seized the attention of analysts and is contested between two viewpoints: the consolidationists (or centrists) who associate enlarged local government units with economies of scale, and advocates of community government (or polycentrists) who assert that small units are more conducive to grassroots democracy. For the consolidationists, large (in population) local government units facilitate inter alia, more effective local problem-solving, greater opportunities to raise revenue without disadvantaging any group, and more optimal functioning given the increased capacity to perform a variety of tasks, as well as increased scope for effective exercise of political responsibility given the greater ability of larger units to balance local needs and resources. Those who favour fragmentation of local government units cite the incompatibilities that exist between large size and democracy, resting their claim for reduced scale on facilitation of community sovereignty and ultimately, an expanded democratic realm. Large local government units, it is argued, have a tendency to become ‘super governments’ that have a propensity to be insensitive to the needs of localities. For an expanded exposition of these contending positions see ‘classic’ works such as Madison (1941), Dahl (1967), Sharpe (1970), and Gunlicks (1981); and more contemporary writing such as Newton (1982), Magnusson (1986), Kjellberg (1995), King and Stoker (1996) and Schoburgh (2006).

In recent years public choice theory has been highlighted by those favouring smaller local government units as a supporting argument to the case for decentralized democratic governance. Public choice theorists advocate for local government fragmentation, the fundamental value of which is an increased level of political representation and participation, but also see it as conducive to economic growth. This draws on Tiebout’s

(1956) thesis that residents are similar to consumers who ‘shop’ between different municipalities to find the one that has the right mix of taxes and public services, and that people’s ability to choose forces towns to compete against one another making these towns better able to discover and serve the needs of their citizens. At the heart of the application of public choice ideas to local government structure are quasi market values, by which public choice scholars tend to consign local governments to being merely producers of services rather than political entities. The emphasis on managerialism over democratic politics has been one of the tensions evident in the application of public choice ideas to local government reform, and has formed the basis for an emergent ‘neo-progressive’ perspective that hypothesizes a new case for consolidation of local government (see for example Lowery, 1999a). This challenges the public choice view that a fragmented system of local government is acceptable on the basis that individuals, given adequate information about the performance of their local authority, can exercise either a *voice* or *exit* strategy if they become dissatisfied. Neo-progressives recognize the value of adequate information, but argue that fragmentation of institutions provides greater opportunities for blurring of functional responsibilities in local government, thus weakening democratic accountability. Further, that democracy is weakened when the primary response to dissatisfaction is the *exit* strategy. Neo-progressives also suggest that the ability of fragmented units to respond to metropolitan-wide problems is questionable. Their thesis is that fragmented institutions preserve income inequality as a result of the disconnection between resources and needs (Hill 1974; Neiman 1976; Lowery 1999b).

What perhaps has been overlooked in this discourse around the benefits or otherwise of fragmentation is that, depending on how the concept is applied, fragmentation could be ‘managed’ through overlapping spheres of political influence, as is the case with PMC and SCPC. Although the two local authorities are separate political and legal entities, they are linked by the provision of the Municipalities Act in law that means they share the same councilors (other than the mayor of PMC). Dual representation of this sort resides in a reform context in which norms of centralization are predominant and decentralization policies are implemented somewhat tentatively to ensure that existing power structures are not threatened. In an era of governmental change and reorganization, these issues of fragmentation vs consolidation in local government have taken centre stage alongside discussions on how to tackle problems arising from population dispersion and urban sprawl; the relationship between ‘spillovers’ and sub-urbanisation and ex-urbanisation; and local and regional economic development, among

others. Reflecting these issues, a third perspective – the regionalists (see e.g. Nelson and Foster, 1999; Brenner, 1999; Lowery, 2000) – is also slowly gaining ground. The case for regionalism is mostly couched in socio-economic and ecological terms, as a way to combat urban inequalities. It complements the consolidationists by arguing that political fragmentation of metropolitan areas makes service provision, economic development and democratic voice difficult. Thus regional government is the solution, especially in dealing with the impact of globalization and the need to build new capacity to respond to global competition.

Differing views on the optimal size of local government units are inevitable as we seek the best means of assuring the functional integrity of local government while attending to its democratic genealogy. And of course, the differing contexts in which systems of local government operate, both socio-economic and political, is of fundamental importance in determining which body of ideas will prevail.

A profile of Portmore

The geographic space that is referred to as Portmore is in actuality an agglomeration of more than sixty distinct localities with a combined estimated population of 160,000. Each locality is very different in character ranging from the desirable residential neighbourhoods of Hellshire, inhabited by persons in the upper middle to high-income brackets, to the deprived areas of Portmore Lane and transitional areas like South Borough. Portmore has transformed from a group of dormitory-like localities that had their beginnings in government housing schemes of the late 1960s into a more balanced social and physical space evident in the integration of private housing developments and business districts. Rapid urbanization of Portmore occurred in the absence of a coordinated strategic long-term development plan and has led to an imbalance between urban expansion and adequate social infrastructure.

Located in the parish of St. Catherine, Portmore is in close proximity to two parish capitals, Spanish Town and Kingston, and is geographically contiguous to the port of Kingston, making it a site that experiences significant spillovers from the bustling commercial activities that characterise the two neighbouring urban centres. Portmore has a reasonably good network of roads, the most recent development being the controversial Highway 2000, a section of which passes through the area, as well as adequate water supply, electricity and telephone networks. At the height of its dormitory status,

Portmore had the best educated workforce in the Caribbean, occupying an estimated 40% of all jobs in Kingston. This pattern of employment has been shifting with steady growth in economic investment and expansion of government services in Portmore itself.

Part of the justification given for directing the new six-lane Highway 2000 through Portmore towards Kingston was that it would be a conduit for economic expansion. Significant increases in revenue inflows into Portmore are expected to follow from the new highway with benefits from improved property values and expanded business opportunities accruing to residents in the short-run. Tourism is also identified as a potential source of revenue for the area on account of the existence of historical features such as the Taino sites,³ old plantations, Fort Augusta and Fort Clarence, that when combined with the general ecology of the area and the already popular beaches, have the hallmarks of a viable industry. The socio-economic profile of Portmore has been the sustaining force behind activism for local self-management. Residents were adamant that the area's resources and potential for economic take-off were compelling factors supporting their call to separate from the St. Catherine Parish Council. Moreover Portmore, more than any other group of localities in Jamaica, has an abundance of human resource capacity and capabilities that provide the foundation for local self-management processes. Finally, the fact that the move for local self-management originated with the local citizenry provided an important signal of the high degree of community ownership of local decision-making, a critical benchmark of a viable local democracy.

The process of municipalisation: Grassroots organizing and policy innovation

Rapid development of housing in Portmore had been accompanied by increasing levels of residents' dissatisfaction with the quality of local services provided by the St. Catherine Parish Council. In particular, the erection of a set of townhouses known as Bridgeview during the early 1990s, on the last remaining viable 'green space' in the locality, precipitated a series of events one of which was a coalition of local interests into the Portmore Joint Citizens Association (PJCA). This marked a new phase in community activism for local self-management. The concept of a municipality became the platform on which the PJCA advocated for improved service provision and a greater community role in the management of these services. George Lee, who assumed leadership of the

³ Arawak/Taino Indians inhabited Jamaica from 700-1600AD [Associate Editor note].

PJCA in 1995, articulated these ideas in a concept paper that formed the basis of negotiations with the Ministry of Local Government, which since 1993 was itself overseeing a comprehensive programme of local government reform in Jamaica. In contra-position to George Lee's proposition for municipal status for Portmore, Arnold Bertram, then Minister of Local Government, introduced instead the concept of a 'city council' to form part of the St. Catherine Parish Council and which had responsibility for managing the affairs of Portmore. Minister Bertram's action was in effect a rejection of the PJCA's solution to the problems that Portmore faced, but his approach proved unsustainable, lasting for only six months, given the rejection of citizens' ideas. Minister Bertram's response to the PJCA had triggered an intense period of advocacy engendering an eddy of activities aimed at attaining the goal of municipal status.

In April 1994 Prime Minister P.J. Patterson established a Municipality Task Force with the mandate to study the political implications of transforming Portmore into a municipality and provide the requisite policy advice to the Ministry of Local Government. Later, disappointed by the lengthy deliberations and the inability of the Municipality Task Force to take concrete actions towards transforming Portmore, the Prime Minister prompted Minister Bertram to acquire the services of private consultancy to advise on the necessary steps to be taken in the creation of the Portmore Municipality within the current local government structure. Approximately two years later recommendations from the consultancy were that a two-stage implementation strategy should be followed which entailed in the first instance, creation of the Portmore Municipal Consultative Committee (PMCC), an interim body with legal status to coordinate local functions and preside over the formulation of a development plan for the area, as well as mobilize and manage finances. The PMCC operated through a Local Planning Secretariat (LPS) supported by five sub-committees – strategic planning, public relations and community development, finance, infrastructure and amenities, and environmental management. Subsequently, in December 1997, the Prime Minister announced that Portmore would be granted municipal status within a year, although this in fact took much longer.

Portmore's transformation to a political entity with decision-making authority was accompanied by a number of organizational changes, reflecting role transformation and concomitant shifts in political clout. The PJCA, which had apparently taken the municipal campaign as far as it could, was replaced by the Portmore Municipal

Development Committee (PMDC), a broad-based organization that assumed responsibility for preparing a Framework Agreement for the Municipality (FAFM). Out of the FAFM emerged a Local Planning Authority (LPA) with a mandate to prepare an integrated development plan for Portmore. In August 2000 the LPA assumed the functions of Local Planning Secretariat paving the way for municipal status for Portmore. In March 2001 the St. Catherine Parish Council bestowed *town status* on Portmore and demarcated its geographic limits. Finally, in May 2003, the new Minister of Local Government, Portia Simpson-Miller, signed the Municipalities Act which granted municipal status to Portmore, fulfilling the second recommendation of the consultancy engaged by Minister Bertram.

Local government reform

As noted earlier, broader contemporary processes of local government provided an important context for developments in Portmore. The publication of Ministry Paper 8 of 1993 by the Ministry of Local Government had affirmed central government's commitment to the restoration of functions and responsibilities to local authorities, previously appropriated upwards to central government ministries and departments. Resolution of the perennial problem of creating independent sources of revenue for local service delivery was also placed on the agenda. Accordingly, the policy envisioned the transformation of local government to enable its participation in the development process, especially in light of significant socio-economic changes that were occurring in communities and towns. Increased urbanization with negative externalities, combined with increased citizens' demands for improved local service delivery, placed inordinate pressure on local administrative structures. Moreover, socio-economic interdependence between communities and townships had blurred jurisdictional boundaries, occasioning the concept of Development Areas, a social construct employed to distinguish between the parish, the traditional unit of local government, and new centres of economic activity that competed with parish capitals. In the meantime, new ideas about sub-national policy and international political developments such as the disintegration of the communist bloc were spurring interest in institutional arrangements reflecting the concept of *governance*.

The combination of incipient conditions for transforming local government in the domestic sphere, and the ideas that were now informing contemporary policy practice, provided the underpinning for Ministry Paper 7 of 2003, which promulgated a second phase of local government reform based on the ideological premises of public choice.

Ministry Paper 7/03 assigned local government significant democratic value as seen in the overarching policy objective:

(T)he attainment of a strong and vibrant local government is essential to the attainment of a society in which all citizens enjoy real opportunities to fully and directly participate in and contribute to the management and development of local communities.

The paper saw local government reform and community development as complementary processes in the quest for citizen empowerment. It provided for the establishment of mechanisms to assure effective delivery of service to communities on a financially sustainable basis, *and* with the active involvement and participation of the citizens. While Ministry Paper 8 of 1993 was primarily concerned with administrative reshaping, more so than political restructuring, Ministry Paper 7/03, with its concentration on democratic renewal, implied a shifting of the balance of power in favour of the local level. In this regard democratic governance became synonymous with a functioning local government. Teune's (1995: 9) view that "local governance has a built-in incentive for participation due to the immediacy of its actions and the ease of access of its workings compared to remote and complex national centres" captures the philosophical intent of the policy.

Thus grassroots advocacy for local self-management in Portmore and central government's design of local government reform policies were two distinct but parallel processes that coincided to create a 'window of opportunity' through which municipal status for Portmore was realized. This was a win-win game in that the residents of Portmore found the perfect niche to press their claim for government recognition of their capacity to manage their own affairs, while central government found an opportunity for experimentation with alternate forms of local decision-making. Both Ministry Papers 8 of 1993 and 7 of 2003 enunciated ideas that were consistent with the fundamental goal set by Portmore's campaigners for municipal status. The overarching goal of community empowerment set by the policy of local government reform resonated with locality-based action in Portmore, and provided leverage to change the local government structure.

The philosophy and practice of local self-management

The Municipalities Act of 2003 can be seen as deliberate policy action by central government to fragment the previous local government system in Jamaica. The Portmore Municipality not only changed the structure of local government but saw innovations at

the sub-national level that exemplified experimentation in two aspects of local government policy: popular election of the Mayor, and construction of institutional arrangements for local/community self-management. The organizational structure and operational framework of the new municipality formalised the vision that the JPCA had for Portmore, and the Municipal Charter articulates a pattern of local governance structures aimed at achieving a more responsive, representative and accountable local authority indicated by four of the objectives:

- (a) to provide for efficient and accountable management of the affairs of the Municipality of Portmore;
- (b) to institute such measures as are necessary for ensuring that the management of the affairs of the Municipality are conducted in a manner which is responsive to the needs and views of the inhabitants of Portmore;
- (c) to provide a governance mechanism which will enable the inhabitants of Portmore to –
 - (i) participate in determining the social services and regulatory frame work which will best satisfy their needs and expectations; and
 - (ii) verify whether public resources and authority are utilized or exercised, as the case may be, to their satisfaction;
- (d) to promote social cohesiveness and a sense of civic duty and responsibility among all inhabitants and stakeholders in Portmore, which will facilitate collective action and commitment towards achieving the goal of a harmonious and stable community.

The Municipal Charter, granted by the Minister under the Municipalities Act, is the critical guidance instrument for efficient and effective functioning of PMC, and set the standard against which service provision within the municipality would be evaluated. Closer examination of the governance structure reveals interesting administrative and policy tendencies that characterize the process of giving effect to local self-management. Governance roles within the municipality are allocated among three institutional arrangements: (a) a decision-making, policy formulating, governing Municipal Council led by the Mayor and assisted by three full committees and four sub-committees; (b) an Advisory Council of representatives of civil society; and (c) a municipal office that is responsible to the PMC for the implementation of policy and administration of all the affairs of the municipality. These arrangements are now discussed.

Popularly elected mayor

This represents one of the most revolutionary changes in Jamaica's local electoral processes as well as the broader political system, and is a calculated action employed to enhance local democracy. In the 2003 local government polls George Lee, former chairman of the JPCA, was elected mayor of the Portmore municipality and the country's first directly elected mayor. Being elected, there is a presumption that the mayor has adequate political/popular support which provides the requisite level of legitimacy to bring about changes to local policy formulation and implementation. It is also not an unreasonable expectation that George Lee's leadership of the grassroots movement that yielded municipal status for Portmore would accrue to him substantial amounts of political influence in local decision-making. Among Mayor Lee's responsibilities was the "building and maintenance of a strong alliance and effective working relationship between the Council and constituent communities to enable sustained local inputs into the policy process of the municipality" (Charter of the Municipality of Portmore). However, aside from the rhetoric of the democratic value, little administrative clout is attached to the position of directly elected mayor, who exercises only limited executive powers. Mayors may be further circumscribed by party discipline. For instance Mayor Lee was a vocal critic of government's approach to financing the municipality, but nevertheless had to exercise some restraint due to his political affiliation with the ruling People's National Party (PNP). Moreover, constant 'battles' between the PMC and central government for greater facilitation of the proper functioning of the municipality could have been construed by citizens as ineffective leadership and weak problem-solving skills. Also, Mayor Lee appeared to invest much time in dealing with challenges to the exercise of his authority which ultimately erode political capital and accountability to PMC constituents. Such internal conflicts stymied the design of a sustainable development plan for the municipality, to which the Canadian International Development Agency (CIDA) had committed both technical and financial resources.

As a prototype local authority, the PMC faced a number of other challenges in establishing sound governance structures and institutional frameworks. Mayor Lee admitted that for the duration of his tenure (2003-2007) the policy functions of the PMC were subsidiary to operational issues that seized the attention of local leadership (Interview May, 2009). PMC thus became concerned with minutiae during its formative years rather than investing in the synergies that created the social movement that led to its creation.

This experience offers two crucial lessons. First, having a popularly elected mayor does not translate automatically into decentralized democratic governance. A popularly elected mayor is purely one step, albeit a major one, on the ladder of institutional arrangements that may appear mundane but which will create the policy and administrative ethos that will facilitate complete democratization. Second, decentralised democratic governance requires continuous efforts at both the local and central levels, and an investment of core resources, including time and threshold financing, to enable norms of local self-management to evolve and flourish. The PMC was at the stage of experimentation and when adequate support for key principals at the local level is crucial.

The committee system

The PMC “executes every power and duty of that parish council under any public or private act, in respect of the municipality to which the power or duty applied immediately before the coming into force of the Municipalities Act” (Municipalities Act [Portmore Order] 2003 section 4[13]). Thus its responsibilities are similar to those of other local authorities in Jamaica. Exceptions at the time of review were poor relief and welfare, the impounding and control of animals, and the provision of cemeteries and public health, which were retained as responsibilities of the St. Catherine Parish Council (SCPC). Also like other councils, PMC exercises its responsibilities through committees composed of councillors, who in most cases act as chairs, and a limited number of co-opted members.

The presumed functional value of the committee system has not been questioned in the Portmore municipal experiment. PMC has a two-tiered committee structure comprising three full committees: Finance and Administration, Planning Development and Environment, and Infrastructure and Traffic Management; and four subcommittees: Disaster Preparedness and Public Health Management, Community Relations and Civic Affairs, Human Resources, and Contracts Allocation. These reflect the core service provision role of the municipality. Their operation and membership also reflects the *raison d’être* of the municipality – active engagement of the citizens through formal processes that facilitate their inputs into local decision-making. Indeed citizen involvement is axiomatic to the reinvigoration of local democracy and achievement of local development and prosperity. The constitution of both the full and sub-committees

of the PMC reveals a high level of fidelity to these democratic values. Active community representation on committees was evident with the exception of three: Finance and Administration, Human Resources, and Contracts Allocation. The Community Relations and Civic Affairs Committee had the largest number of community representatives.

Nonetheless, one may deduce a conservative approach to participatory governance grounded in the belief that there ought to be limits on the extent to which citizens are privy to deliberations on policy issues such as finance, allocation of contracts, and human resource practices within the municipality. This conservatism can be seen as a residue of an administrative culture characterized by secrecy that pervades administrative practice at both local and national levels. A shift in administrative orientation has been observed, however, with the enactment of by-laws that authorize participation of citizens on committees that deal with planning and development. This appears to be a means of arresting growing disappointment with the absence of transparent policy processes in the PMC and inadequate involvement of citizens. However, the contentious area of contract allocation remains beyond public scrutiny, a poignant reminder of the political patronage still expected of local authorities.

The advisory council

If the level of influence that citizens have on municipal policy process falls below the level envisaged by the architects of the Portmore municipality, and if local community self-management norms are not sufficiently evident in PMC policy practice, then these institutional flaws must be placed at the feet of the Advisory Council. The Advisory Council is legitimated by the Municipalities Act 2003 but was not operationalised until January 2004 as a sort of policy ideas ‘laboratory’ for the municipality, fulfilling one criterion of the Municipal Charter and demonstrates a new approach to policy development and implementation at the sub-national level. Its membership comprises 17 members from civil society, private sector and community-based organizations.⁴ This broad base is strategic to the performance of its functions, four of which are to:

⁴ Members are drawn from the Police, Portmore Joint Citizens Association, Greater Portmore/All Hellshire Citizens Association, Portmore Ministers Fraternal, Portmore Development Committee, small and large business operators, Chamber of Commerce, artisans, entertainers, attorneys, accountants, Social Development Commission (Youth), Portmore Junior Chamber and other service clubs, lay magistrates and medical professionals.

- (a) make recommendations in respect of the policies, programmes and plans of the Municipality, with the right to request the Municipal Council to reconsider such proposals;
- (b) nominate persons to sit on committees of the Municipal Council;
- (c) facilitate dialogue among sectors of the Portmore community in respect of issues that are pertinent to the advancement and proper governance of the Municipality, and make representations to the Municipal Council on such matters;
- (d) be consulted in relation to the preparation and implementation of plans for the strategic and sustainable development of the Municipality.

The Advisory Council is an important institution situated at the centre of the policy formulation process of the municipality, designed to ensure that local governance is a product of viewpoints and initiatives from a wide range of local sources. However, the way it has functioned since coming into being appears at variance with the role it was assigned, and begs the question of whether members understood their role or were prepared to function in the capacity they were given. A review of attendance records revealed that members' attendance at meetings of the Advisory Council was sporadic (Minutes, February 21, 2005). The unsatisfactory attendance record of some members has been attributed to two issues. First is the involvement of the Advisory Council in the conflict over the Highway 2000 toll between the residents of the municipality and the government, which resulted in a clear division within the membership between two stances: those who sided with Portmore residents claiming that a toll violated their right to unobstructed passage to their homes; and those who thought that the toll was not a major problem since there was an alternate route. The conflict evolved a division along political party lines, and was seen by some to have diverted the Advisory Council from its mandate. It resulted in some members deciding not to attend meetings. Secondly, the late start of meetings of the Advisory Committee and sub-committees proved to be an inconvenience for some members who had other professional obligations to meet.

A further source of consternation for the PMC was the apparent ignorance of local policy issues displayed by some members, who relegated the deliberations of the Advisory Council to non-essential matters. Importantly, and contrary to the stipulations of the Municipal Charter, the Advisory Council failed to establish the Portmore Public Accounts Committee. This omission meant that the expenditure functions of the municipality were carried out without the benefit of close public scrutiny. A performance

rating exercise conducted at a strategic planning retreat of the PMC in August 2004 had a majority of the assessors conceding that the Advisory Council was a weak organization that was incapacitated by the absence of by-laws to guide its operations, a budget to support research and evaluation, and a secretariat that would contribute to organisational cohesion. The below-par performance of the Advisory Council left the political and administrative leadership without an objective and independent source of policy advice. More important the Advisory Council did little to strengthen the link between the PMC and local communities.

Financing in the context of dual representation

Adequate and predictable sources of financing local government is an essential element of decentralization (Schoburgh 2006), and this makes fiscal reform a major development issue (Smoke 1993). This fact is not lost on local government modernization in Jamaica as financing is identified as a priority issue in reform policies and is correctly associated with capacity enhancement and achievement of autonomy at the local level. But despite this acknowledgement local government financing remains problematic and was no less so for the newly created PMC. Like the Parish Councils, the PMC is funded from four main sources: the parochial revenue fund (PRF),⁵ general revenues,⁶ self-financing services,⁷ and government grants.⁸ A statement appearing in *The Gleaner* of April 16, 2005 attributed to Mayor Lee (and corroborated in interviews conducted in April and May 2005 and April 2009), provides a clear picture of the financial state of the municipality:

⁵ The Parochial Revenue Fund (PRF) includes revenues from property taxes and motor vehicle licenses. It is controlled and managed by a public officer designated by the Minister of Local Government. Disbursements from the PRF are as follows: each Parish Council receives 90% of the property tax paid in the relevant parish and 25% of the amount paid for motor vehicle licence fees. The remaining 10% of the property tax is distributed to each parish on the basis of need. The remaining 75% of the motor vehicle licence fees is disbursed to each Parish Council on the basis of the number of miles of parochial roads in the parish expressed as a percentage of the total number of miles of parochial roads in the island. Disbursements from the PRF are used to finance road maintenance and property related services such as solid waste management, street lighting and beautification.

⁶ General revenue is made up of user fees and municipal charges. It includes items such as: trade licenses; barber and hairdresser licences; places of amusement licences; advertisements and billboards; and building and sub-division fees.

⁷ Self-Financing services consist of income generating enterprises run by the PMC. At the time of the review, the only commercial service entity within the portfolio of the municipality was the market.

⁸ Government Grants are given to PMC to assist with administrative costs .

... the biggest challenge that faces the Municipal Council is the lack of financial support from central government and the lack of autonomy...the problems posed by the shortfall in financial support from the government were made worse by the unpredictability of the revenue flow from the government...it is difficult to make programmed expenditure when one is not sure whether approved estimates and other promises will be honoured. If we had not run a tight ship we would have sunk...the expectations of the citizens far outstrip the capacity of the Municipal Council, since the Council is not well-equipped due to severe budget constraints to perform the wide range of functions that some citizens demand.
(The Gleaner, April 16, 2005)

What is striking is that a newly established local authority has from its inception operated under conditions of significant revenue shortfall arising from two factors: (a) central government's failure to provide \$30 million it committed to aid start-up processes; and (b) the organizational and institutional complexities inherent in dual representation which emerged with the establishment of the PMC within the parish of St. Catherine. In the first year of operation of the PMC, the SCPC retained functional as well as legal authority for provision of certain services within the municipality – poor relief and welfare, impounding and control of animals, provision of cemeteries, and public health. The collection of property tax within the municipality was also a latent source of conflict between the two authorities as SCPC retained administrative control for this function, and was concerned about the implications of establishing PMC for the revenue base of the parish in general (The Gleaner, September 2003). The population profile and density of Portmore represents a resource that has a decisive role in whether either local authority remains economically viable. Moreover, the revenue base of the new municipality is subject to a complex array of decision points – SCPC, Ministry of Local Government, Ministry of Finance and the PMC itself – with a degree of institutional complexity that may have been under-estimated at the start of the process of municipalisation.

Apart from the complications associated with financing the municipality, dual representation presents particular challenges for the councillors' role in steering local self-management processes. As noted earlier, PMC councillors are also full members of the SCPC with all legal entitlements intact, and they exercise their voting rights as well as chair committees within the SCPC. Attending and participating in meetings of both local authorities increased their representational load substantially, reducing their ability to provide effective political representation within PMC.

Dual representation together with the contentious issue of revenue generation and allocation has made the relationship between the PMC and SCPC tenuous, at best. What

does this mean for the future? Is it possible for the municipality to achieve a greater level of independence in its operations without these tensions? It seems unlikely as fragmentation is inherently conflictual and some level of tension in organizational interactions should be anticipated. Biehl's (1998) ideas on municipalism appear relevant here: "existing power structure will hardly tolerate the existence of a confederation of democratized municipalities that has created a democratic politics, an empowered citizenry, and a municipalised economy."

Lessons in theory and praxis

Democratized decentralized governance represents the fundamental goal of PMC and is evident to varying degrees in the politico-administrative practices of the local authority. The PMC's approach to the conduct of general meetings; facilitation of direct presentations from the public to the Council; public screening of the proceedings of meetings via local community cable channels; and employment of 'town hall' meetings to solicit citizens' inputs and recommendations are elemental to a democratic ethos and demonstrate deliberate efforts on the part of the PMC's political and administrative leadership to transform the way business is conducted at the local government level.

Steady progress has been made towards realization of the objective of citizens taking responsibility for managing their own affairs through partnership arrangements that have been employed in local activities such as development of community parks and implementation of beautification projects within the municipality. Community self-management norms have featured in development of an environmental program dubbed 'the Greening of Portmore', as well as in the design of a zone system for disaster preparedness and emergency management services. Significant levels of voluntary cooperation are also apparent in the efforts of the local citizens' association in the Four East Area to monitor implementation of specific PMC projects.

However, these positive trends in the transformation of local governance processes have not taken root within the organizational structures, which still follow a traditional local authority model with typical 'machine bureaucratic' values and mechanistic approaches, plus their dominance by elected representatives. The constitution of the committees and sub-committees of the PMC has indicated, for the most part, a tilting of the decision balance towards the community, principally to capture the naturally occurring activism that characterizes Portmore's constituent communities and to leverage community

resources. But this shift has not been sufficiently radical to counter the norms associated with the dominance of the political sphere. The fact that community participation was most significant on the Community Relations and Civic Affairs Committee suggests reinforcement of a culture of 'immediacy' in community participation and the relegation of community interests to dealing with short-term objectives.

The disjuncture between the rhetoric of community/local self-management and the modest outcomes of the Municipalities Act 2003 must be understood against the background of the value conflicts that emerge in local government reform and organizational change. This is not unique to local government modernization in Jamaica. For example, reform in the United Kingdom under New Labour provides important lessons about the tensions and associated disjuncture that exist between the need to retain central performance control but at the same time respond to the local aspirations and differences (Painter and Clarence 2000; Painter, Isaac-Henry and McAnulla 2003; Martin and Boaz 2000). For these reasons Newman (2001) reminds reformers of the folly in adopting a single governance narrative. According to Painter, Isaac-Henry and McAnulla (2003: 37) the notion of 'citizen-centred governance' demands that "the ethos of customer service, if more than cosmetic, must also become a driver for deeper changes in the way a council is run, with ramifications throughout the organization." On this basis, the philosophy that undergirds the Portmore municipality appears antithetical to the compartmentalized decision structures associated with the current arrangements for service provision and committees. Local self-management norms are appropriately associated with the promotion of coordination and possibly a more corporate focus. However, such new structural and administrative forms place greater demands on political and administrative leadership, requiring new skills and competencies, and challenge traditional organisational culture and policy outlook.

If the committee system upholds traditional administrative values, then the Advisory Council is the institutional arrangement devised to neutralize the influence of these values and represents an important innovation of the Municipalities Act 2003. However, the Advisory Council has faltered, having yet to achieve the level of political clout that would permit it to establish its presence as an authentic local policy advisory mechanism and stamp its authority on its portfolio responsibilities. Three inter-related explanations are offered for this outcome. Firstly, the difference and tensions between the goals and processes of social development and political power. Secondly, inadequate preparation of

the members of the Advisory Committee in terms of their roles and clarification of the boundaries and interactions between the civil and political spheres. Thirdly, resistance to change on the part of elected councilors. This point was highlighted by Mayor Lee who stated that:

It was a battle for councillors to accept the Advisory Council as they saw it as an intrusion...They raised concerns about the confidentiality principle being breached...Today the Advisory Council does not have a vote on the Finance and Administration Committee (Interview April 2009).

The functional deficiencies of the Advisory Council robbed it of political capital. Moreover, reformers erred in believing that the professional capacities and service orientation of the membership of the Advisory Council were sufficient grounds to expect that the PMC would have access to both policy expertise and policy information, and that the Council's membership would transcend partisan interests. Again George Lee's assessment of the Advisory Council is telling: "The Advisory Council was not strong enough to take on the council...its constitution did not allow for direct community representation...they were more inclined to maintain the status quo" (Interview April 2009). The Advisory Council was the institutional response to the conviction that public participation in local government should be enhanced, but its efficacy depended on factors that were not taken into account and which hindered community influence on municipal politics.

Finally, a comment on the notion of popularly elected mayor, which arguably represents the most radical aspect of the municipal experiment in Jamaica, and like the Advisory Council represents a counterpoint to the traditional committee system. Popularly elected mayors have increasingly become a feature of sub-national politics in, for example, Western Europe as a means of improving management of local affairs and providing effective representation of the local community (Fenwick and Elcock 2005). It is theorized that a popularly elected mayor has the potential to: (a) raise the profile of local elected representatives; (b) redress the asymmetry in power between central and local levels; (c) re-invigorate local democracy; (d) build local/community leadership capacity; (e) reinforce internal organizational leadership; and (f) reduce the impact of party politics on local policy (Fenwick and Elcock 2005:62; Clark et al 1996). These values are relevant in the case of the Portmore experiment, as a determination was made that a popularly elected mayor is a worthwhile and workable option in the empowerment strategy that underscores local government reform in Jamaica. However, implementation

of the concept has highlighted some important lessons, particularly about the way in which politics conditions the relationship between management and political leadership at the local and central levels; the evident threats to organisational and individual power bases; the need for a supportive organizational framework; and the need for complementary reorientation of their political, administrative and policy outlook on the part of other locally elected representatives as well as communities. George Lee had this to say about his tenure as mayor:

In theory the office of elected mayor isolates you from direct politics/party influence as your power and authority came from the people and were supported in law. I was conscious of my authority and this brought me into conflict with my PNP counterparts...it (directly elected mayor) was good for community...bad for politics (Interview April 2009).

The fact that George Lee, even with his close connection to the grassroots movement that pre-dated the municipality, was unsuccessful in his bid to retain the position of mayor in the municipal elections of 2007 may be seen as one of the enduring lessons of the Portmore experiment. His successor, Keith Hinds, has strong political support both at the local level with a majority council, and at the national level where his affiliated JLP has won government and is seeking to advance the process of local government reform in preparation for full decentralization of authority to the local level. Political and administrative shifts create new dynamics that can overcome the inertia that sometimes afflicts protracted reform movements. For it is now possible for Mayor Hinds and the new Minister of State for Local Government to change the fortunes of the PMC.

Conclusion

The Portmore experiment has demonstrated quite unequivocally that municipalism can be a viable option in local government organization in Jamaica. The PMC adopted an approach to local governance which has in some respects at least enabled communities to take more responsibility for the management of their affairs. Service delivery has attained fairly high standards despite the challenge of financing. Moreover, the initiatives taken to augment financial inflows into the municipality, along with the collaborative arrangements that have been attempted, signify a willingness to chart a new direction in local governance in Jamaica. Nonetheless, this review shows that more widespread application of the municipalisation process requires attention to a number of key factors

if the next phase of implementation is to be less traumatic for local leadership and constituent communities:

- *Administration:* The protracted delay in providing the PMC with a dedicated secretariat and the difficulties experienced in staffing the Municipal Office must be corrected in order to avoid the impression that political expediency and gamesmanship, rather than a genuine concern for socio-political transformation and local government modernization are driving the empowerment strategy of local government reform.
- *Viability:* Adequate provisions must be made for the financing of the municipality. However, the Portmore experiment has shown that it is unwise to rely upon central government financial support as a means of achieving viability, and that local government must seek alternative sources of funding and in particular must reorient its functions towards an economic developmental role.
- *Policy Focus:* The idea of an Advisory Council is progressive and suggests a new orientation in local policy development. The Portmore experience illustrates, however, that how to successfully implement such a concept has to be clearly understood, and its successful adoption elsewhere depends on requisite material and human resources to enable it to fulfil its mandate.
- *Dual representation:* Dual representation has the potential to deflect attention from the core goals of the municipality if not regulated properly. Given its direct impact on the quality of local representation it is a matter that requires swift resolution.

References:

- Biehl, J. 1998, *The Politics of Social Ecology*, Black Rose Books Ltd: London.
- Boyne, G. A. 1996, 'Competition and Local Government: A Public Choice Perspective', *Urban Studies*, vol. 33, no. 4-5, pp. 703-721.
- Brenner, N. 1999, 'Globalisation as Reterritorialisation: The Rescaling of Urban Governance in the European Union', *Urban Studies*, vol. 36, no. 3, pp. 431-451.
- Clarke, M., Davis, H., Hall, D. and Stewart, J. 1996, *Executive Mayors for Britain? New Forms of Political Leadership Reviewed*, School of Public Policy, University of Birmingham: Birmingham.
- Commonwealth Local Government Forum (CLGF) 2009, *Commonwealth Local Government Handbook*, Commonwealth Local Government Forum.
- Dahl, R. 1967, 'The City in the Future of Democracy', *American Political Science Review*, vol. 61, no. 4, pp. 953-70.
- Fenwick, J. and Elcock, H. 2005, 'New Development: The Elected Mayor and

- Local Leadership', *Public Money and Management*, vol. 25, no. 1, pp. 61-66.
- Government of Jamaica 2005, *Minutes of Meeting of the Portmore Citizen's Advisory Council*, Portmore Citizen's Advisory Council, 21 February.
- Government of Jamaica 2005, *Minutes of the Contracts Allocation Committee of the Portmore Municipal Council*, Allocation Committee of the Portmore Municipal Council, 7 February.
- Government of Jamaica, *Municipalities Act 2003* (Jamaica).
- Government of Jamaica, *Municipalities Act 2003* (Jamaica), Charter of the Municipality of Portmore, 22 May.
- Gunlicks, A. B. 1981, *Local Government Reform and Reorganization: An International Perspective*, Kennikat Press: London.
- Hill, R. C. 1974, 'Separated and Unequal: Government Inequality in the Metropolis', *American Political Science Review*, vol. 68, no. 4, pp. 1557-1568.
- Hinds, A. 2005. Interview with Lee, G. (Mayor of Portmore Municipality, Jamaica), 13 April and 12 May. [unpublished source]
- Jamaican Ministry of Local Government 1993, Ministry Paper 8 of 1993.
- Jamaican Ministry of Local Government 2003, Ministry Paper 7 of 2003.
- Jamaica Observer 2005, 30 January.
- King, D. and Stoker, G. 1996, *Rethinking Local Democracy*, MacMillan Press Ltd: Houndmills.
- Kjellberg, F. 1995, 'The Changing Values of Local Government', *ANNALS, AAPSS* 540, pp. 40-50.
- Lee, G. (n.d.), *The Making of a Municipality*, Concept Paper written in the capacity of Chairman of the JPCA. [unpublished source]
- Leemans, A. F. 1970, *Changing Patterns of Local Government*. International Union of Local Authorities: The Hague.
- Lowery, D. (n.d.). 'Metropolitan Governance Structures from a Neoprogressive Perspective' (unpublished version), viewed April 4, 2009
<[http://localgov.fsu.edu/readings_papers/form%20of%20govt/Lowery Metropolitan Governance.doc](http://localgov.fsu.edu/readings_papers/form%20of%20govt/Lowery_Metropolitan_Governance.doc)>
- Lowery, D. 1999a, 'Answering the Public Choice Challenge to Progressive Reform Institutions: A Neoprogressive Research Agenda', *Governance*, vol. 12, no. 1, pp. 29-56.
- Lowery, D. (1999b). 'Sorting in the Fragmented Metropolis: Updating the Social Stratification-Government Inequality Debate', *Public Management*, vol. 1, no. 1, pp. 7-26.
- Lowery, D. (2000). 'A Transactions Costs Model of Metropolitan Governance: Allocation versus Redistribution in Urban America', *Journal of Public Administration Research and Theory*, vol. 10, no. 1, pp. 49-78.
- Madison, J. 1941, *The Federalist*, Random House: New York.
- Magnusson, W. 1986, 'Bourgeois Theories of Local Government', *Political Studies*, vol. 34, pp. 1-18.
- Martin, S. and Boaz, A. 2000, 'Public Participation and Citizen-Centred Local Government', *Public Money & Management*, vol. 20, no. 2, pp. 47-53.
- Neiman, M. 1976, 'Social Stratification and Government Inequality', *American Political Science Review*, vol. 53, no. 4, pp. 474-493.
- Nelson, A. and Foster, K. 1999, 'Metropolitan Governance Structure and

- Income Growth', *Journal of Urban Affairs*, vol. 21, no. 3, pp. 309-324.
- Newton, K. 2006, 'Is Small Really So Beautiful? Is Big Really So Ugly? Size, Effectiveness, and Democracy in Local Government', *Political Studies*, vol. 30, no. 2, pp. 190-206.
- Painter, Chris, Isaac-Henry, K. and McAnulla, S. 2003, 'Modernising Local Government: Micro-Organisational Reform and changing Local Structural Configurations', *Local Government Studies*, vol. 29, no. 4, pp. 31-53.
- Painter, C. and Clarence, E. 2000, 'New Labour and Inter-Governmental Management: Innovation and Modernisation', *Public Money & Management*, vol. 2, no. 4, pp. 477-478.
- Portmore Municipal Council 2004, *Report of the Strategic Planning Retreat of the Portmore Municipal Council*, Portmore Municipal Council.
- Rose, D. 2003, 'Portmore Residents Anticipating Implementation Phase of Municipality', *Jamaica Information Service*, 27 March.
- Schoburgh, E. D. 2006, *Local Government Reform, The Prospects for Community Empowerment in Jamaica*, SALISES: Mona, Kingston.
- Schoburgh, E. D. 2007, 'Local Government Reform in Jamaica and Trinidad: A Policy Dilemma.', *Public Administration and Development*, vol. 27, pp. 159-174.
- Schoburgh, E. D. 2009, 'Paradigm Shift or Rhetorical Flourish? The "New Orthodoxy" of Local Governance in the Caribbean', *Social and Economic Studies*, vol. 58, no. 1, pp. 95-124.
- Schoburgh, E. D. 2009. Interview with Lee, G. (Former Mayor of Portmore Municipality, Jamaica), 16-23 April. [unpublished source]
- Sharpe, L. J. 1970, 'Theories and Values of Local Government', *Political Studies*, vol. 18, no. 2, pp. 153-174.
- Smith, B. C. 1998, 'Local government and the transition to democracy: A review Article', *Public Administration and Development*, vol. 18, pp. 85-92.
- Tiebout, C. M. 1956, 'A Pure Theory of Local Expenditures', *The Journal of Political Economy*, vol. 64, no. 1, pp. 416-424.
- Teune, H. 1995, 'Preface to the Annals', *AAPSS* 546, pp. 8-10.
- The Gleaner*, 10 September 2003; 8 August 2004; 16 April 2005.

New professionals on tap? The human resource challenges in developing a new generation of municipal and local government managers in Nova Scotia

Commonwealth Journal of Local Governance

Special Issue March 2010:
Commonwealth Local Government Conference
Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Andrew Molloy

David Johnson

Department of Political Science,
Cape Breton University,
Nova Scotia, Canada.



Abstract

Canadian governments are facing significant human resource management challenges due to pending retirements, projected labour market shortages and the workplace expectations of New Professionals. This paper explores human resource recruitment planning initiatives which have been undertaken by Nova Scotia municipalities in order to attract and retain a new generation of municipal government managers. We will argue, in line with a recent Association of Municipal Administrators of Nova Scotia municipal report, that Nova Scotia municipalities must take intergenerational issues into account for management succession planning to be successful. Our exploration of municipal succession planning will take place in the context of a larger study that we have completed on “New Professional” recruitment, retention and development initiatives in Canada.

Keywords: New professionals, Intergenerational change, Human resource management, Nova Scotia, Municipalities.

Introduction

Demographic trends are causing more municipalities to take a serious look at workforce planning, and in particular, recruiting young talent. These trends are continually discussed by public sector leaders, managers, and employees and are well known. Despite the urgency for change and the recognition that “something needs to be done,” few public sector organizations have executed strategies that are forward-thinking and anticipate future staffing and management challenges. (Association of Municipal Administrators of Nova Scotia, 2006:5).

Many of the major industrial societies in the world are confronting a growing demographic problem. Their populations are aging; their population longevity, in most instances, is increasing; their baby boom generations are preparing to retire and leave active employment; and the population cohorts coming behind the boomer generations are substantially smaller than those they are replacing; meaning that, in most instances, countries will witness an overall decline in their workforce during the early to middle decades of the 21st century. These trends are presenting all organizations within the developed world with great challenges respecting intergenerational change, but also great opportunities. The challenges are those of how to cope with the pending retirement of the Baby Boom generation (or ‘Boomers’), how to engage in succession planning and intergenerational transition, and how to recruit, train, and retain the new employees of Generation X and more importantly, Generation Y – the New Millennials (referred to here as ‘the Millennials’). The opportunities are to reshape workplaces and reconfigure how workplaces actually work. With the exit of the baby boom generation and the entry of new, younger generations into the workplace and into positions of managerial importance, organizations are coming to a unique period of time where old patterns of institutional thought and behaviour can be superseded or transformed and new approaches to organizational life can be promoted.

The contemporary literature on human resource management is replete with studies on intergenerational change and the need for organizations to understand the complex and changing human resource environment they are confronting. And key to understanding such complexity is for organizational leaders to recognize the nature of the multi-generational workforces they already possess and the need to manage them more effectively. As Kaye, Scheef and Thielfoldt stress, human resource managers need to “engage the generations” present within their workforces, and they need to understand the core fundamental characteristics of these generations and the type of talent and

world-view that each generation brings to the workplace and to its understanding of work (2003: 25).

This in turn leads to a strategic management focus on recruitment and what is being increasingly referred to as 'talent management'. Human resource managers have to become much more proactive in their staffing functions than reactive. Authors such as Gravett and Throckmorton (2007), Martin and Tulgan (2006), Brown and Williams (2003), Lancaster and Stillman (2002), and Zemke, Raines and Filipczak (2000) have produced extensive works on the challenges facing contemporary organizations as they cope with changing demographics, yet also the great opportunities they possess in coming into a time when they can witness a 'changing of the guard', allowing them to engage in critical and considered succession planning. Organizations can identify the best practices and traditions of their existing standard procedures that they wish to pass on to the new employees and new managers who will be entering their ranks from Generation X and the Millennials. At the same time, they can take the opportunity to supersede existing ways of doing things, to promote and establish better ways of thinking and acting with regard to organizational behaviour, and encourage new employees to bring new values to old organizations. By so doing, organizations can rejuvenate their institutional life. Thus intergenerational change should not simply mean a quantitative replacement of senior and retiring employees with younger and newer employees, but a qualitative change in the way organizations see themselves, how they think and act, how they relate to both their own employees and those they serve in the outside world, and how they engage with the broader world around themselves. Intergenerational change has the promise of being transformational for those organizations willing and able to embrace its challenges and opportunities.

Against this background, this paper will explore human resource initiatives undertaken by municipalities in Nova Scotia, Canada, in order to attract and retain a new generation of local government managers. We will argue, in line with a recent Association of Municipal Administrators (AMA) of Nova Scotia report, that Nova Scotia municipalities must take intergenerational issues into account for management succession planning to be successful. Our exploration of municipal succession planning will take place in the context of a larger study on "New Professional" recruitment, retention and development initiatives in Canada (Johnson and Molloy, 2010 [forthcoming]).

The Canadian context

Tensions and concerns regarding demographic change and intergenerational transformations are being experienced across many developed and developing countries. There is growing concern in Canada with respect to these matters, with Canadian analysts highlighting many of the same types of prognostications and tensions found elsewhere. All sectors of the Canadian economy are projected to face labour market challenges, as baby boom retirements occur over the next few years (Policy Research Initiative, 2006). In 2001, the Baby Boomers constituted 47% of the Canadian workforce (UNSM 2007 Spring Workshop:8). Looming labour market shortages will be a new phenomenon to a country where historically supply has outstripped demand.

In a 2006 report for the Urban Futures Institute, labour market researchers predicted that a ‘perfect storm’ will hit the Canadian economy over the coming decades. This ‘perfect storm’ will be the result of labour demand outstripping labour supply whereby in terms “of economic trends, employment is projected to reach 35.2 million in 2055 – from the perspective of demographic trends, the labour force is projected to reach 22.8 million by the same year” (Ramlo and Berlin, 2006:25). Shorter term labour market projections by the Urban Futures Institute are no less comforting. It has been estimated that “some 9.8 million Canadian baby boomers are approaching retirement. By 2020, the number of Canadians retiring each year will be 425,000” (CBC News, 2005: 2-3). The Canadian Labour Congress has noted that these projected labour market trends will produce skill shortages in a number of areas, including public administration (Association of Municipal Administrators of Nova Scotia, 2006:9).

Federal and provincial governments have responded to workforce aging with public sector renewal initiatives to re-brand themselves as employers of choice. As part of these initiatives, ‘New Professionals’ human resource policies and programs have been developed on the basis of intergenerational change studies as well as workplace experience with the new generations of public service employees. Public sector renewal performance targets are being implemented to measure the effects of such policies and programs.

Municipal and local governments across Canada are also going through a process of public sector renewal. And as in the case of the senior governments, municipal public sector renewal involves developing intergenerational-based human resource management

recruitment programs. By developing such programs, through the assistance of provincial municipal and local government planning bodies, municipalities are attempting to meet projected medium term labour market shortages.

New professionals and new professionalism

As noted above, a number of provincial governments and larger municipalities as well as the federal government have developed New Professionals policies and programs in order to attract and retain young Canadians. These policies have in turn given birth to what its advocates stress as a new way of looking at public sector management, namely 'New professionalism'. Much of the theory and practice behind New Professionalism has been influenced by the theory of New Public Management (NPM). At the outset, the thrust of NPM was enhancing the power and role of elected politicians in policy-making. During the 1990s, however, through the work of such authors as Aucoin (1995), Osborne and Gaebler (1993), Purchase and Hirshorn (1994), Borins (1995), and Kernaghan, Marson and Borins (2000), the focus of the NPM movement in Canada shifted to public sector organizations becoming more capable, responsive and innovative. In this sense, "public management looks at public organizations *qua* organizations and seeks to understand or improve features of organizational life such as leadership, strategic management, organizational climate, service quality, innovation, the measurement of outputs, performance and 'client satisfaction' and so on" (Report of the Task Force on Public Service Values and Ethics, 1996:29).

While there is debate in the academic literature respecting the theoretical and practical merits of NPM (Thomas, 1993; Trebilcock, 1994; Savoie, 1995; Borins, 1995), the impact of such thinking on how governments see themselves and the contemporary public sector reform process cannot be denied. In Canada, Kernaghan, Marson and Borins (2000) have documented the interest shown by all levels of government in the development of the new public organization: one that will transcend traditional bureaucracies' narrow focus on position, rules, process, and centralized command and control power, for a post-bureaucratic organization that will be devoted to citizen service, leadership, collaboration, change-and results-orientation, decentralization, and social responsiveness (2000, 4-14).

Similarly, New Professionalism is about public service organizations being more open to change, more welcoming to new public servants, and more responsive to their interests,

needs, and skills. As post-bureaucratic New Professional organizations, public service institutions are to be more decentralized, less hierarchical, less fixated on organizational imperatives and interests, and more concerned with the concepts of service delivery, results-orientation, and people-centredness. New Professional organizations also enable all staff to undertake their work with the latest of information and communications technologies while respecting and promoting the concept of work-life balance. Rather than being dominated by rule-bound, process-oriented, command and control cultures, the new public service is to be characterized by innovative practices and effective outcomes derived from a working environment marked by management and employee empowerment, risk-taking, greater openness, collaboration, and progressive leadership (New Professionals, 2001; Institute of Public Administration of Canada, 2003; Kernaghan, Marson, Borins, 2000). New Professionalism champions the public service as a career place of choice for young Canadians wishing to have a career that offers them the best of professional training and development while also giving them a job that matters to Canada and Canadians.

New Professionals have been defined by the Institute of Public Administration of Canada (IPAC) as those new public servants who have been employed in government for a period of eight years or less. They are viewed by governments, public service commissions and young people themselves as upwardly mobile entrants who embody the changes taking place within Canadian public services. This group of new public servants has sought to establish an identity for themselves, searching to declare their vision and purpose of public service, and striving for careers in public administration with advancement into the professional and managerial ranks of government.

New Professionals clearly embrace and actively seek motivational forms of empowerment, which make up a large part of their core value system. New Professionals want to become fully involved. They seek out as many training and development opportunities as possible in order to become better equipped to do their jobs. They are also strongly supportive of individualized learning plans as an important career progression tool. According to Canadian federal public service data, “30 of 36 Deputy Ministers have indicated that at least 90% of their employees will have learning plans in place by March 2008” (Canada Public Service Agency, 2007-08:1). Visible signs of recognition for what New Professionals do are also greatly appreciated. The public service has increasingly paid attention to formal means of recognition and reward

through various measures, including the encouragement and acceptance of employee suggestions, awarding bonuses for especially significant contributions, acknowledgement in newsletters of employees' achievements, and awards programs.

Balancing home and work life and having 'flex time' opportunities are valued by some New Professionals, who will seek out those departments and agencies who are willing to use work-life balance as a motivational and empowerment tool to build a well performing organization. However, others accept the traditional public service reality of having to work long hours as a matter of course, and may see it as a means to establish their credentials – even if that means becoming an 'adrenaline junkie' for a period of time in the process (New Professional Focus Groups, May, 2006).

Increasingly, federal, provincial and local governments are looking toward the New Professionals as a vital source of 'new blood' in their quest for institutional renewal and rejuvenation. New Professionals are perceived as "future leaders who are eager to progress into leadership roles, they want to add value to your organization and they want to make a difference in their community through public service" (Sherwood and Matthews, 2003:1). These Generation X and Generation Y public servants have different attitudes, expectations and working styles than those of previous generations. Public service managers must become attuned to the professional ambitions and requirements of their new and future employees as an important aspect of intergenerational change. They must prepare their junior managers for executive succession, staff their organizations with new talent, train and develop new employees, and redesign their human resource systems and workplace institutions so that they can and will meet the needs of their public services.

Correspondingly, New Professionals policies have been developed as a form of market branding in order to underline an employer commitment to effective talent management. (Centre for Leadership and Learning, 2006). One example of this can be found in the Ontario Public Service (OPS), which has created a Youth and New Professionals Secretariat (YNPS) as part of the Centre for Leadership and Learning. According to promotional material from the Ministry of Government Services, the YNPS was created "to provide an enterprise-wide approach for attracting, recruiting, developing and retaining youth and new professionals to the OPS" (Youth and New Professionals, 2006:

4). As such the YNPS is billed as one of the “supporting strategies beneath both the OPS HR plan and the OPS *Framework for Action*” (Youth and New Professionals, 2006:4).

In attempting to meet the labour market challenges associated with projected retirements, population diversity, skill shortages in key capacity areas, and keeping pace with modern management practices, the OPS developed a **service**-wide human resources plan in 2005 (Youth and New Professionals, 2006: 3). As a key component of this plan, the YNPS “will lead a government-wide approach to strategically branding and marketing the OPS as an employer of first choice” (Youth and New Professionals, 2006:7).

In similar vein, the provincial governments of Manitoba and Saskatchewan have created New Professionals networks. These are designed to promote capacity building whereby New Professionals will develop events and activities for themselves through planning teams and committees. In Manitoba, the New Professionals network flowed from a first New Professionals Day held in October 2005 (Manitoba Civil Service Commission, 2008:1). It is sustained through the work of New Professional volunteer groups. The New Professionals network in Saskatchewan began with a roundtable discussion ‘Make the Most of your Public Service Career’ (Public Service Commission, 2008: 1). It is run by a New Professional advisory board.

The case of Nova Scotia

There are currently 55 municipal governments in Nova Scotia. The two largest of these are the Halifax Regional Municipality (HRM) and the Cape Breton Regional Municipality (CBRM). While some of the larger municipalities possess dedicated human resource functions, many do not (Association of Municipal Administrators of Nova Scotia, 2006:9). The use of provincial and national bodies and associations therefore becomes important when longer term human resource planning is required. One of the provincial bodies is the Union of Nova Scotia Municipalities (UNSM). This is a not-for-profit organization mandated to represent the provincial interests of municipal governments across Nova Scotia (Union of Nova Scotia Municipalities, 2009:1). One of UNSM’s current priorities is to develop human resource initiatives to help attract a new generation of municipal public service managers. These initiatives are being designed to reflect the values, attitudes and expectations of incoming generations, and in so doing, it is hoped that municipal recruitment programs and services will be successful in filling current and future management vacancies.

Nova Scotia municipalities are reportedly having “difficulty in attracting qualified candidates in certain areas” (Association of Municipal Administrators of Nova Scotia, 2006:9). In this respect they face demographic challenges similar to other public administration organizations across the country. Nova Scotia in fact appears to be a bit further along the curve. The following table illustrates the impact of retirements, lower birth rates, higher qualification levels and time spent on post-secondary education on the national and Nova Scotia labour forces.

Figure 1: Impacts on the Labour Force		
Impacts on Labour Force	Canada	NS
Workforce is aging	Increase from 11% to 20% of workers within 10 years of average retirement age (between 1987 to 2002) Average age of the workforce increased from 37 to 39 years (between 1991 to 2001)	Increase from 10% to 22% of workers within 10 years of average retirement age (between 1987 to 2002) Average age of the workforce increased from 37 to 39 years (between 1991 to 2001)
People are retiring earlier	Average retirement age dropped from 64 to 61 (between 1987 to 2002)	Average retirement age dropped from 64 to 60 (between 1987 to 2002)
People are having few children	18% decrease (between 1991/1992 to 2003/2004)	29% decrease (between 1991/1992 to 2003/2004)
Young people stay in school longer	62% of workers have post secondary education (2005)	63% of workers have post secondary education (2005)
Jobs are requiring higher skill levels (Association of Municipal Administrators of Nova Scotia, 2006:4).	33% increase in number of people in jobs that usually require a university education (between 1991-2001) 17% increase in number of people in manager roles (between 1991-2001)	18% increase in number of people in jobs that usually require a university education (between 1991-2001) 11% increase in number of people in manager roles (between 1991-2001)

Source: Statistics Canada, Canada's Workforce: Paid Work; Association of Municipal Administrators of Nova Scotia, 2006:7

Just as the federal and provincial governments of Canada are focusing on renewing their organizations through New Professional human resource planning initiatives, municipalities are following suit. In Nova Scotia, the Next Generation Project was created through a partnership comprising UNSM, the Association of Municipal Administrators (AMA) of Nova Scotia, and Service Nova Scotia and Municipal Relations (SNSMR). The purpose of the project was to educate municipalities on the need to develop recruitment strategies for attracting a new generation of managers. This

flowed from concerns that there had not been significant discussion of the impact of the aging workforce on municipalities in Nova Scotia. Some municipal managers would argue that Nova Scotia municipalities are ten years behind what senior levels of government are doing when it comes to succession planning (Personal Communication, 3 April 2009). The lack of human resource staffing in smaller municipalities may play a role in hindering such medium to longer term planning.

In 2006 the Next Generation Project produced a consultant's report: 'Reality Check: Do You Know Where Your People Are? Attracting the Next Generation of Municipal Government Managers in Nova Scotia'. The report focused on raising the profile of the issue, as well as providing recommendations for recruiting new municipal managers (Association of Municipal Administrators of Nova Scotia, 2006). Its recommendations were made in the context of "recognizing the diversity in size and location of our municipalities" (UNSM 2007 Spring Workshop: 3). Primary data for the report was drawn from online surveys of both AMA members in general and in particular AMA members who had human resources responsibilities. Four focus groups of municipal employees and hiring managers were also conducted (Association of Municipal Administrators of Nova Scotia, 2006).

The report begins with an analysis of current workforce demographics in Nova Scotia, and subsequently identifies areas of critical need that municipalities need to consider (Association of Municipal Administrators of Nova Scotia, 2006:9). Amongst the occupational groups shown in Figure 2, the 'oldest' age structures include senior government managers and government managers in economic analysis, policy development and program administration. 55% of senior government management and officials are 45 or older. A further 41% are in the 35-44 cohort, whilst only 4% are aged 25-34. Moreover, as in the federal and provincial public services, the largest age cohort of the senior management 'feeder group' is 45-54 years old, and in total 62% are 45 or older. 26% are in the 34-44 cohort, with only 11% are in the 25-34 age group.

Within municipalities, the average age of employees is 48, and "within the next 10 years in Nova Scotia, for every two people retiring, there will be less than 1 to take their place" (UNSM 2007 Spring Workshop: 5). This projected deficit in municipal employees can be explained by a falling retirement age, lower birth rates, increased participation in post-

secondary education, and higher labour force qualification standards (Association of Municipal Administrators of Nova Scotia, 2006).

Figure 2: Age Distribution of Specific Occupations within Nova Scotia
(Listed in ascending order based on percentage of workers under 35)

Occupations (North American Industry Classification System)	Years of Age					
	15-24	25-34	35-44	45-54	55-64	64+
Senior government managers and officials (A012)	0%	4%	41%	45%	10%	0%
Government managers in economic analysis, policy development, and program administration (A332)	0%	11%	26%	56%	7%	0%
Public works maintenance equipment operators (H612)	4%	15%	34%	31%	16%	0%
Utilities managers (A392)	0%	27%	25%	30%	18%	0%
Administrative clerks (B541)	7%	20%	37%	26%	8%	1%
Police officers – except commissioned (G611)	5%	22%	38%	32%	2%	1%
Civil engineers (C031)	3%	27%	34%	23%	12%	2%
Inspectors in public and environmental health and occupational health and safety (C163)	14%	14%	31%	27%	13%	0%
Lawyers and Quebec notaries (E012)	1%	28%	26%	30%	15%	1%
Heavy-duty equipment mechanics (H412)	8%	22%	32%	28%	9%	1%
Economic development officers and marketing researchers and consultants (E033)	11%	32%	34%	16%	7%	1%
Computer and information systems occupations (C070)	14%	39%	29%	14%	3%	0%

Source: Statistics Canada, 2001 Census Data (Association of Municipal Administrators of Nova Scotia, 2006:9). Note: percentages may not add up to 100% due to rounding

The workforce data thus highlights the need to create successful recruitment strategies in order to replace the Baby Boomer management with a new generation of municipal managers. The Reality Check report notes that “many towns have already ‘hit the hump’ with respect to retirements” (Association of Municipal Administrators of Nova Scotia, 2006:40). The demographic bulge that occurred with the Baby Boom enabled companies to cherry-pick from among millions of highly educated, ambitious workers, often at

bargain rates. But organizations will be scrambling to replace retiring Boomers with a dramatically smaller cohort of 'X'ers. As a result, organizations will also have to dip into the Millennial pool of talent that will unfortunately still be 'wet behind the ears'. And never mind only reaching *down* the ladder; to compensate for lack of experience, companies will also have to find persuasive ways to reach up and encourage Boomers and even older workers to stick around or dive back into the job market (Lancaster and Stillman 2002:156). The provincial government is enabling senior workers to stay on through the elimination of mandatory retirement from July 2009. Some of the next generation of managers in Nova Scotia may come also from under-represented groups and immigrants. 'One size fits all' recruitment strategies will not work in attracting these different target groups (UNSM 2007 Spring Workshop: 15).

Recruiting the new professionals: Challenges and opportunities

While a number of strategies need to be pursued, the Reality Check report points out that when it comes to long term projected trends in the labour force, many organizations have identified the recruitment of younger workers as especially critical (Association of Municipal Administrators of Nova Scotia, 2006:12). However, it is clear that the incoming generation will be joining a very diverse workforce, where a number of different generations are working side by side. Kaye, Scheef and Thielholdt (2003:25) note that organizations at the dawn of the 21st century likely possess members of four generations working within them: the Silent Generation (born 1933-1945), Baby Boomers (born 1946-1964), Generation X (born 1965-1976), and maybe even some Millennials (born 1977-1998). These different generations are composed of individuals with their own unique personalities, identities, values and beliefs.

The Reality Check report describes in broad terms, the shared life experiences of each generation and how recruitment strategies should take the different generational values into account. Tying different generational values to recruitment strategies is becoming a well traveled path. In order to successfully recruit personnel in a competitive environment, it is argued, one must understand what motivates members of the different generational groups. There are traditional motivational factors such as compensation, benefits, job security and promotions, but there are other factors that speak to the workplace values of the newer generations. Chief among those values is workplace empowerment.

Thus in keeping with the literature on recruitment, succession planning and intergenerational change, the Reality Check report argues that:

.... recruiting the next generation of local government officials is one piece of a much larger picture – it must be seen within a broader workforce planning context that is linked to the organization’s goals and objectives. Workforce planning involves an inter-related cycle of human resources activities including succession planning, recruitment/selection, training and development, performance management, rewards and recognition, career advancement and retention (Association of Municipal Administrators of Nova Scotia, 2006:17).

Since many of Nova Scotia’s municipalities lack the resources for such sustained human resource planning and execution, the ability to change organizational cultures in favour of New Professionalism in order to attract the ‘top talent’ must come from province-wide support structures (Association of Municipal Administrators of Nova Scotia, 2006:21). The UNSM, AMA and the SNSMR are all tagged as necessary partners to develop the kind of leadership that is required to plan for and secure the necessary resources to attract the next generation of leaders (Association of Municipal Administrators of Nova Scotia, 2006:21). Recruitment strategies for attracting New Professionals were identified through Next Generation project focus groups, an employee survey and ‘best practices’ research (Association of Municipal Administrators of Nova Scotia, 2006:19). These are summarized in Figure 3.

Each of the strategies speaks to the need for municipal government transformation into ‘post-bureaucratic’ workplaces, which can tap into the skills sets, values and expectations of a new generation of managers. The pressures to do are increasing. As noted in a current public sector publication:

The renewal of the public service has been a focus for many public sector organizations across Canada in the past few years. An aging population, a competitive labour market and other challenges have turned succession planning into common practice within the public service. The face of the public service has begun a transformative change (Institute of Public Administration of Canada , 2009:18).

Figure 3. Recruitment strategies for attracting new professionals were identified through “Next Generation” project focus groups, an employee survey and ‘best practices’ research. (Association of Municipal Administrators of Nova Scotia, 2006:19).

RECRUITING THE NEXT GENERATION OF LOCAL GOVERNMENT OFFICIALS	
DRIVERS	SUPPORTING STRATEGIES
Leadership Support	<ul style="list-style-type: none"> • Implement annual CAO workforce information survey • Provide online human resources information • Provide networking opportunities for young talent • Recognize workforce planning accountabilities for CAOs/Senior Managers • Encourage municipal councils to promote municipal government as a career option
Awareness of Municipal Government as a Career Option	<ul style="list-style-type: none"> • Increase attendance at career fairs • Offer job shadowing for school-age students • Introduce career-day seminars for summer co-op students • Reintroduce Municipal Awareness Week
Availability of Entry-Level Opportunities	<ul style="list-style-type: none"> • Improve the Municipal Internship Program • Increase the use of co-op placements • Develop a bridging program for co-op students
Strategic Promotion and Advertising	<ul style="list-style-type: none"> • Develop a municipal government career “brand” • Subscribe to frequently used job search websites • Enhance existing career opportunities websites • Identify unconventional locations/methods for advertising
Supportive Work Culture	<ul style="list-style-type: none"> • Engage young talent in recruiting young talent • Raise awareness of generational differences in the workplace • Engage unions in workforce planning and recruitment strategies • Encourage experienced employees to act as mentors/coaches to recruits • Explore options for flexible work arrangements • Clarify roles and responsibilities between councils and staff
Competitive Salaries and Benefits	<ul style="list-style-type: none"> • Review salaries and benefits packages • Explore options for flexible, portable benefits
Partnerships	<ul style="list-style-type: none"> • Facilitate opportunities for informal working group sessions in various regions of the province • Partner with universities and colleges to ensure programs are responsive to municipal needs • Encourage partnering on the Municipal Internship Program
Learning and Development Opportunities	<ul style="list-style-type: none"> • Develop orientation kits for new employees • Support young employees to form networks • Encourage the development of annual learning plans for all employees • Explore the potential of a leadership development program for municipal government

Source: Association of Municipal Administrators of Nova Scotia, 2006:20

And what would such a transformational workplace look like, courtesy of intergenerational change and the influence of Generation X and the Millennials? Kaye, Scheef and Thielfoldt (2003: 27-30) have asserted that transformed organizations will be marked by certain key dynamics. Workplaces will be more informal with employees given far more flexibility and independence in how they do their jobs. Flextime and telecommuting will be encouraged. Policies and programs promoting work-life balance will be expected. Good salaries will co-exist with good and interesting work. Young employees will expect strong and good mentors and teamwork will become the new working norm. Excessive hierarchy and a rules-bound corporate culture will be scorned in favour of flatter organizational structures promoting much greater informal and horizontal forms of communication and staff interaction. Participatory management will be promoted and expected, and employees will desire meaningful work, with project teams composed of a wide variety of employees and managers with diverse backgrounds and years of service within the organization. Employee involvement, creativity and risk-taking will be supported by management as managers and new employees, new professionals, seek to find newer, better, more innovative and more economical, efficient and effective ways and means of achieving organizational ends. And the New Professionals will be expecting to have work that is intellectually challenging, interesting and engaging, and fun. New Professionals, as such, are expected to bring with them the New Professionalism.

The promise of New Professionalism as an important element in transforming municipal government is considerable. And despite the competitive labour market, municipal management careers can hold some attraction for young talent. Because many of the municipalities in Nova Scotia do not have a dedicated human resource function for example, a new manager has to be more of a generalist than a specialist. And because a new manager is likely to be involved in a number of areas, there is substantial learning and development that will take place on the job. As indicated above, New Professionals consistently rate training and development as an important aspect of their career planning. As well, municipalities possess flatter organizational structures than more senior levels of government, which offer the possibility of promoting greater informal and horizontal forms of communication and staff interaction. New Professionals also crave access to decision-makers and that level of interaction creates the opportunity for the kind of meaningful work that leads to the development of public policy. And in helping to develop that policy, New Professionals can work at the 'grass roots' level with

various community-based groups. Other municipal career recruitment advantages identified in the Reality Check report include the following (Association of Municipal Administrators of Nova Scotia, 2006:42):

- Large employer within a small town environment
- Good benefits and pension package
- Stability of employer, policies and structure
- Exciting opportunities for specific fields such as environmental management
- Possibility for movement between municipalities
- Competitive salaries (for some municipalities)
- Good business hours (for some municipalities)
- Work-life balance policies (for some municipalities).

As noted in the first bullet point, there can be a ‘quality of life’ geographical advantage to living and working in a smaller community. Work-life balance issues may also be easier to address away from the logistical challenges of living in a large urban centre. Good benefits and pension packages are a recruitment attraction for any generation. A management career in municipal government can also allow for the direct application of one’s field of study. In our discussions with federal public service new professionals, we found an interest in ‘lateral’ moves from one branch of a department to another in order to learn and develop (Johnson and Molloy, 2010) Lateral moves between municipalities may hold similar promise in recruiting a new generation of managers.

The last three bullet points are qualified, in recognition of some of the many recruitment challenges which smaller municipalities face in a competitive labour environment. Many municipalities in Nova Scotia are struggling financially. This lack of resources underscores the need for partnerships through the AMA, UNSM and SNSMR, in order to identify, prioritize and engage in longer term planning on issues such as succession planning. Also, in addition to the financial constraints that limit what many municipalities can offer New Professional managers, working in a municipal environment is considerably different from what one finds in the larger senior government public services. Some municipal managers describe the experience as ‘working in a fish bowl’, where politics and administration mingle in rather undefined way. Next Generation project focus group respondents pointed out that technically the role of the elected council is to set policy and the role of the administrators is to implement those policies. However, in many cases the boundaries between these two

areas of responsibility are very blurred. This creates challenges for administrators in fulfilling their roles effectively (Association of Municipal Administrators of Nova Scotia, 2006:42). Such a 'traditional' municipal organizational culture can be 'light years' away from the transformative, New Professional workplace that incoming generations seek. According to Next Generation project focus group respondents: "some municipalities have trouble retaining people due to their very reactive, political environment which can cause new employees to feel their professional integrity and ethics are being compromised" (Association of Municipal Administrators of Nova Scotia, 2006:44).

Similar negative perceptions have led senior levels of government to undertake 're-branding' exercises in order to promote the federal and provincial public services as employers of choice. This re-branding is proving to be successful. Nova Scotia municipal governments are being urged to develop strategies in order to educate the public "to understand the political and economic environment that municipalities must operate within" (Association of Municipal Administrators of Nova Scotia, 2006:41). Possible strategies include working with educational institutions at all levels to raise people's understanding of what municipalities do and how they do it, and bringing back a 'municipal awareness' week (Association of Municipal Administrators of Nova Scotia, 2006:41). It is hoped that such strategies will help to promote municipalities as a career for a New Professional and also perhaps assist in creating interest in the kind of municipal organizational change that a new generation of municipal leaders can bring about.

Conclusion

Recruiting the next generation of municipal managers in Nova Scotia is an ongoing challenge. In order to meet that challenge, municipalities are working in partnership with the AMA, UNSM and SNSMR to engage in longer term human resource planning. The Next Generation project is one outcome of such planning and its report recommendations are in line with both what senior levels of government have been doing, and what the organizational and, intergenerational change literature recommends. Implementing such change is very difficult, however, due to the financial and organizational pressures facing many Nova Scotia municipalities. To this point, progress has been modest. The slow pace of change also raises intriguing questions regarding institutional capacity and leadership at the local level. Nova Scotia municipalities are knowledgeable of the demographic challenges they face, as well as the threats and opportunities involved.

Some leaders within these organizations are meeting the call for effective policy and program responses to these threats and opportunities. But these leadership initiatives confront local government environments all too often characterized by chronic underfunding, parochialism, anti-government bias, institutional inertia, and political attitudes based upon short-term electoral calculations. The ability of municipal governments within Nova Scotia to effectively bring about essential workforce and workplace change, to embrace the potential for New Professionalism and to recruit the New Professionals they so urgently need, remains an open and complicated question. The institutional spirit may be willing but organizational and leadership capacity may be found wanting.

References:

- Association of Municipal Administrators of Nova Scotia (Prepared by Charlton, P. and Matheson-Coutu, A.) 2006, *Reality Check: Do You Know Where Your People Are? Attracting the Next Generation of Municipal Government Managers in Nova Scotia*, Halifax, Nova Scotia.
- Aucoin, P. 1995, *The New Public Management: Canada in Comparative Perspective*, Ottawa: Institute for Research on Public Policy.
- Borins, S. F. 1995, 'Public Sector Innovation: The Implications of New Forms of Organization and Work', in B. G. Peters and D. J. Savoie (eds), *Governance in a Changing Environment*, Montreal and Kingston: Canadian Centre for Management Development.
- Brown, J. and Williams, L. 2003, 'The 21st Century Workforce: Implications for HR', in M. Effron, R. Gandossy and M. Goldsmith (eds), *Human Resources in the 21st Century*. Hoboken, New Jersey: John Wiley & Sons.
- CBC News 2005, 'Boomers retire idea of Freedom 55, StatsCan analyst suggests', Toronto: CBC News. Viewed 24 January, 2007 <<http://www.cbc.ca/news/story/2007/01/24/boomers-work.html>>
- Centre for Leadership and Learning, Ministry of Government Services 2006, *Ontario Public Service Talent Management, A Guide*, Ontario Public Service.
- Dychtwald, K., T. J. Erickson and R. Morison 2006, *Workforce Crisis: How to Beat the Coming Shortage of Skills and Talent*, Boston: Harvard Business School Press.
- Gavett, L. and Throckmorton, R. 2007, *Bridging the Generation Gap: How to Get Radio Babies, Boomers, Gen Xers and Gen Yers to Work Together and Achieve More*, Franklin Lakes, New Jersey: Career Press.
- Government of Canada 2006, *Population Aging and Life-Course Flexibility Briefing Note – Policy Research Initiative*, Ottawa.
- Johnson, D. and Molloy, A. 2010, *The New Professionals: Intergenerational Change and Public Sector Renewal in Ottawa*, Manuscript under review, Institute of Public Administration of Canada.
- Kaye, B., Scheef, D. and Thielholdt, D. 2003, 'Engaging the Generations', in M. Effron, R. Gandossy and M. Goldsmith (eds.), *Human Resources in the 21st Century*, Hoboken, New Jersey: John Wiley & Sons.
- Kernaghan, K., Marson, B. and Borins, S. 2000, *The New Public Organization*, Toronto: The Institute of Public Administration of Canada – No.24.

- Lancaster, L. C. and Stillman, D. 2005, *When Generations Collide: Who They Are, Why They Clash, How to Solve the Generational Puzzle at Work*, New York: Collins Business.
- Manitoba Civil Service Commission 2008, 'New Professionals Network - Government of Manitoba'. Accessed 14 January, 2008 <<http://www.gov.mb.ca/csc/npn/background.html>>.
- Martin, C. A. and Tulgan, B. 2006, *Managing the Generation Mix: From Urgency to Opportunity*, Amherst: Massachusetts: HRD Press.
- New Professionals Organizing Committee 2001, *New Professionals Driving a New Public Service: A Report*, Toronto: New Professionals Organizing Committee.
- Osborne, D. and Gaebler, T. 1993, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, New York: Plume Books.
- Public Service Commission, Government of Saskatchewan 2008, 'About the New Professionals Network', Government of Saskatchewan. Accessed 11 January, 2008 <<http://www.psc.gov.sk.ca/Default.aspx?DN=270055d69-22b3-4457-803c-50cec6b9d26>>
- Purchase, B. and Hirshorn, R. 1994, *Searching for Good Governance*, Kingston: School of Policy Studies, Queen's University.
- Ramlo, A. and Berlin, R. 2006, *A Perfect Storm: Sustaining Canada's Economy During Our Next Demographic Transformation*, The Urban Futures Institute Report – No.66, Vancouver.
- Savoie, D. J. 1995, 'What is wrong with the New Public Management', *Canadian Public Administration*, vol. 38, pp. 112-21.
- Sherwood, D. and Matthews, L. 2003, *New Leaders, New Professionals*, UBC Government Relations – No. 10, Vancouver.
- Task Force on Public Service Values and Ethics 1996, *A Strong Foundation*, Ottawa: Canadian Centre for Management and Development.
- The Institute of Public Administration of Canada 2003, *New Professionals' Program*, Toronto: Institute of Public Administration of Canada.
- The Institute of Public Administration of Canada 2009, *New Professionals Communities: Supporting the renewal of the public service*, Public Sector Management, Toronto: The Institute of Public Administration of Canada.
- Thomas, P. G. 1993, 'Coping with Change: How Public and Private Organizations Read and Respond to Turbulent Environments', in F. L. Seidle (ed.), *Rethinking Government: Reform or Reinvention?*, Montreal: Institute for Research on Public Policy.
- Trebilcock, M. J. 1994, *The Prospects for Reinventing Government*, Toronto: C.D. Howe Institute.
- Union of Nova Scotia Municipalities 2007, 'Reality Check: Do You Know Where Your People Are? Attracting the Next Generation of Municipal Government Managers in Nova Scotia', Union of Nova Scotia Municipalities, Spring Workshop.
- Youth and New Professionals, Centre for Leadership and Learning 2006, *Youth and New Professionals, Investing in Tomorrow's Workforce Today*, Ontario: The Ontario Public Service, Ministry of Government Services.
- Zemke, R., Raines, C. and Filipczak, B. 2000, *Generations at Work: Managing the Clash of Veterans, Boomers, Xers, and Nexters in Your Workplace*, New York: AMACOM.

Democratic local governance in the Southern African development community region: Some emerging issues and challenges

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Bornwell Chikulo

NorthWest University, South Africa



Introduction

Recent reforms have been transforming the structure of local governance in the Southern Africa Development Community (SADC) region. Since the 1990s, a critical objective of governance reform has been the strengthening of local government by the decentralization of powers, resources and responsibilities to local authorities and other locally administered bodies. These reforms have been labelled '*democratic decentralization*' by scholars (Ribot, 2004; Olowu & Wunsch, 2004). Democratic decentralization refers to initiatives which entail the transfer of significant authority, responsibility for services, fiscal and human resources to local governance. The objective of the reforms was to capacitate local governance structures, as well as to increase the capacity and productivity of the public sector in general (Hope & Chikulo, 2000). Efforts to improve institutional effectiveness, accountability and service delivery at the local level thus have been a major focus throughout the region.

The Declaration and Treaty establishing the Southern African Development Community (SADC) was signed on July 17, 1992 in Windhoek, Namibia, replacing the Southern African Development Coordination Conference (SADCC), which had been in existence

since 1980. South Africa joined SADC in 1994 followed by Mauritius in 1995, the Democratic Republic of Congo (DRC) in 1997 and Seychelles in 1997.¹ The issue of local government and municipalisation lies at the core of the SADC vision. To this end, almost all governments in the region have committed themselves to the establishment of decentralized democratic local governance. Consequently, over the past decade most governments have chosen to devolve, to varying degrees, authority, responsibility, resources and autonomy to elected local authorities.

This paper examines and reviews the issues and challenges that governments in the SADC region are facing in their efforts to establish democratic, developmental local governance.

Emerging key issues and challenges

As indicated above, legal, policy and institutional frameworks have been put in place to establish and democratise local governments with the objective of deepening democracy, and improving service delivery, local development and management. The reform process therefore holds considerable promise with specific regard to: enhancing transparency and accountability; facilitating citizen participation; facilitating effective and efficient public service delivery; and integrating society with the state. However, despite the significant progress achieved since the local governance reforms were set in motion, there are still some significant outstanding contentious issues that need to be resolved before the effective implementation of the reform programmes can be finalised. The key issues are as follows:

- Lack of political will or authority
- Absence of a holistic development framework
- Ineffective institutionalisation of local participation committees
- Management capacity constraints and deficits
- Fiscal crisis
- Role of traditional authorities
- Weak links civil society organisations
- Undemocratic behaviour by ruling regimes.

¹ SADC member states are now: Angola, Botswana, Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

Resistance to political will

The reforms in the SADC region seem to reflect considerable 'political will' to transfer authority and responsibilities to lower tiers of government, and significant progress has been made. However, the main problems which are acknowledged in most of the studies is foot-dragging or a lack of cooperation from central ministries, and reluctance to transfer sufficient functions and powers to local governance structures, since doing so would greatly reduce their own power (Olowu, 2001; Olowu and Wunsch, 2004; Chinsinga, 2008; Ashley, et al, 2008). In the case of Mozambique, it has been pointed out that the emerging picture is one of "continued commitment to centralism" (Ashley et Al, 2008:6). In some countries central ministries dominate local authorities, and in others, cooperation between sectoral ministries and local government is lacking (UN, 2004; World Bank, 2007). Another development in countries such as Zambia and Zimbabwe is the manoeuvre by some key sectoral ministries to re-centralise activities by setting up their own parallel sector specific coordination boards at the district level (Stewart, 1994). Lack of political authority to overcome such obstruction results in misdirected or incomplete implementation of decentralisation policies, which may ultimately undermine efforts to establish sustainable and inclusive local authorities. Fledgling local authorities find themselves competing with centres of authority at district level.

Development planning and management

There is a lack of holistic, integrated planning and management at district level. The common structure for development planning in most countries is the District Development Committee (DDC), chaired by central government's district representative, with membership consisting of all the heads of central government departments and parastatal bodies, MPs, plus representatives of political parties, local authorities, business and community based organizations. These committees are thus dominated by central government appointees (Makumbe, 1999; Chishinga, 2008) and chaired not by an elected local authority official, but a political appointee who is the *alter ego* of the President, called a District Administrator (DA). The role of DAs has tended to be controversial: as political appointees, they often focus mostly on strengthening the ruling party structures at district level, rather than coordinating socio-economic development programmes.

Effective integrated planning and management is therefore undermined by the absence of an effective coordinating mechanism under the direct control of local authorities. The

local authorities have no legal administrative authority over central government line departments. The deconcentrated sector ministries which provide services within a local council's area of jurisdiction report and account upwards direct to their parent ministries. Thus they remain primarily answerable to their ministerial chain of command. Furthermore, the development committees' relationships to other community and local structures is not well defined. Consequently, the residents are denied an effective voice.

Although South Africa has different arrangements, and legally a stronger role for local government, observers such as Bardill and Tapscott (2000) have nonetheless identified weaknesses in intergovernmental relations, with poor coordination among various levels and departments of government. Furthermore, as Ashley et al have aptly observed, in spite of commitment to decentralization, political and institutional power still resides at the centre: "The resources and responsibilities vested in the local sphere of government continue to set largely by other spheres of government, particularly line departments at provincial levels, such as Water Affairs, Public Works and Housing" (Ashley et al, 2008:8).

According to the Municipal Systems Act 2000, South African municipalities must prepare Integrated Development Plans (IDPs) for their areas, and extensive community participation in both the content of an IDP and the process by which it is drafted is compulsory. In short, it is supposed to be a 'bottom-up' participatory process. However, IDPs must be aligned with provincial and national government plans, and in most instances this means that development projects are only approved when they fit into central government plans and vision (Oluwu & Wunsch, 2004). As a result, planning still tends to be top-down and, due to lack of skills and resources in municipalities, often is 'consultant-driven' with only token community participation.

Throughout the region, the existence of parallel national and provincial government departments working through their district offices complicates development planning and service delivery (Ashley et al, 2008), with the end result that service delivery and development projects at district level are determined through a top-down process. This impairs effective and efficient public service delivery that is responsive to local needs, and undermines the autonomy and authority of local governance. Moreover, the growth in development project aid channeled directly to communities, bypassing local

government structures, not only exacerbates the problem of coordinating and monitoring local development activities but also undermines community-local government linkages. The challenge is again one of local versus national department development interests, and the problem of being able to account for, and coordinate development projects sponsored by different departments and donors.

Ineffective participatory committees

At the sub- district and local level, in all the countries, a network of committees has been created to serve as a mechanism for representation, participation and accountability in development management and planning. The introduction of such committees – district, settlement, ward or village development committees – is an important innovation in the effort to enhance participatory local democracy. It is therefore an important component of local governance reform in the region. However, in the majority of countries, these committee networks have not been effectively institutionalized. In South Africa, for example, the principle of participation is entrenched in the constitution which requires local government to “encourage the involvement of communities and community organizations in matters of local government” (RSA, 1996:81). Furthermore, the Municipal Systems Act 2000 obligates local government to establish mechanisms to enable communities to participate in ward committees. However, these committees in general have not been effective channels and there is a lack of connectivity between communities and municipalities as a result (de Visser, 2009; Christmas & de Visser, 2009; Pycroft, 2000a). As Atkinson (2001) has observed, although wards are government created platforms for community engagement with local government, communities in South Africa still elect to take their grievances to the streets. Evidence in other countries also suggests that for the most part, the network of development committees is not very active, and in some cases they only exist on paper (Chinsinga, 2008; Chikulo, 2009). As a result the challenge is the limited level of public participation in development management.

Management capacity

Management capacity deficit is a major hindrance to effective local governance. There is insufficient human resources capacity to cope with the multiplicity of mandates which have to be carried out more or less simultaneously by the decentralised democratic local governance structures. With the exception of Zimbabwe, which until the recent political

and economic melt-down, was said to possess a decent quality of municipal government staff, the scarcity of qualified staff – especially professional and technical staff – has been a major constraint for most of the local authorities in the region (Chikulo, 2004; Sperfeld, 2005). The result is a barrier to effective and efficient development management.

Lack of capacity has been cited in Malawi and Mozambique by Kithakye (1997) and Sperfeld (2008). In South Africa, the problem of the shortage of skilled manpower is widespread, and in some instances was exacerbated by the exodus of experienced municipal managers from council employment (Pycroft, 2000b). De Visser and Christmas 2009 also argue that lack of capacity has been exacerbated by appointments based on political patronage rather than skills and expertise. Pycroft (2002) has noted that while municipal capacity tends to be concentrated within metropolitan municipalities, administrative capacity deficit is prevalent at district level.

The problem is exacerbated in rural municipalities by their remoteness from urban centres. In South Africa, it is difficult to attract a high calibre of municipal officers to these areas where working conditions may be difficult. Rural local authorities thus lack the organizational, technical and administrative capabilities to fulfil their mandate. Consequently, as Harrison points out: “many local authorities in South Africa are so weak institutionally that they cannot perform even the most basic functions of management, service delivery, a sophisticated level of integrated and coordinated planning remains a long way off” (Harrison 2001:191).

Under such circumstances, councils have struggled to fulfil their responsibilities in terms of the constitution and the relevant local government legislation. Administrative capacity deficits should therefore be seen as a common, ongoing problem for most local authorities in the region. In recent years, recognition that decentralisation is often been impeded by a lack of capacity has resulted in emphasis on local government capacity-building efforts.

Fiscal resources

Another fundamental problem which has afflicted local governance in the region over the past decades has been the gap between financial resources and municipal expenditure needs, coupled with inadequate financial management systems. The taxing powers of

local authorities are not wide enough, and the yield from existing sources is in most cases inadequate, to meet their expanding expenditures for both development and recurrent services. Consequently, dependency on central government grants is a common feature of local government in the region. Even South Africa, which is characterized by a high degree of fiscal decentralization, and where local government is entitled to an equitable share of nation revenue, the majority of local authorities are highly dependent on central government.

There are a number of issues relating to the financial crisis most local authorities are facing. The first is that the ability of local authorities to derive adequate revenue from their own local sources, such as property taxes and service charges, is constrained by central government restrictions imposed for fear of eroding political support among the urban populace (such as was the case in Zambia and Zimbabwe (Chikulo, 2006 ; Maipose, 2003; Sharma, 2003). Secondly, most local authorities in rural areas lack the capacity to generate enough revenue to meet their mandates: they have a concentration of poor residents and limited commercial or industrial activity which means that their tax base, whether from individual households rates, service payments or levies on commercial activity is minimal. Third, local authorities, especially in South Africa, continue to face a 'culture of non-payment' of charges for basic services, mainly by township dwellers, a habit which has origins the apartheid legacy. This has resulted in massive accumulated deficits from non-payment of such services as refuse collection and water supplies (Pycroft, 2002; Nel & Binns, 2001). Fourth, local governments suffer from increasing 'unfunded mandates' – although additional responsibilities have been devolved to local governance, appropriate levels of funding have not followed (Nel & Binns, 2002; Smith, 2001; Chinsinga, 2008). Finally, poor financial management in local authorities, such as inadequate financial and budgetary management systems, and poor record-keeping, often results in the mismanagement of scarce financial resources. The above financial constraints raise the issue of fiscal autonomy or sovereignty, which lies at the heart of the issue of local governance responsiveness and effective service delivery.

Most local authorities have limited autonomy with respect to revenue and expenditures, as most grants from central government are conditional and earmarked for specific projects. Financial dependence on central government also tends to limit the scope for

establishing independent positions on development policy issues. Thus, until such time as local authorities become capable of raising significant amounts of their own revenue – as envisaged in most of the decentralisation policies of the governments in the region – the mentality of ‘he who pays the piper, calls the tune’ is bound to continue. In other words, service delivery and development will continue to be ‘supply driven’ instead of ‘demand driven’, as most local governments in the region remain upwardly accountable to central ministries. Thus the financial crisis faced by most local governments is a serious impediment to effective public service delivery and good governance. Without financial sustainability, local governments are unable to govern effectively or provide services to their communities, and their developmental capacity and autonomy are undermined.

Traditional leadership and local governance

A recurring issue in decentralised local governance reform is the status and role of traditional leaders. Reconciling traditional authorities and local government has become a major contentious policy and constitutional issue in Mozambique, Namibia, South Africa and Zimbabwe (Ndiyepa, 2001; Reddy & Naidu, 2007). During the colonial era, traditional authorities were assigned powers either in competition with or directly over elected local authorities. In the immediate post-independence era, the democratisation of local government undermined the political control of traditional authorities, with traditional leaders resisting the loss of previous considerable powers to control access to resources (land, water, livelihoods), to arbitration mechanisms, and to services such as education and health. Obviously, traditional authorities also objected to the new municipal boundaries which cut across rural districts and tribal land.

An issue that is still under debate is how traditional authorities should participate in local governance. In Botswana, South Africa and Swaziland traditional authorities are recognised as a fourth level of local government. In these countries, the devolution of political and administrative powers may have somewhat re-invigorated traditional authorities and given them a new lease of life (Ntsebeza, 1999). In Botswana, for instance, chiefs have many responsibilities including law and order, administration of justice and serving as spokesperson for their tribes. The chief, who is also the head of the tribal administration, is by virtue of his position an *ex officio* member of the district council. Even in those instances where no tribal authorities are officially recognised, traditional leaders are represented on local authorities as a means for institutionalising

legitimate local governance. Traditional leaders have therefore demanded an active role in democratically elected institutions, especially at the local government level (Jones, 2000).

In recent years, however, chiefs in Namibia, Mozambique, Zambia, Zimbabwe and South Africa have increasingly sought to reassert their authority (Ribot, 2002). They feel that their authority has been undermined by the transfer of control over allocation of resources such as land, and other legitimate powers to local authorities. Consequently, they are re-emerging as a political force against what they perceive to be a diminution of their role, which new forms of local governance have reinforced and institutionalised. In South Africa, the institutional of traditional leadership is recognised in the constitution, although their roles and functions are not adequately clarified, resulting in tensions between chiefs and elected councillors. Despite provisions in the Municipal Structures Amendment Act that allow traditional leaders to participate in council meetings, in an *ex officio* capacity, traditional authorities are still at loggerheads with new councils. The challenge posed by the tension between traditional authorities and local governments remain pervasive in most Southern African countries and may negate effective local governance. The challenge is how to draw on the strengths of traditional authorities while reinforcing and legitimating democratic local government.

Links with civil society

Non-government organisations (NGOs) and community-based groups (CBOs) are normally seen to be pivotal in the provision of participatory and responsive development. It is argued that NGOs and CBOs should work closely with local government and where necessary compete with them or replace them. Thus NGOs and CBOs are expected to play a critical role in democratic decentralisation by providing services, lobbying government to provide greater services, and making people aware of their rights. However, it has also been observed that NGOs and CBOs in some instances may have a negative impact on local governance and hence on the foundations for effective democratic decentralisation. Collier (1996) has elaborated on instances where NGOs tried to undermine the development of local governments that are seen as a threat to their powerful position in the community (Smith, 2001).

However, in the Southern African region, the participation of NGOs and civil society in local governance remains minimal. Despite the legal mandate in South Africa for civil

society participation in the local governance process, civil society engagement with local government is often viewed to be ineffective, inconsistent or lacking altogether. The civil society sector, including NGOs and CBOs, still find it difficult to engage and partner with local government in promoting development. Consequently, many CBOs are unable to influence local governance in a manner that would effectively benefit their communities. It has also been generally observed that local authorities have been reluctant to embrace and engage civil society, NGOs and CBOs and to give effect to principles of participatory governance. This robs local governments of valuable opportunities which could reinvigorate their development.

Undemocratic behavior by ruling regimes

In recent years, some regimes in the region have deliberately undermined the effectiveness of local governance in order to pursue their party political agenda. In Zimbabwe, the ZANU-PF regime began to undermine what had been strong and efficient urban municipalities, after the previously weak opposition movement, the Movement for Democratic Change (MDC), became reinvigorated into a strong opposition party and made major in-roads. The MDC not only increasing its representation in parliament but also won control of most urban councils after 2001. Similarly, in Malawi since the tenure of councillors who were elected during the first local elections held in November 2000 expired in May 2005, no elections have been held to date. Consequently, there are no local government councillors to represent the residents. The indefinite postponement of local government elections is politically motivated and has been mainly attributed to the ruling party's (Democratic Progressive Party) fear of losing in the local polls (Chinsinga, 2008). In Lesotho too, following the 1993 general elections that were won by the Basotho Congress party (BCP), parliament subsequently passed the Local Government Act No.6 1997, but the Act did not come into operation due to political factors until 2005, when the local government councils were finally elected (Sperfeld, 2008).

Conclusion

Local governance in the SADC region has been given a pivotal and distinctive role in the promotion of sustainable socio-economic development and deepening democracy at the sub-national level. This recognition of the developmental role of local government has given local authorities a new dynamic as instruments of sustainable development and effective service delivery. However, although significant progress has been made in

establishing the institutional structure and policy framework to facilitate and anchor effective delivery of public services and socio-economic development, key issues and challenges persist that are unlikely to be resolved in the near future.

References:

- AGF-V 2002, *Local Government and Poverty Reduction: Zimbabwe Country Paper*. Prepared for the Fifth Africa Governance Forum: AGF-V Maputo, Mozambique, 22-25 May.
- Ashley, C. *et al* 2008, *The Politics of Decentralization in Southern Africa*, Washington, DC: Future Agricultures Consortium, Policy Process Briefing for WDR.
- Atkinson, D. 2007, 'Taking to the Streets: Has Developmental Local Government Failed in South Africa?', in S. Buhlungu, J. Daniel, R. Southall and J. Lutchmann, eds. *State of the Nation South Africa 2007*, CapeTown: HSRC.
- Bardill, J. E. 2000. 'Towards a Culture of Good Governance', *Public Administration and Development*, vol. 20, no. 2, pp.103-118.
- Blair, H. 1997, *Spreading Power to the Periphery: A USAID assessment of democratic local governance*. Rome: Food and Agriculture Organization of the United Nations.
- Chikulo, B. C. 2009, 'Local Governance Reforms in Zambia: A Review', *Commonwealth Journal of Local Governance*, vol 2 (January), pp. 98-106.
- Chikulo, B. C. 2006, 'Local Governance and Development in Southern Africa', in K. Matlosa, J. Elklit, and B. Chiroro (eds), *Challenges of Conflict, Democracy and Development in Africa*, Johannesburg: EISA.
- Chikulo, B. C. 2004, 'Local governance and poverty alleviation in South Africa', *Regional Development Dialogue*, vol. 25, no. 1, pp. 129-146.
- Chinsinga, B. 2008, 'Decentralization and Poverty Reduction in Malawi – A Critical Appraisal', in G. Crawford, and C. Hartmann (ed), *Decentralization in Africa: A Pathway out of Poverty and Conflict*, Amsterdam: Amsterdam University Press.
- Christmas, A. and de Visser, J. 2009, 'Bridging the Gap Between Theory and Practice: Reviewing the Functions and Powers of Local Government in South Africa', *Commonwealth Journal of Local Governance*, vol. 2 (January), pp. 107-119.
- Collier, C. 1996, 'NGOs, the Poor and Local Government', *Development in Practice*, vol. 6, no. 3, pp. 244-249.
- de Visser, J. 2009, 'Development Local Government in South Africa: Institutional Fault Lines', *Commonwealth Journal of Local Governance*, vol. 2 (January), pp. 8-25.
- Government of the Kingdom of Swaziland 2005, *Local Government Reform and Decentralization* (draft), Swaziland: Office of the Deputy Prime Minister.
- Government of Lesotho, 2005, *Poverty Reduction Strategy 2004/5-2006/2007*, Government of Lesotho.
- Harrison, P. 2001, 'The Genealogy of South Africa's Integrated Development Plan', *Third World Planning Review*, vol. 23, no. 2, pp.175-193.
- Hofmeister, W. and Scholz, I. 1997, *Traditional and Contemporary Forms of Local Participation and Self-Government in Africa*. Johannesburg: Konrad-Adenauer-Stiftung.
- Hope, K. R. and Chikulo, B. C. 2000, 'Decentralization, the new public management, and the changing role of the public sector in Africa', *Public Management*, vol. 2, no. 1, pp.25-42.

- Kithakeya, D. 1997, 'An Overview of Local Government Issues in Various SADC Countries'. Accessed 13 April, 2009
<<http://www.thedplg.gov.za/subwebsites/publications/sadconference/sadconferencespeech>>.
- Jones, D. 2000, 'Mandela urges traditional leaders to abandon boundary protest', *Business Day*, 19 September.
- Lester, A. Nel, E. and Binns, T. 2000, *South Africa ,Past ,Present and Future*, Harlow: Longmans.
- Massuangange, I. J. 2006, 'Decentralization and Local Development Programme, 2007-2009', Concept Note to Republic of Mozambique, UNDP & UNCDF.
- Mhlahlo, S. R., 2007, 'Assessment of Urban Governance in Zimbabwe: Case of the City of Gweru', *Eastern African Social Science Research Review*, vol. 23, no. 1, pp. 107-128.
- Moodley, S. and Sing, D. 1996, 'Local Government Financing in South Africa', in P. S. Reddy (ed), *Readings in Local Government Management and Development: A Southern African Perspective*, Kenwyn: Juta.
- Makumbe, J. 1999, 'Zimbabwe: Decentralisation, development and democracy', in P. S. Reddy (ed), *Local Government Democratisation and Decentralisation: A Review of the Southern African Region*, Kenwyn: Juta.
- Mukwena, R. M. 2004, 'The role of decentralisation in reducing regional inequalities in Namibia', *Regional Development Dialogue*, vol. 25, no. 1, pp. 108-125.
- Mutizwa-Mangisa, N. D. 1990, 'Decentralisation and district development planning in Zimbabwe', *Public Administration and Development*, vol. 10, no. 4, pp. 423-435.
- Ndegwa, S. N. 2002, 'Decentralization in Africa: A Stocktaking Survey', *Africa Region Working Paper series*, no. 40, World Bank.
- Ndiyepa, E. 2001, 'The Role of Traditional Rulers in Namibia's Decentralization Policy', Master of Public Policy and Administration Research Paper. Windhoek: University of Namibia.
- Nel, E. and Binns, T. 2002, 'Evaluating Local Economic Development Initiatives In South Africa: The Evidence from the Cities', paper presented at the African Studies Association Conference, Birmingham, UK, 11 September.
- Ntsebeza, L. 1999, *Land Tenure Reform in South Africa: An Example from Eastern Cape, Drylands*, issue paper no. 82. London: IIED, 1999.
- Olowu, D. and Wunsch, J. S. 2004, *Local Governance in Africa: The Challenge of Democratic Decentralization*, Lynne Rienner: Boulder.
- Oluwu, D., 2001, *Decentralization Policies and Practices Under Structural Adjustment and Democratization in Africa*, Geneva: UNRISD.
- Pycroft, C. 2002, 'Addressing Rural poverty: Restoring Rural Local Government', in S. Pernnell, E. Pieterse, M. Swilling and D. Woolidge (eds), *Democratizing Local Government: The South African Experiment*, CapeTown University Cape Town Press.
- Pycroft, C. 2000a, 'Democracy and delivery: The rationalisation of local government in South Africa', *International Review of Administrative Sciences*, vol. 66, no. 1. pp.143-159.
- Pycroft, C. 2000b, 'Integrated Development planning and Rural Government in South Africa', *Third World Planning Review*, vol. 22, no. 1, pp. 87-102.
- Reddy, P. S. 1999, 'South Africa: Local government, democratisation and decentralisation revisited', in P. S. Reddy (ed), *Local Government Democratisation and Decentralisation: A Review of the Southern African Region*, Kenwyn: Juta.
- Reddy, P. S. and Naidu, R. A. 2007. *Traditional Leadership and Local Governance in A Democratic South Africa: "Quo Vadis"*, Durban: DDP.

- Republic of South Africa 1998, *White Paper on Local Government*, Pretoria: Department of Constitution Development.
- Ribot, J.C. 2004, *Waiting for Democracy: The Politics of Choice in Natural Resource Decentralization*, Washington, DC: World Resources Institute.
- Ribot, J.C. 2002, *African Decentralisation: Local Actors, Powers and Accountability*, United Nations Research Institute for Social Development Paper No 8. Geneva: UNRISD.
- Roe, E. M., 1995, 'More just politics of decentralisation: Local government reform, district development and public administration in Zimbabwe', *World Development*, vol. 23, no. 5, pp. 833-844.
- Sharma, K. C. 2005, 'Local Government For Poverty Reduction in Botswana: An Advance towards good governance in Africa', in R. B. Jain (ed.), *Globalization and Good Governance: Lessons for Constructive Reforms*, New Delhi: Dup and Deep Publications.
- Sharma, K. C. 2003, 'Local government finance and management: A critical factor in the development of local government in Botswana', in P. S. Reddy, D. Sing and S. Moodley (eds), *Local Government Financing and Development in Southern Africa*, Oxford: Oxford University Press.
- Sharma, K. C. 2000, 'Popular participation for good governance and development at the local level', *Regional Development Dialogue*, vol. 21, no. 1, pp. 177-191.
- Smith, R. 2001, 'The duet of decentralisation and unfunded mandates', *Journal of Southern African Studies*, vol. 27, no. 1, pp.163-183.
- Sperfeld, R. 2005, 'Decentralization and Local Government in Lesotho', Government of Lesotho, 2004a, Cabinet: Programme for the Implementation of Local Government in Lesotho. Approved by the Cabinet 10/02/04.
- Stewart, F., Klugman, J. and Helmising, A. H. 1994, *Decentralisation in Zimbabwe*. Accessed on 16th December, 2006 <<http://gd.tuwien.ac.at/soc/undp/oc15.htm>>.
- Stone, P. 2003, 'Decentralisation in Africa: Goals, dimensions, myths and challenges', *Public Administration and Development*, vol. 23, no. 1, pp. 7-16.
- Tapscott, C. 2000. 'Intergovernmental Relations in South Africa: The Challenges of Co-operative Government', *Public Administration and Development*, vol. 20, no. 2, pp. 119-127.
- Tordoff, W. and Young, A. 1994, 'Decentralisation and Public Sector Reform in Zambia', *Journal of Southern African Studies*, vol. 20, no. 2, pp. 75-91.
- Totemeyer, G. K. H. 2000, 'Decentralisation for empowerment of local units of governance and society: A critical analysis of the Namibian case', *Regional Development Dialogue*, vol. 21, no. 1.
- United Nations 2004, Republic of Mozambique, 2004, *Public Administration Country Profile*, New York: UNDESA/DPADM.
- World Bank 2007, *Country Study Angola: Oil, Broad-based Growth and Equity*, Washington, DC: World Bank.
- Wunsch, J. S. 2001, 'Decentralization, Local Governance and 'Recentralization in Africa', *Public Administration and Development*, vol. 21, no. 4, pp. 277-288.
- Yemek, E. 2005, 'Understanding Fiscal Decentralization in South Africa', *IDASA Occasional Papers*.
- Zambian Government 2002, *The National Decentralisation Policy: 'Towards Empowering the People'*, Lusaka: Office of the President.

New directions in New Zealand local government

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Peter McKinlay

Director, Local Government Centre
AUT University, Auckland



Introduction

The purpose of this paper is to provide a 'work in progress' report on some initiatives emerging from local government practice in New Zealand which should help us consider how we think about the role of local government in a world which is undergoing dramatic change. The starting point is work which the writer undertook with the support of Local Government New Zealand (the national association) and a number of New Zealand councils considering the 'proper role' of local government. The context is an ongoing public debate driven substantially by the New Zealand business community from a perspective that this 'proper role' should be restricted to the delivery of local public goods, narrowly defined. This has included argument that local governments themselves should be structured substantially to promote the efficient delivery of services generally within the now well understood prescriptions of the 'new public management'. One implication which the business sector in particular drew in looking at the workings of local government was that there should be economies of scale through further amalgamation of councils (the local government sector having been through a major amalgamation process in 1989 which eliminated a large number of special purpose authorities and reduced the number of territorial local authorities from more than 200 to 73). Debate continues, with the latest manifestation being the National Party led

government's proposals for the restructuring of local government within the Auckland region, New Zealand's major metropolitan area. The initiatives discussed in this paper are partly a response, but more significantly a result of selected local authorities reflecting on the nature of their role, and the opportunities for being proactive in using their statutory privileges in ways that could produce benefits for their communities without any associated increase in the cost of local government itself.

Background and legislative changes

New Zealand local government, as already noted, underwent substantial restructuring in 1989. This involved amalgamating smaller local authorities and doing away with a number of special purpose bodies, and absorbing their functions into general-purpose territorial authorities. It was also a matter of attempting to improve both the efficiency of operation, and the transparency and accountability of individual councils. This included:

- Requiring local authorities to adopt accrual accounting, including preparing accounts in accordance with generally accepted accounting practice.
- Moving to a 'general manager' model of administration under which the council ceased to be the employer of all staff and instead had just one employee, its chief executive, who also had a statutory monopoly on advising the council itself (i.e. all other staff had to report through him/her).

Further changes took place during the 1990s designed primarily to improve local government accountability. These included statutory provisions to require prospective accountability – long-term financial and activity plans – and enhanced statutory obligations for public consultation. What had been largely missing in the changes in the late 1980s and throughout the 1990s was any substantive debate over the proper role and function of local government. This came to the fore at the beginning of this century when the then Labour-led central government responded to representations from the local government sector that local government legislation was badly out of date and urgently in need of revision. The Act at the time had been amended some three or four times a year over a period of around 30 years, with the result that it had become extremely difficult to find any coherent logic throughout its provisions. The Labour led government was also aware of developments internationally, especially in England, where the Local Government Act 2000 had introduced a power for local authorities to promote economic, environmental and social well-being. The New Zealand government saw this as an appropriate role for local government, especially as it was becoming more and more

concerned with how to address problems of social dysfunction at a local level. It was also responsive to representations from local government that the existing legislation was extremely confused in terms of the powers conferred. There were some extraordinarily broad and unconstrained powers but also some remarkably narrow and restrictive provisions – reconciling the two competing approaches was becoming more and more difficult. Accordingly, the government decided to rewrite local government legislation and passed the Local Government Act 2002 which included some significant changes. Amongst those the government regarded as the most important were:

- Rewriting the statutory purpose of local government as to:
 - Enable democratic local decision-making and action by, and on behalf of, communities; and
 - Promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.
- Granting local authorities the power of general competence expressed as "for the purposes of performing its role, a local authority has full capacity to carry on or undertake any activity or business, do any act, or enter into any transaction" and for those purposes, "full rights, powers, and privileges" (Local Government Act 2002, 'Status and powers', Section 12).

One of the delightful ironies of the changes was that buried in the mess which was the previous Act was a power of general competence somewhat broader than the power in the new Act. This irony escaped a number of commentators, including much of the business community, which reacted with a measure of horror at what it thought was the unleashing of local government to undertake whatever activity it thought fit with the compulsory backing of ratepayers. The new Act triggered a number of different responses. The two most significant were:

- To heighten concern within the business community that local government had untrammelled powers which presented very real threats to the business community in particular, but the wider community as well, because of the potential to undertake a very wide range of activity with what the business community felt was insufficient public control. The immediate consequence was an intensification of the business community's representations that local government should be restricted to the core business of delivering local public goods, narrowly defined.

- To encourage many local authorities, often for the first time, to consider how their activities promoted community well-being as opposed to the standard service delivery activities which for most of them had been their primary focus.

The business argument was very much focused on promoting efficiency as the business community saw it. This included further amalgamation on the basis that this would produce economies of scale, as well as that local authorities should be constrained in terms of the activities they could undertake.

The local government sector response

Although the then government had made it clear it had no appetite for further local government restructuring (amalgamation), the sector itself recognised that this was no assurance restructuring was off the agenda – governments change, especially in a polity such as New Zealand where elections take place once every three years. Accordingly, it decided it was timely to commission research looking at issues such as amalgamation and efficiency, in the hope of providing evidence which might support arguments against the risk of local government being subjected to further restructuring in the belief that ‘bigger is better’, or that local government should be tightly restricted in the activities it could undertake. This paper's author, in his consulting capacity, was commissioned to undertake the work. The resultant report (McKinlay Douglas Limited 2006) was a wide-ranging literature review of existing research on the role and efficiency of local government. The report's policy implications included:

- Of particular importance for the current debate in New Zealand is what the literature has to say about economies of scale as a rationale for local government amalgamation. In general, the research argues that larger local authorities tend to be less efficient than medium-sized or smaller authorities. More importantly, although achieving economies of scale matters, they do not provide a rationale for local government amalgamation.
- Changing understandings of the role and nature of local government, including the new statutory duty for New Zealand local authorities to promote community well-being, suggest that questions of structure need to be looked at not only in terms of efficiency but also in terms of what is consistent with enabling strong communities in ways which in turn feed through to improved social and economic outcomes.

These findings were consistent with changes taking place internationally in understanding the potential of local government not just as a service deliverer, but as a critical element in the development of sustainable communities. They were not, however, determinative of the broader public debate about the proper role of local government. The argument that it should be restricted to local public goods was still very much alive and well as can be seen from the following extract from a major submission made to the recent New Zealand Rating Inquiry¹ by the New Zealand Business Roundtable one of the country's leading business lobby groups:

The distinct danger of adding to current rating tools is that new funding mechanisms are used to source additional revenue without clear understanding of the proper role of local government. There are already arguable cases where targeted rates (including development contributions) are not based on sound economic principles but are seen as additional revenue generating devices. The clear issue in respect to available funding mechanisms is that those who benefit from the services provided should pay in proportion to the benefits received from utilising those services. While there will always be an element of cross-subsidisation, as for some services it would be well nigh impossible to introduce effective user charges, the majority of services (many of which are funded out of general rates e.g. waste disposal) could be funded in this way (i.e. in proportion to benefits received).
(Submission 572, Local Government Rates Inquiry)

The same lobby group in a submission to the Royal Commission on the Governance of Auckland² argued that the proper role of local government should be confined to local regulation and to:

... facilitating the provision of goods and services that cannot be supplied efficiently through voluntary transactions by individuals, firms and not-for-profit organisations. Such activities involve the provision, funding, or both, of public goods and services. In broad terms, public goods cannot be produced by the private sector with known technology, except under contract. It is usually not possible to charge for them. National defence and street-lighting are commonly cited examples of public goods.

Applying that interpretation, two consequences would follow:

- Local government would not undertake any activity which could potentially be undertaken by others, either on a voluntary basis or through contract.

¹ The report of the inquiry, *Funding Local Government* (Report of the Local Government Rates Inquiry) is available at:

[Hhttp://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Agency-Independent-Inquiry-into-Local-Government-Rates-Rates-Inquiry-Reports?OpenDocument](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Agency-Independent-Inquiry-into-Local-Government-Rates-Rates-Inquiry-Reports?OpenDocument)

² Submission to the Royal Commission on Auckland Governance. See

[Hhttp://www.nzbr.org.nz/submissions.asp?DocType=Submission&offset=10](http://www.nzbr.org.nz/submissions.asp?DocType=Submission&offset=10)

- Local government activities would have a minimal impact on redistribution as between better off and less well off residents/ratepayers/areas within the district of any given council. The redistributive impact would be confined solely to those services where it was technically impossible to put in place an effective means of user charging.

Variants of this approach have been characteristic of discussions about the proper role of local government in most of the developed world during much of the latter part of the 20th century. It has been associated with the so-called 'new public management' approach which has focused on councils as efficient service deliverers and residents and ratepayers as 'customers'. In the United States it has seen an ongoing debate between the 'public choice' school who argue that the structural arrangements for local government should provide the opportunity for people to select that mix of taxes and services they prefer, and 'new consolidationists' who argue for a broader and more redistributive role for local government. At the risk of oversimplifying the argument, the 'public choice' argument is that people should only pay for what they get and get what they pay for, whilst the 'new consolidationists' argue that local government plays a crucial role in the building of inclusive societies, which necessarily involves a measure of redistribution to ensure that services are designed to meet need rather than restricted by individual ability to pay (but recognising that overall community ability and willingness to pay is an essential constraint). The latter approach comes much closer to treating local governments as being an expression of local democratic choice rather than simply service providers. Readers who want to see a more detailed discussion of these issues are referred to Lowery (2000).

The current situation, in most English-speaking developed countries, is one of continuing tension between a business perspective that local government should have a relatively restricted role focused on service delivery, and the competing view (usually reflected in the mandates which central governments provide for the local government sector) that local government has a broader role in promoting community well-being. In comparison with the narrow perspective, this is still a relatively new understanding but one which appears to be gathering ground. Much of this changing approach to thinking about local government was captured in the November 2008 report to the government of the Canadian province of New Brunswick of the Commissioner on the Future of Local

Governance presented by Commissioner Jean-Guy Finn. In scoping the nature of local government, his report had this to say:

The shape a local government takes is largely influenced by its two basic roles or functions, which are generally recognized and accepted as **administration** (of services) and **representation** (expression of people's wishes). The performance of a local government organization, consequently, should be measured mainly by its effectiveness in carrying out these two functions. Over time, and depending on the geographical context, either of these functions may be emphasized or receive more attention. It is fair to say that, lately, in New Brunswick as in most other areas of Canada, the primary role of local government institutions has been equated with the delivery of local services. Rather than stressing local government in relation to democracy, the tendency has been to defend it as an efficient agent for providing services.

However, it is important to realize that one function cannot be carried out at the exclusion of the other. *Local institutions exist not only to provide certain services but also to represent the wishes of their residents. "Combining these roles suggests that local government exists to provide services in accordance with the needs and wishes of its local inhabitants"* [Tindal, 1977, p. 3]. One of the justifications for local government, therefore, is that it serves as an instrument of democracy as well as a service delivery agency. (Finn 2008). [Emphases in the original].

The experience on the ground, in how local government actually delivers on the renewed emphasis on what can variously be described as local democracy or community well-being, is rather more mixed than changes in legislation and the wording of government reports might suggest. First, different countries have different administrative traditions. English local government, for example, is subject to a very great deal of top-down direction which extends to the way in which it implements the community well-being power. New Zealand local government, in contrast, receives very little direction from central government in terms of how it delivers on its community well-being role, but is subject to very prescriptive requirements about how it undertakes and reports its long-term planning activities, which in practice have acted to discourage innovation in many councils. Secondly, another factor limiting the extent to which local governments have changed emphasis is simply institutional inertia. In New Zealand, as an example, many councils saw the new role of promoting community well-being as an attempt to move them away from what they regarded as their traditional 'roads, rates and rubbish' functions to more of a social service role. A number of councils also feared that this was part of a government strategy of cost shifting to local government. As a result, and not surprisingly, what can be observed in most jurisdictions which have sought to change the emphasis of local government activity more towards local democracy/community well-being is that change is more in the nature of ad hoc local initiatives than any deliberate

sector-wide strategy. Nonetheless, there is reason to believe that this ad hoc process could be more significant in its long-term implications than any attempt to put in place a deliberate strategy of change.

The balance of this paper looks at some international examples and then three potentially interrelated initiatives currently under way within individual New Zealand councils, and considers their potential to lead to a fundamentally different understanding of the role which local government can play in the lives of its citizens, not just in New Zealand but in other jurisdictions.

International examples

Local governments generally have long had the power to encourage innovative activity at a community level if they wish to do so. Normally this has been inhibited by concerns over capability, both within the local authorities themselves, and at the community level. As a consequence, it is only relatively recently that whole sectors have been adopting, or been required to adopt, strategies which emphasise developing community capability. One obvious strategy is the use of the local authority's procurement powers to purchase from a community-based third-party services which it wishes to deliver to its constituents. There have been occasional instances of this within most local authority jurisdictions with initiatives such as the establishment of trusts, independent of the local authority, but operating under contract to deliver cultural and recreational services, but these have tended by and large to stay within well-defined boundaries set by the local authority itself. There is evidence that the real gains from this approach come when the community-based third-party has the mandate and structure to grow its activities beyond the original confines of the local authority's own requirements. An early example from England is Greenwich Leisure Ltd, which has developed into a very successful employee-owned business contracting to a large number of local authorities.

In 1993 the London Borough of Greenwich was required to make very substantial budget cuts. One area in which it looked for savings was its leisure activities. The conventional approach would have been to cut back its investment in the management of leisure facilities. Instead the council decided to convert the leisure management activity into a separate business. The form chosen was an Industrial and Provident Society: a not-for-profit entity controlled by its employees with council support coming through its procurement policy – by purchasing leisure management services from the new entity. It

commenced business operating seven leisure centres all on behalf of Greenwich Borough Council. It has grown to become one of the largest leisure management businesses in the United Kingdom, providing management services to a number of local authorities, operating more than 70 centres, employing in excess of 4000 staff and winning a number of national awards for service and quality. The council has benefited significantly as the success of Greenwich Leisure Ltd has underpinned the establishment of additional leisure centres within Greenwich, as well as the provision of a wider range of leisure services, and the business itself has become a significant employer.

As is the case with much of local government innovation in England, central government has recently determined that the development of what are referred to as social enterprises within communities should be encouraged. It is effectively directing local government to use its procurement powers as a means of growing the social enterprise sector. The 2008 White Paper on local government, *Communities in control: real people, real power*, includes the following:

Communities and Local Government [the department responsible for local government] wants communities to benefit fully from the skills, knowledge and expertise of social enterprises. A new **Social Enterprise Unit** is in the process of being established that will champion the role of social enterprise models in delivering Communities and Local Government's strategic objectives, by recognising their contribution in areas such as housing, regeneration and creating empowered and cohesive communities. Supporting social enterprises to empower communities and local residents is a key theme of the new Empowerment Fund, details of which are published alongside this White Paper.

In addition we will encourage **local authorities to ensure that social enterprises are able to compete fairly for contracts**. Social enterprises often offer good value for money and innovation. However, they also often experience difficulties in breaking into the local government market. Local authorities should think about their role in supporting and promoting social enterprises through procurement. For example, contracts should be advertised in forums social enterprises access and contracts could be broken down into smaller sections making it easier for social enterprises to bid for them. (Communities in control 2008, 10) [Emphases in the original.]

In Melbourne, Australia, Moreland Energy Foundation Ltd (MEFL) provides another interesting example of a social enterprise, especially relevant for councils which are interested in promoting energy efficiency. MEFL is an independent not-for-profit organization established by the Moreland City Council from the proceeds from compulsory privatisation in the 1990s of its municipal electricity undertaking, to help

reduce greenhouse gas emissions across the municipality.³ Effectively, the city had made the decision that the promotion of energy efficiency was something it should support but that it was best done through an independent entity funded by the city, rather than through the council itself. MEFL works with households, businesses, schools and community groups helping to:

- reduce wasteful energy use
- save money on power bills
- make buildings more comfortable to live and work in all year round.

This work is done through:

- advice, training, consultancy services and advocacy work
- cheap and easy energy-saving tips, resource guides and information kits
- a 'Five Star Home Renovator's Service'
- detailed energy audits and recommendations.

MEFL also works on climate change and energy initiatives with other councils in its part of the metropolitan area. One of its recent initiatives, working with Darebin City Council, is Community Power, a partnership with Origin Energy to supply green power (see www.communitypower.org).

The purpose of both these examples is to illustrate that the potential for local government procurement activity to support the establishment and growth of quite innovative organisations is very real. In a wider sense, both also illustrate the point that creative thinking by local authorities can unlock very significant potential within their communities which might otherwise go untapped.

New Zealand

This part of the paper will look at three separate initiatives currently in place or under development which have the potential to radically reshape the way we think about the role of local government. They are rates postponement, community banking and community management of council assets.

³ Moreland municipality is on the fringe of the inner-city of Melbourne.

Rates postponement

The legislative changes which made promoting community well-being the purpose of New Zealand local government were part of a wider rewrite of local government legislation which amongst other things gave local authorities greater discretion in the way they undertook their activities, but also required greater accountability, including prospective accountability. One major objective of the rewrite was to streamline legislation. Crucially as this turned out, it included changing two important elements of rating law:

- The existing power to impose a special rate over part of the district, intended primarily to meet the cost of debt servicing for a loan raised to provide expenditure benefiting only part of the district, was replaced by the power to impose a targeted rate on the whole of the district, part of the district or even a single property and for a range of matters including "The provision or availability to the land of a service provided by, or on behalf of, the local authority."
- Existing provisions enabling local authorities to postpone the payment of residential rates on hardship grounds were replaced with broader provisions which in effect now allow local authorities to adopt whatever postponement policy or policies they wish so long as they do so through a defined consultative process (the council's Long-Term Council Community Plan).

The introduction of these legislative changes coincided with the beginnings of the major residential property boom which much of the world experienced in the lead up to the global financial crisis. In New Zealand, this had a particular impact on certain categories of ratepayer – those who owned residential property in prime locations such as coastal or other waterfront, and high-quality rural lifestyle areas. New Zealand local authorities revalue properties for rating purposes at least once every three years and quite often annually. Councils with significant areas of premium properties within their districts found that the rateable values of different types of residential properties were changing by vastly different proportions. As an extreme example, one council in one revaluation recorded changes ranging from -10% to +300%. A complicating factor was that many of these premium properties were owned by retired people on low fixed incomes - quite commonly living in the beach house which they had bought some 30 or 40 years ago and whose value had now risen dramatically because of increasing land prices. This presented councils with a very real challenge. There was no real case for remitting rates,

or trying to set rates on an age-related basis (which was not possible under the legislation anyway), but it was very clear that a number of older people were going to be facing genuine difficulty – in the jargon, they were 'asset rich but income poor'. For some of these authorities, addressing this was not just a matter of political pressure from disgruntled ratepayers, but also an obvious community well-being issue. They combined to develop best practice methodologies for offering older people the opportunity of postponing their rates indefinitely on a basis designed to be cost neutral between ratepayers who took advantage of rates postponement, and ratepayers generally.

So far, this sat reasonably well within conventional local government activity. The rates postponement arrangements were far more user-friendly than the previous hardship provisions, but entirely consistent with the way that local authorities had managed rating over many years (including the fact that they enjoy the benefit of a statutory first charge over the land to secure the unpaid rates). The next step was logical, apparently incremental, but in practice a fundamental shift in the role of local government. The chief executive, who at the time chaired the joint committee which oversaw the operation of the rates postponement group, began reflecting on the relationship between rates postponement and community well-being. He was very aware of the fact that a number of the older people within his district lived in homes which were not well insulated and were also poorly heated. The result was quite serious health problems particularly during winter, especially as many older people believed they could not afford the costs of properly heating their homes. He raised the question of whether rates postponement could be used as a mechanism for enabling older people to better manage the energy related aspects of their quality of life. At the same time the government's Energy Efficiency and Conservation Authority (EECA) was looking to extend the uptake of residential retrofits, primarily for energy efficiency purposes but also very much in recognition of the resultant health benefits. The two came together. EECA had developed a new subsidy program to encourage home insulation and heating upgrades. It would either give the homeowner a grant if the homeowner was in a position to fund the capital cost, or provide an interest-rate subsidy if the homeowner needed to borrow. It recognised that for older people on low fixed incomes, even an interest-rate subsidy might not be sufficient as they were likely to have difficulty managing the capital repayments. Accordingly it wanted an option which would allow older people to draw down the equity in their homes.

In New Zealand, as in Australia, the private sector in recent years has developed various forms of home equity release. However, as experience with these options has grown, so has the resistance of older people to their use. There is a growing sense that they are both very costly, and carry with them unacceptable risks. EECA was told quite firmly by older persons' advocates that a private sector option would not be acceptable. Instead, EECA has worked with local government to develop a rates-based solution. This involves the local authority adopting a policy of encouraging home retrofits, levying a targeted rate to cover the home owner's contribution to the cost of individual retrofits, and then postponing that rate. It is seen by older people themselves as an extremely cost-effective and fair way of facilitating home equity release. It is clear, in looking at the way this would work, that local authorities have a very considerable comparative advantage for reasons including:

- In jurisdictions where local authorities levy some form of rate or property tax they will have a comprehensive record of every residential property and its ownership. This in itself is a unique resource which would be extraordinarily expensive to replicate.
- An already established system for levying individual properties and where appropriate postponing any levy.
- A very simple means of establishing priority to protect any outstanding debt balance.
- The ability to exactly match the amount of the targeted rate to the cost of the specific service.
- An acceptance that their involvement in this type of activity is a ratepayer service, not a for-profit venture. In New Zealand at least, the statutory framework prevents councils from making a surplus from rates postponement (the legislation permits cost recovery but no more).

The legislative framework which is enabling home equity release is general in its terms, and not specific to energy retrofits. As noted above, a New Zealand local authority can impose a targeted rate for "The provision or availability to the land of a service provided by, or on behalf of, the local authority." Informal discussions are currently under way on how this approach could be extended to other services which might improve the quality of life of older people. Possible examples include home maintenance generally, personal services which would support ageing in place, and possibly discretionary health care (recognising that the likely health needs of our ageing populations are likely to far

outstrip the funding capability of governments). The most interesting possibility is the idea of a debit card which an older person could use to pay for a range of services from approved providers (important to ensure that older persons are getting both good service and value for money). The older person could either pay some or all of the outstanding balance as it falls due, or have payment default to a targeted rate which was then postponed. One issue for local authorities, if this use of the rating system becomes more common, is who ensures the quality and value for money aspects of any service. Under the arrangement with EECA, it takes responsibility for approving installers, and monitoring their performance so that the local authority has no need to be concerned about these aspects. Expansion to a wider range of services would almost certainly require the establishment of some arm's-length arrangement to be responsible for specifying service requirements, approving providers, and monitoring service quality and value for money.

Another issue is what this means for local authority balance sheets. Postponed rates are a very secure financial asset. The risk of loss in any individual case is minimal. However, they are hardly liquid and the average rates postponement arrangement is likely to remain on the local authority's books for anything up to 10, 15 or more years. It is recognised that, as the use of rates postponement grows, this question will need to be addressed. It is seen, however, as more in the nature of a technical issue than a real threat to local authority balance-sheet capability. The likeliest medium-term solution is an option or options which will see local government's comparative advantage (database, collection capability, community base etc) used as the means of delivering home equity release to support a wide range of services, but with the funding arrangements being held elsewhere. The key policy issue here is whether this is the type of activity which local governments should be engaged with. What will increasingly become the short answer when this issue is discussed is: why would you want to leave this option out of the range of mechanisms which will be needed to ensure that older people can afford a reasonable quality of life, without bankrupting the taxpayer?

Community banking

There is an increasing awareness that one significant issue in dealing with social exclusion is access to financial services. This has been recognised, for example, in the

work of the Melbourne Institute of Applied Economic and Social Research.⁴ This also has been a concern for some local authorities within New Zealand. It has resulted in them exploring the possibility of a New Zealand equivalent of the Bendigo Bank's community banking initiative in Australia.⁵ In contrast, however, to the Bendigo approach, the New Zealand initiative will involve local government as a facilitator working in partnership with a registered bank. In a number of cases this will extend to providing premises on a co-location approach with local authority service centres (expected to provide cost benefits both for the banking entity and for the local authority itself). The purpose is not to have local government get into the banking business, so much as to facilitate a new and potentially valuable community resource. After looking closely at the Bendigo model, the New Zealand local authorities involved with this initiative have concluded that community banking offers benefits including:

- A stronger focus on the needs of the local community, including improved access to banking services.
- Over time, a new source of funding for community activity.
- An important new community capability. As an example, there is a very real possibility that community bank branches, once established, could play a role in ensuring quality of service and value for money for rates postponement funded services - and the banking partner could be the provider of the debit card arrangement and otherwise play an important funding role.

There has been some critical comment suggesting that local authorities have no business getting into banking. The local government response has been first that they are not getting into banking – branches will be community owned, not local government owned. Individual local authorities will be involved as facilitators, with some sharing of facilities and potentially staff with the principal objective of reducing costs for both parties.

⁴ See Rosanna Scutella, Roger Wilkins and Michael Horn, 'Measuring Poverty and Social Exclusion in Australia: A Proposed Multidimensional Framework for Identifying Socio-Economic Disadvantage,' Working paper 4/09, Melbourne Institute of Applied Economic and Social Research, available at: [Hhttp://ideas.repec.org/p/iae/iaewps/wp2009n04.html](http://ideas.repec.org/p/iae/iaewps/wp2009n04.html)

⁵ Community banking operates as a franchise. Bendigo Bank is the franchisor, provides all of the banking products and services, and is responsible for quality assurance and oversight of individual outlets. Outlets themselves are owned by stand-alone companies with shareholding spread quite widely through their individual communities. Franchise profits are split between shareholders, reserves to build up capital, and community distributions. In some instances, individual community bank branches are now capable of distributing in excess of \$A100,000 annually. Community bank boards also act as a new and important source of community capability, with individual bank branches increasingly taking the lead in management of community projects which require the type of capability normally only found in commercial organisations.

Perhaps more importantly, local government has also emphasised that financial services are just as much a part of community infrastructure as water, roading or sewerage, or for that matter broadband. It is extremely difficult to understand why local authorities should be seen as natural facilitators of broadband development but should not be involved in the development of improved access to financial services.

Community management of council assets

Most councils hold very extensive assets, especially in the form of land, much of which may be relatively under-utilised but which is nonetheless retained in council ownership quite legitimately because it is seen as being a community resource which should be held for the community's benefit. Especially as council funding comes under increasing pressure, there is a strong argument that all councils should do what they can to get the maximum benefit from the assets they hold. Often this may involve quite significant development activity. Few councils have the commercial skills and experience to compete with the private sector in development. Those which are successful in doing so are often, in effect, exploiting a relative monopoly position. The immediate option of 'if you don't have the skills acquire them' is not really feasible. First, skills are required at both the management and governance levels. It is simply not sufficient to appoint experienced development staff but have them reporting to elected members who do not have the skills, experience and capability required for the governance of substantial development activity. Secondly, it is extremely difficult both to appoint adequately qualified people, and to ensure that the mix of elected members includes the appropriate skills: this is not how democracy always works. This will be the case even if the community has within it people with the requisite skills who are interested in helping the community develop its asset base. One reason is that people with high level commercial skills will often find it frustrating working within a council environment either as management, or in a governance role as elected members.

One New Zealand local authority has recently taken an initiative to deal with this problem. It owns substantial land resources which are likely to increase significantly in value both because of the council's own prime coastal situation and because of some major developments taking place within the district. It very much wants to ensure that the community as a whole benefits from the development it is expecting, rather than a few, almost certainly out of town, developers. It also has within its business community people with very good commercial track records who are prepared to put time and effort

into helping the council add value to its assets. What the council has done is to establish an incorporated charitable trust with a brief to create, manage, and distribute community wealth. The trustees are selected on a 'fit for purpose' basis. The council and the trust are together evaluating the council's portfolio. Land selected for development will be made available to the trust under a development licence designed to ensure that, if development does not proceed, the land reverts to the council. It is an exciting way of combining private sector skills with community objectives, ensuring that resources built up in the community over the years are not lost simply because the council itself lacks the skill base required. It also fits very well with the emerging emphasis on using council procurement policy as a means of developing or enabling community capability.

Conclusion

Each of these three initiatives is still very much work in progress. Each represents a significant development in the role of local government, but also can be seen as sitting squarely within the broad principles on which local government is based. Historically local government's principal role has been acting on behalf of the collective community to deliver services which will lead to improved outcomes for the area. These initiatives are entirely consistent with that role. The primary difference is that over the years the way we think about the role of local government seems to have shifted from seeing local government as a community-based resource for developing and delivering solutions on matters that require a collective approach, to seeing it as somehow fixed in a point of time in terms of the services it delivers (a view implicit in calls that local government should stick to its 'core business').

The possibility of private alternatives has always existed with virtually all main local government services. Toll roads, for example, were common in England in the 18th century. Libraries have always had their private sector equivalents. But as communities we use local government as an option for a number of reasons including:

- The efficiency advantages which come from minimising free-rider and transaction cost problems in delivering services where a significant majority but not all of the public want access.
- Often, a belief that there are public or merit good issues which would be disregarded by private sector providers.
- The sense that 'community' matters and that there will always be issues which need to be resolved at the community level, but will not be adequately handled if

left solely to the private sector or for that matter a higher tier of government – the challenges of an ageing population offer a current high-profile example.

Thus the New Zealand examples outlined are not a radical departure from the ‘core business’ of local government. Rather they are an application of long held principles to new needs and opportunities.

References:

- Communities and Local Government 2008, *Communities in control: Real people, Real power*, White Paper, Communities and Local Government (UK).
<<http://www.communities.gov.uk/communities/communityempowerment/communitiesincontrol>>.
- Finn, J-G. 2008, *Building Stronger Local Governments and Regions: An Action Plan for the Future of Local Governance in New Brunswick*, Report of the Commissioner on the Future of Local Governance, Government of New Brunswick, Canada.
<<http://www.gnb.ca/cnb/promos/flg/mainreport-e.asp>>.
- Local Government Rates Inquiry Panel 2007, *Funding Local Government*, Report of the Local Government Rates Inquiry, Local Government Rates Inquiry.
<http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Agency-Independent-Inquiry-into-Local-Government-Rates-Rates-Inquiry-Reports?OpenDocument>.
- Lowery, D. 2000, ‘A Transactions Costs Model of Metropolitan Governance: Allocation Versus Redistribution in Urban America’, *Journal of Public Administration Research and Theory*, vol. 10, no. 1, pp. 49-79.
- McKinlay Douglas limited 2006, *Local Government Structure and Efficiency*, Local Government New Zealand. <<http://www.lgnz.co.nz/library/publications/download-docs.html>>.
- New Zealand Local Government Act 2002.
<<http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html>>.
- Royal Commission on Auckland Governance, *Submissions*.
<<http://www.nzbr.org.nz/submissions.asp?DocType=Submission&offset=10>>.
- Scutella, R., Wilkins, R. and Horn, M. 2009, *Measuring Poverty and Social Exclusion in Australia: A Proposed Multidimensional Framework for Identifying Socio-Economic Disadvantage*, Working paper 4/09, Melbourne Institute of Applied Economic and Social Research. <<http://ideas.repec.org/p/iae/iaewps/wp2009n04.html>>.

The Commonwealth Local Government Pacific Project: Seeking 'Most significant change'

Commonwealth Journal of Local Governance

Special Issue March 2010:

Commonwealth Local Government Conference

Freeport, Bahamas, May 2009

<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>

Graham Hassall¹

Victoria University of Wellington
Wellington, New Zealand



The origins of the Commonwealth Local Government Forum's Pacific Project date to a 1997 roundtable in Papua New Guinea. Substantial activity, however, commenced more recently in 2005 with the launch of a 5-year project to enhance the quality of local government in the small states of the Pacific Islands. The project was well-conceived and managed to establish strong 'buy-in' by major stakeholders and partners. A mid-term review was undertaken in 2008 and was generally positive. The project is now in the final stages of implementation of what it hoped will be only its first phase. In 2009-2010 its central task is to ensure that the 'key results' envisaged at the outset are achieved: donors are looking for evidence of real impact in participating countries; project administrators are refining management practices on the basis of the mid-term review (as well as the regular feedback they receive from participating countries); participating countries are being asked to realistically plan, and to better integrate project activities into their ongoing work-plans as evidence of both genuine development outcomes and future sustainability of lessons learned.

¹ The author is grateful to the staff of the CLGF Pacific Project for abundant assistance with materials for this review and to Regional Advisor Terry Parker for comments on the draft.

Background

Local government is not particularly strong in the Pacific Islands. Half of the population remain in rural settings and traditional villages which are nonetheless being rapidly transformed by modernization. The increasing urban population are in cities, towns, and particularly peri-urban settlements which are struggling to provide adequate infrastructure, services, and leadership. Having decided to explore options for a project to assist the development of local government in the Pacific Islands, CLGF and the Commonwealth Secretariat convened a Regional Symposium on Local Governance in the Pacific in Suva in 2004. Proceedings of this event were published, (Commonwealth Secretariat and Commonwealth Local Government Forum 2004). On the basis of this report, and the evident success of the symposium, a five-year project for the Pacific Islands region was launched in 2005 to *'improve quality of life for communities in the Pacific region through strengthened local democracy and good governance'*. The project commenced at the same time that the Pacific nations, under the auspices of the Pacific Islands Forum, were developing the Pacific Plan to promote regional integration, and when a number of international agencies were developing the associated *'Pacific Urban Agenda'*.²

Project purpose

The Pacific Project was designed to support local government capacity-building through the pursuit of six objectives:

1. Encourage appropriate, participatory, representative and responsive local government in the Pacific Region
2. Ensure effective intergovernmental relations and central government support to local government
3. Enhance international and regional cooperation to promote effective local governance
4. Build capacity of local government institutions and structures to respond to rapid urbanisation, deliver better services and hence provide an enabling environment for economic and social development
5. Promote effective management of urbanisation and good local governance

² These agencies include the UNDP Inter-Country Programme, UN ESCAP (EPOC), UN Habitat, and Asian Development Bank.

6. Ensure recommendations and outcomes of the [Suva] Regional Symposium are implemented and monitored, and adequate capacity exists within CLGF to manage the project implementation.

Project management

An office was established in Fiji in office space offered to the project by the Suva City Council, with a sub-office later established in Port Moresby hosted firstly by the Papua New Guinea Urban Local Level Government Association, and from 2008 by the PNG Department of Provincial and Local Government Affairs. Following the mid-term review and in view of project expansion, separate and larger premises were occupied in Suva from 2009. Overall responsibility for the project lay with a Commonwealth Secretariat (CFTC) funded regional advisor,³ supported by a small team of project officers.⁴ A staff member of the Governance Program at the University of the South Pacific (USP) was engaged as part-time Training Coordinator.⁵ Project activities under the current phase commenced in October 2005 and the first Technical Advisory Panel (TAP) and start-up workshop was held in late November 2005. The TAP, comprising representatives of the participating countries, together with collaborating partners and donors, provides programmatic governance and meets annually to consult on progress and to establish the work program for the following year.⁶ Project staff maintain a website at <http://pacific.clgf.org.uk> and the Project's specific activities in pursuit of its five-year objectives are available online.⁷

Stakeholders and partners

The project initially focussed on seven countries – Fiji, Kiribati, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu. Tuvalu joined in June 2006, and Cook

³ Mr. Terry Parker, who also oversaw the related Honiara and PNG projects. The position came to an end in December 2009 following a handover to the counterpart Project Manager, with future advisory arrangements to be being finalised.

⁴ In 2009 these comprised the manager of the regional project (Karibaiti Taoaba), three project officers (Megan Praeger, Sachin Sharma and Ted Lulu (mainly engaged on the PNG project), and a project administrator (Letila Naqasima).

⁵ Mr Feue Tipu.

⁶ Associate members are the School of Governance and Development Studies at the University of the South Pacific, Pacific Islands Forum Secretariat, Commonwealth Secretariat, UNDP Pacific Centre, UN Habitat, UN-ESCAP (EPOC), Foundation of the Peoples of the South Pacific International, Local Government New Zealand, Local Government Managers Australia, UTS Centre for Local Government (University of Technology Sydney), NZAID, AusAID and CLGF London.

⁷ See http://pacific.clgf.org.uk/userfiles/Pacific+Region/File/CLGF_Pacific_Project_Info_Booklet.pdf

Islands in March 2007, bringing the number of countries in the project to nine. A project to strengthen Honiara City Council in Solomon Islands was established in parallel with the regional project, following an invitation from the Solomon Islands government to the CLGF in 2004 to assist in post-conflict institutional rebuilding. A second additional project, in support of local government in Papua New Guinea through the Commonwealth Local Government Good Practice Scheme, was also added under a separate funding arrangement with the Australian Agency for International Development (AusAID). The principal funding partner is the New Zealand Agency for International Development (NZAID), although AusAID has also made substantial contributions, and other support has been provided by a number of development partners.

Progress in achieving objectives

The Project is working toward six major ‘aspirational’ objectives, which are appraised below.

1. Appropriate, participatory, representative and responsive local government

Progress toward the goal of encouraging more responsive local government in the Pacific region is premised on an awareness of current circumstances of local government in the participating countries. Initial assessments found that little systematic evaluation of local government was available. Baseline research therefore became an important element of the project and scholars at the University of the South Pacific were invited into associate status with the project, and asked to undertake specific research tasks.⁸ These included a bibliography on local government and decentralization in the Pacific; case studies and other background documents for the 2007 Commonwealth Local Government Conference in Auckland; case studies on traditional governance and local government; a concept paper on intergovernmental relations; and, support of a review of local government legislation in Pacific Island states being undertaken by the UTS Centre for Local Government.

Other research was conducted in-house by project staff, with at least 14 scoping missions being planned or undertaken during 2005-2008, as well as two inventories. The scoping missions included capacity-building needs assessments, prospects for twinning programs,

⁸ This refers primarily to two institutions: the Pacific Institute of Advanced Studies in Development and Governance (PIAS-DG, renamed in 2009 the School of Governance and Development Studies) and the UTS Centre for Local Government at the University of Technology Sydney.

legislative review, policy review, library support, and the status of women in local government. Inventories were prepared to determine 'who is doing what' in local government, and to determine training needs in the region. The goal of improving understanding of and participation in local government was also pursued through engagement with civil society groups in presentations focused on voter and civic education, in one case using a local drama group. The project has also consistently advocated an expanded role for women in local government, and works toward this with UNIFEM's Pacific Project, FemLink Pacific, and other partners. In Fiji, a number of the Project's objectives were furthered through collaboration with, and considerable assistance to, the nascent Fiji Local Government Association. In 2007 for instance, the Association was funded to commission an investigation into the state of infrastructure construction and maintenance.

2. Intergovernmental relations and central government support for local government

The project faces many challenges in improving intergovernmental relations in the participating states. Much evidence suggests that central governments in the region have given too little attention to the cultivation of local government,⁹ except perhaps in Papua New Guinea where the robust nature of local communities has always checked the centralizing tendencies of national governments. For the remainder, the challenge of establishing adequate central government support remains.¹⁰ In the context of Fiji, the CLGF Pacific Project was instrumental in enabling the Fiji Local Government Association to establish a full-time secretariat and gave support to its developmental role. Apart from Fiji and Papua New Guinea, where local government associations have been established, local government bodies are not currently developed to the stage where such associations are feasible or in fact would add value.

⁹ See, e.g. the findings of Graham Hassall and F. Tipu (2008) 'Local Government in the Pacific Islands', *Commonwealth Journal of Local Governance*, vol. 1 (May), p. 1024. See <http://epress.lib.uts.edu.au/ojs/index.php/cjlg/article/view/766/1026> on such matters as local government expenditure per capita, and the small scope of fiscal transfers from central government.

¹⁰ During the life of the project, local government on the island of Rarotonga (in the Cook Islands) has been disbanded and while local governments still exist in Fiji as an institution [the central government in Fiji does 'support' local government], they are not elected. Since the dismissal of elected councils, and the suspension of Fiji from the Commonwealth as a result of the 2006 military coup, project activity in Fiji has effectively ceased.

The Fiji Good Local Governance Campaign commenced in September 2005 with the goal of improving local level governance as "...a means for sustainable and inclusive urban development and management that leads to efficient and effective service delivery." The Campaign was coordinated through and housed at the Ministry of Local Government and Urban Development but overseen by a representative Steering Group and a coordinator. The campaign provided a platform through which various other CLGF activities could be communicated to local government staff and councillors, such as: dialogue on principles of good governance at new councillor orientation programmes; direct involvement in a Public/Private Partnerships Workshop and Local Elected Leadership (LEL) development; participation in drafting a concept note and support for a Good Urban Governance Index project; and, assistance with implementation of the Fiji government's Urban Policy Action Plan. Although there is no direct mention of local level government in the Pacific Plan initiated by the Pacific Islands Forum in 2005 to enhance regional collaboration, CLGF has worked consistently with the Forum Secretariat to ensure some level of engagement on local government issues. A Memorandum of Understanding between CLGF and PIFS formalising this working relationship was signed in 2007.

3. International and regional cooperation

The project has been successful in establishing international and regional cooperation on matters of local government in the Pacific. As noted earlier, funding for the Pacific Project is given largely by NZAID and AusAID. Technical assistance has been provided by Local Government New Zealand through such activities as a scoping mission to Fiji local councils in 2005, which resulted in a recommendation for the establishment of a full-time secretariat for the Association, and resulted also in practical support for local libraries in Fiji. Other project initiatives promoting international cooperation have included the roll-out in the Pacific of the Commonwealth Local Government Good Practice Scheme in Fiji, Papua New Guinea, Solomon Islands, Samoa and Tuvalu, and the establishment of technical partnerships between local councils in those countries and Australian and New Zealand counterparts. The partnerships program for PNG and Australian councils, funded by AusAID, has now expanded into a large separate project. However, the establishment of enduring and effective linkages between Pacific urban local authorities and those in Australia and New Zealand has been more challenging than anticipated. More Pacific towns have sought twinning and other arrangements than the project has been able to facilitate, and, where arrangements have been put in place,

identifying and pursuing specific areas of effective skills transfer has proven difficult, given the differences in culture, expectations and the different stages of developmental need and interest.

4. Build capacity of local government institutions and structures to respond to rapid urbanisation, deliver better services and hence provide an enabling environment for economic and social development

Rapid urbanisation is one of the major risks to human security in Pacific societies in the coming decades, and the resource gaps facing Pacific urban authorities makes capacity development one of the most pressing issues. Although a training inventory was initiated at the outset of the project to identify training needs of local government (completed between 2000 and 2004), this inventory has not been given wide circulation. It was useful however in gap identification and generated some training programmes such as strategic planning.

One of the project's major successes has been in the field of local leadership development. A Regional Training of Trainers (ToT) was held in Fiji in March 2006 in collaboration with UN HABITAT and UNDP,¹¹ making use of a Locally-elected Leaders' (LEL) program developed by UN-Habitat. The 30 trainers from eight Pacific countries who completed this program proceeded to 'roll-out' leadership training in their respective countries. Although other training programs have been run, in such areas as basic asset and financial management and strategic planning, demand has continued to focus primarily on leadership training. By the fourth year of the project (2008), the TAP had approved no less than 99 activities, of which 81 were commenced and 31 completed. (Commonwealth Local Government Forum-Pacific Project 2008: 3). By mid-2009 approximately 600 locally elected leaders in the 9 project member countries had participated in LEL workshops. In a number of cases, however, training and other project activities have been delayed by situational uncertainties, by the scarcity of human resources, or by changes in priorities within participating countries. These challenges have been present in each year of the project, and were a topic of considerable consultation following the 2009 mid-term review.

¹¹ The program was conducted by facilitators from the Training and Capacity Building Branch of UN Habitat, Nairobi (Mr John Hogan and Ms Hawa Diallo), and supported by regional trainers who had previously undertaken the international ToT held in New Delhi in January (Mr Feue Tipu from Fiji, Dr Glynn Galo from Solomon Islands and Mr Russel Purai from PNG).

5. Promote effective management of urbanisation and good local governance

In general, local government entities in the Pacific face a range of critical issues whether rural or urban. These were well summarised in a report of a workshop for City and Town Managers in Papua New Guinea in May 2006:

Local governments in the Pacific region operate in a changing and uncertain social, political and economic environment. Challenges such as rapid urbanization, with its inherent increased management responsibilities, decentralization, high expectations from the citizens, resource constraints, service delivery and implementation gaps, good governance, citizen participation and community mobilization, remoteness, political volatility and effective working relationships with traditional structures all add to the strategic management and decision making responsibilities of local leaders. (Commonwealth Local Government Forum 2006)

The project has worked with a range of partners to convene development activities designed to increase capacities in urban administration.¹² These are: The Governance Program at USP was commissioned to assess the utility of Urban Governance Indicators through a pilot survey in Sigatoka and Lami in Fiji; in Papua New Guinea, the project worked with Papua New Guinea Urban Local Level Government Association (PNGULLGA), UN Habitat and the UNDP Pacific Centre to undertake pilot ward profiling in Kokopo; in Vanuatu, the Project supported the development of a corporate plan for Port Vila Municipality in early 2006 (a plan which was subsequently adopted and implemented) and success with this project resulted in a further initiative concerning planning and reform exercises in a number of additional provinces, notably Shefa, Tafea and Malampa; and, a workshop on Public-Private Partnerships held in Fiji in March 2006 in collaboration with the Commonwealth Secretariat, Pacific Islands Forum Secretariat, and the Fiji Ministries of Public Enterprises and Local Government that attracted 55 representatives from central and local government and the private sector. The CLGF's participation in the World Urban Forum in 2007 also drew international attention to the urban issues in the Pacific.

The challenges facing Honiara City Council in Solomon Islands have been a particular focus of the efforts of the Regional Advisor. The council had been suspended in 2004, not too long after the country as a whole had experienced several years of instability. In the subsequent period, intense effort has gone into institutional strengthening, financial management, local planning, improvements to service delivery and staff development. A mid-term review of the Honiara project undertaken in September 2009 found that after a

¹² UN ESCAP, PIFS, UN Habitat.

slow start excellent progress was being made, particularly in the area of revenue generation where the council's own-source revenues have increased more than six-fold and it is now debt-free – a remarkable turnaround. Whatever the challenges on the ground, one of the Pacific project's successes has been its partnerships with other regional and intergovernmental bodies in convening significant regional conferences on urban development, including the second regional Pacific workshop on urban management (Commonwealth Local Government Forum, UN Economic and Social Commission for Asia and the Pacific et al. 2007)

6. Ensure recommendations and outcomes of the [2004] regional symposium are implemented and monitored, and adequate capacity exists within CLGF to manage the project implementation

The Project 'Start-Up' Workshop, held in Suva on 30 November and 01 December 2005, provided the opportunity to plot the course of the project and ensure that it was well planned and embedded with regional stakeholders. Each participating country, with the exception of Vanuatu and including New Zealand and Australia, was represented at the workshop together with Project Partners, the Commonwealth Secretariat, CLGF London, PIAS-DG, PIFS, UNDP PSRC, UNDP ICT, UN ESCAP (EPOC), UN Habitat, Regional Rights and Resources Team (RRRT), Auckland University of Technology and the University of Technology Sydney (UTS). Each participating country was requested to develop its own workplan to implement the recommendations of the 2004 Regional Symposium. Predictably, PNG and Fiji produced the most detailed workplans, whilst other member countries focussed on recommendations that were most relevant for them.

The workshop elaborated the membership and responsibilities of the Technical Advisory Panel.¹³ The responsibilities were:

- drive the project and set strategic direction
- approve the annual workplan
- establish a management framework (including delegations)
- receive progress reports on implementation and financial reports

¹³ There are two categories of TAP membership: (1) **Core (decision-makers)** - representatives from the identified partner organisations responsible for the project from each of the participating countries, plus LGNZ and LGMA; and (2) **Technical and Associate (advisors)** - representatives of key regional Project Partners – the USP's PIAS-DG (now the School of Government, Development and International Affairs, PIFS, UN Habitat, UN-EPOC, UNDP Pacific Centre, FSPI, Commonwealth Secretariat and CLGF London. NZAID, AusAID and any other development partner supporting the project.

- address any variations from the adopted plan
- work with the appointed specialist in monitoring of project activities and outcomes, and evaluation of the impacts of the project
- provide technical inputs where needed
- provide general oversight of the project.

An external monitoring and evaluation (M&E) specialist was engaged to support the development of the M&E framework, and later to be a member of the team to carry out a mid-term review.¹⁴

Discussion

From the present vantage point – towards the end of the first five-year plan of the CLGF's Pacific Project – the prevailing view on the part of project management, stakeholders, associates, and development partners appears to be that the project has been successfully established and seen beneficial early results. The immediate tasks, however, centre on ensuring that lessons from the start-up years are integrated into future practice. Key findings and recommendations of the mid term review (Peek and Sansom 2008) were:

- The project had made sound progress, was meeting a pressing need for better local governance, and should be expanded and extended beyond 2010.
- Project activities were generally appropriate but were spread across too many activities to retain strategic focus and should be reduced in number; also each country should have a rolling 3-year strategic plan for its activities linked to a rolling 3-year funding arrangement with NZAID.
- Project reporting (progress and financial) should be less detailed, more succinct and focussed on the targeted readers. The Technical Advisory Panel should be delegated more responsibility for financial control and decision making, in line with the OECD *Paris Declaration on Aid Effectiveness* and the PIFS *Pacific Aid Effectiveness Principles* on country and regional ownership and leadership.
- The partnership approach has placed pressure on the responsible agencies and points of contact within participating countries to find the time and resources to initiate, plan and implement project activities, resulting in delays and deferral of some activities.

¹⁴ Professor Graham Sansom, Director of the Centre for Local Government at the University of Technology, Sydney.

- Greater attention should be given to project communications to build a solid base of ongoing support and highlight achievements.
- The project requires a more strategic approach to local government issues in the region, through: clearer articulation of a regional agenda in addition to country-level programs; inclusion of heads of ministries at TAP meetings; support for a periodic meeting of Local Government Ministers; convening of a second Regional Symposium on Local Government (in February 2009); and, stronger advocacy for recognition of local government's role at heads of government meetings of the Pacific Islands Forum.
- The CLGF Pacific office needs to be strengthened with additional project staff and appointment of a senior Regional Director.
- These recommendations were discussed at length by TAP meetings in Apia in October 2008 and Nadi in March 2009, and this full consideration of the project's method of operation, together with appraisal of its successes and challenges, assisted all those involved to reassess how they should best engage with it.

Project activities have generated a range of knowledge projects which could potentially be used more intensively in planning future activities. These include among others:

- Literature review by Pacific Institute of Advanced Studies in Development and Governance (PIAS-DG) [now the School of Governance and Development Studies] University of the South Pacific.
- Proceedings of the 2004 Regional Symposium on Local Governance in the Pacific.
- Voter education in preparation for the elections in Vanuatu and Kiribati
- Assessment of Pacific local government Acts.
- A potential model for sub-national government in Tonga.
- A discussion paper on central/local government revenue sharing and general fiscal decentralisation.
- The formal submission to the Pacific Island Forum's Pacific Plan on the role of local government institutions in managing urbanisation and achievement of the goals of the Plan.
- An inventory of 'who is doing what' by regional agencies and development partners working in the governance, urban and sub-national sectors (UNDP Pacific Centre, UNDP Inter-Country Programme, UN ESCAP (EPOC), UN

Habitat, Pacific Islands Forum Secretariat (PIFS), Asian Development Bank and CLGF Pacific Project.

- Report of the Public/Private Partnership Preparedness workshop in Fiji in March 2006.
- Practice papers on central/local government fiscal arrangements, role of local government associations, gender in local government, urbanisation and local government, strategy in local government, amongst others.

Some of key themes for further consideration within the project include: indicators of urban development; assessing the impact of local-level leadership training, and further needs assessment of local level leadership; impact of climate change on local authorities in Pacific states; gender issues; scope for upgrading informal settlements; and, prospects for local government financing.

Political instability in the region remains one area of risk, and sensitivities about local government continue to exist in the region. In Fiji the military removed the democratically elected government by coup in December 2006, and in late 2008 also removed the elected councils of Fiji's cities and towns. As stated above, local governments still exist in Fiji as an institution, it is just that they are not elected. This step, which ran counter to the recommendations of a review of local government commissioned by the interim regime, prompted CLGF to issue a statement urging that elections for local government be reinstated at the earliest possible time (Commonwealth Local Government Forum 2009).

Amongst the many development assistance projects in the Pacific region at the current time, the CLGF Pacific Project has some important distinguishing features. Firstly, it is the only organization in the Pacific region with a dedicated focus on local level governance. Secondly, it works in partnership with participating countries without dictating the terms. Although this means that the project stands or falls on the basis of activities agreed and implemented by participating countries, it also provides potential for greater sustainable capacity development at local level than would occur through direct project implementation. It achieves a high level of buy-in from participating countries through their membership of the project's Technical Advisory Panel. To ensure constant improvement, it has an in-built monitoring and evaluation component. Full consideration of the project's mid-term review will lead to improvements in this aspect

of project administration. Participating countries know that they must report more responsively and in terms of project impact and learning. The evaluation of Local Elected Leadership training in Fiji adopted the methodology of 'Most Significant Change', with follow-up surveys and reflective discussions with participants to identify often small but nonetheless significant improvements in their own performance, and that of their local government bodies that have the potential over time to translate into more far-reaching change. That methodology seems to capture the essence of the Pacific project: it is deliberately focused at the grassroots, and although more attention will need to be given to the broader strategic and political framework, local participation and partnerships remain the heart of the enterprise.

In the context of progress already made and ongoing challenges in the Pacific noted above, commitment to the project remains strong, and it is steadily earning respect amongst both governmental and non-governmental bodies as a serious and credible effort to develop the capacity of local government across the region.

References

- Commonwealth Local Government Forum - Pacific Project 2006, Report of the 8th Technical Advisory Panel Meeting held 20-21 November 2006, Raffles Tradewinds Centre, Lami. Suva, Commonwealth Local Government Forum.
- Commonwealth Local Government Forum - Pacific Project 2008, Project Progress Report No. 6 - to 31st December. Commonwealth Local Government Forum, Suva.
- Commonwealth Local Government Forum 2004, Regional Symposium on Local Governance in the Pacific, Summary of Recommendations, SUVA, FIJI ISLANDS. 4-8 December, 2004.
- Commonwealth Local Government Forum 2006, PNG Workshop for City and Town Managers on Effective Management and Leadership in Local Government. Hideaway Hotel, Port Moresby, Papua New Guinea, 24-26 May 2006. Commonwealth Local Government Forum, Suva.
- Commonwealth Local Government Forum 2009, *CLGF calls for early Fiji local government elections*. Commonwealth Local Government Forum, Suva.
- Commonwealth Local Government Forum, Economic and Social Commission for Asia and the Pacific *et al.* 2007, The Second Regional Workshop on Urban Management, 23-25 April.
- Hassall, G. and Tipu, F. 2008, 'Local Government in the Pacific Islands', *Commonwealth Journal of Local Governance*, vol. 1 (May), pp. 6-29.
- Peek, E. and Sansom, G. 2008, Mid Term Review: Commonwealth Local Government Forum Pacific Project. A Pacific Regional Project funded by NZAID and AusAID. Commonwealth Local Government Forum, Suva.

CONFERENCE NOTES



Commonwealth Local Government Conference
Improving local government:
the Commonwealth vision

11 - 14 May 2009, Freeport, Grand Bahama Island



The following material is a selection of edited presentations and additional text from the Conference Working Group program. Further details about this program, including additional presentations, can be viewed at the CLGF conference website: www.clgc2009.org

WORKING GROUP 1

Inclusive cities and the needs of the urban poor: Taking forward the vision for improvement.

Christine Platt:

President, Commonwealth Association of Planners.

Thanks to a growing realisation that planning fit for purpose in the 21st Century is a form of local governance, and that planning and local government are inextricably bound, there exists a strengthening relationship between CLGF and the Commonwealth Association of Planners (CAP). There is clearly synergy in what CAP do and in addition, the developmental challenges they face in the Commonwealth are so great that the only hope we have of making a difference is by global collective action.

This aims to be a short overview of where planning is in the Commonwealth and then to present a reflection on work done by the Commonwealth Association of Planners relevant to this CLGF conference and to the Inclusive Cities Network in particular.

The last decades of the 20th Century arguably saw planning in decline, to the point of sometimes being regarded as irrelevant or an impediment to development. There were indeed grounds for criticism. Too often technocratic masterplans and attempts at micro-managing land use failed the poor, yet still lacked the powers or political will to protect vital assets of land and environmental resources. Planners had become increasingly uncertain of their contribution, and too often had become mired in systems of planning

which were never designed to cope with the demands being placed on them, or were too narrowly focussed on micro - managing land use with the resulting contestation, uncertainties and lack of coherence.

The [World Urban Forum](#) in Vancouver (WUF 3) was a watershed, because governments and civil society organisations agreed that planning is a key tool for the strategic coordination of sustainable urbanisation. The official UN Habitat [report](#) on WUF 3 listed planning as one of four headline issues, and recorded that: “The Forum stressed the important role of planners as agents of change and underlined the importance of sustainability as the backbone of new forms of planning.” But importantly WUF 3 was also the occasion at which planners and those responsible for planning began to seriously engage in debate about the fundamental role of planning in addressing the urgent challenges of the 21st Century. A new groundswell of energy emerged with the common purpose of reinventing planning fit for purpose in the 21st Century. The paper [Reinventing Planning](#) presented an agenda based on 10 key principles, which were presented at WUF 3. Time doesn’t allow a full expose of these, the most critical points are:

- *Sustainability*: which requires reconciling and integrating social, economic and environmental considerations in human settlement development.
- *Integrated Planning*: which is a fundamental part of governance and which requires strategic thinking which is not done in silos or boxes, about policies that support each other and which ensure effective linkages to private and public budgetary processes.
- *Planning with Partners*: which requires planning to be participatory, inclusive and to involve all sectors of the community not least the youth, women, the poor and ethnic minorities.
- *Subsidiarity*: which requires that decisions are taken at the most appropriate level of preferably decentralised government.
- *Appropriate Planning Tools*: which should be strategic, affordable, relevant to their context and compatible with indigenous traditions and practices.

The response of planners and people responsible for planning has been remarkable. There is compelling evidence that planners in the Commonwealth have responded to the call to reinvent planning. A series of events bears testimony to this. Responses from

grass-roots planners have been heard from around the world over the past two years, including the Pacific Islands, Australia, the Caribbean, Canada, the Great Lakes area of East Africa and Cameroon. Here is a flavour of just one of these. Planners from around the world gathered in Johannesburg in April 2008 at the [Planning Africa conference](#) to explore the “Lessons, challenges and responses from Reinventing Planning post-Vancouver.” The messages were clear and consistent:

- Governments need to grasp how spatial planning which is strategic, integrated and participatory can help,
- Governance issues, including insufficient funding, lack of political will, and political instability are affecting the delivery of planning,
- There is a skills shortage in ALL regions of the world and in all areas of planning and planning decision making,
- We need cross boundary thinking if we are to effectively deal with the big issues such as climate change, deepening poverty, increasing slums and the food and energy crisis,
- Globalisation and its impact on new migrations, densities, heritage and changing sense of place cannot be ignored,
- Last but not least, we need to reinvent planning education and to support the “Barefoot Planners” who are working hard to serve communities in rural areas and small island states, with few opportunities to access new knowledge and skills.

But there were also some very positive messages. There is a clear determination to make planning work and recognition that this means doing things differently. We have heard how women planners are preparing practical guidance on planning residential areas from a woman’s perspective; how governments have recognised the strategic role which planning can play; about innovative new legislation and planning systems being established; about the recognition now given to the importance of informal trading for the livelihoods of the urban poor; and increasing gender and diversity awareness. The list goes on, but the message is clear that planning is indeed being re- invented, and largely from grassroots. But let me not mislead you - the work is far from complete.

There is also a new spirit of global solidarity. The Institute of Town Planners, Sri Lanka and the Planning Institute of Australia have worked together on re-planning after the 2004 Tsunami. The Royal Town Planning Institute of Great Britain and the

Commonwealth Association of Planners have undertaken a global diagnostic assessment of capacity in planning, the largest ever study of the global planning community. Their message is clear: the potential of planning is not being properly exploited, and we need to build capacity.

Significantly there have also been a number of high level sessions at which ministers and senior officials have engaged in discussion about how to re-invent planning. UN Habitat's GC 21 in April last year agreed the [Draft Medium Term Strategic and Institutional Plan for 2008-2013](#) which had as one of the five strategic focus areas "Urban Planning, management and governance". The Plenary Dialogue sessions at GC 21 agreed the need for properly funded, sustainable planning systems and frameworks relevant to the 21st Century and agreed that the enhanced capacity of planning and of local authority administration is crucial. At GC 22 this year the Plenary Dialogue went on to stress the need for stronger partnerships and networks, knowledge sharing, research and capacity building. We have seen similar sentiments expressed at the Inter-Ministerial [Commonwealth Consultative Group on Human Settlements](#) and also by civil society in the Commonwealth People's Forum Kampala Civil Society Statement to CHOGM in Uganda last year.

The messages have been consistent. We cannot talk about sustainable development without talking about sustainable urbanisation, and we cannot talk about sustainable urbanisation without talking about planning. But concerns remain, particularly about political leadership, governance, capacity, social inclusion, and funding. The lessons and responses are clear. The spatial dimension of planning remains the core and quintessential element of planning as we know it, but that is no longer enough. Planning fit for purpose in 21st Century needs to be strategic, integrated and participatory, otherwise we have no hope of dealing with the challenges we face. Planning must ensure that the wealth created by urbanisation is shared fairly. Without it there is no hope of the people for whom and with whom we need to plan accepting, defending or adhering to the outcomes of our efforts

The challenges we face are overwhelming and we know that we are inextricably bound together in resolving them. None of us is immune from the impacts of cities which are set to double in size in the next 10-15 years, from the 150m climate change refugees which are being spoken of, or the 1 billion people living in slums, with consequences for health,

security and stability in our world. As one speaker in Johannesburg said, “If the developed world thinks it is isolated from poverty issues, it is wrong on every count. Climate change and failed cities will trigger international migration that will become unstoppable.”

In this context it is a pleasure to report that the Commonwealth Association of Planners has commenced work on three projects to advance planning, and thereby contribute to better local government in the Commonwealth. It is the third that is of particular significance. It is important however to record that the Commonwealth Association of Planners commissioned a research study into “Good Practice in Planning with Gender in the Commonwealth” [[allied document](#)] which provided an overview of key generic guidelines on gender in relation to human settlement planning and presents 10 good practice case studies from across the Commonwealth as examples. This work is to be published shortly. The second is a Capacity Building for Planning project. The first phase of this is an investigation into the State of Planning Education in the Commonwealth which is due to commence very shortly.

The project which is undoubtedly of the most significance today is the State of the Commonwealth Cities project. The Commonwealth Association of Planners was instrumental in having included in the Communiqué from the [Commonwealth People’s Forum](#) (CPF) (held in Kampala in November 2007 at the time of the last CHOGM), a call on:

Commonwealth Member States, and the Commonwealth Consultative Group on Human Settlements to produce a ‘State of the Commonwealth’s Cities’ report for the next CHOGM, which would assess opportunities and threats of urban growth in relation to poverty alleviation, sustainable and people-centred development and reducing disparities in living conditions, and would recommend inter-governmental actions.

In 2001 the Commonwealth committed to the goal of “demonstrated progress towards adequate shelter for all with secure tenure and access to essential services in every community by 2015” but with no systematic analysis of or mechanisms for reporting on what is happening in the cities of the Commonwealth this remains an aspiration. The Commonwealth Association of Planners is working in partnership with CLGF, the Commonwealth Secretariat and the Commonwealth Foundation on this very important project. The ultimate outcome is intended to be a set of country reports in which

urbanisation issues are reported on at each CHOGM, with an agreed set of key indicators to monitor what is happening in the Commonwealth cities. The intention is to establish a network of cities throughout the Commonwealth, as resolved in New Delhi, which can pilot a programme of action research. Twelve cities have been identified however this list is not exclusive and any Commonwealth cities which are able to contribute will be welcomed. The first phase of the State of the Commonwealth Cities report was presented at CCGHS in March in Nairobi. We need now to move ahead in order to report more fully to CHOGM in November. We therefore welcome this very important event – the launch of the [Network of Inclusive Commonwealth Cities](#), which will play a critical role in deepening our understanding of urban issues in the Commonwealth.

The call which has been repeated throughout the world is that with political support, greater capacity, coordinated research and open sharing of knowledge and information, planning and local government could deliver much more in addressing the critical challenges we face. The crises are urban but the City is the solution.

*Other speakers to Working Group 1 were **Cllr Andrew Mua**, Lord Mayor of Honiara, and **Mayor Obed T Mlaba**, eThekweni, South Africa.*

WORKING GROUP 3**Promoting gender equality: Taking forward the vision for improvement****Shelia Roseau**

Executive Director, Directorate of Gender Affairs, National Women's Machinery, Antigua and Barbuda¹

Local governments are key promoters of gender equality and can make a difference to the lives - and the life chances - of women. Increasing the number of women in local government, and keeping the needs of women in mind when developing policies and services, is essential to achieving the goals of sustainable development. It is also a question of justice and recognising gender equality as a human right. Although women comprise more than half of the population in most countries and indeed the world, they continue to be under represented as leaders, and elected officials including at the local and national levels. Local government has become the focus of widespread development strategy in developed and developing countries, and is transforming the structure of governance. This process of governance not only strengthens democracy but encourages citizen participation. It is also about promoting democratic governance and the equitable sharing of economic opportunities and responsibilities.

Recognising the importance of the role of women in local government and access to public services, the International Development Research Centre (IDRC), and in collaboration with other international agencies, organized an international conference on [‘Decentralization, local power and women’s rights: Global trends in participation, representation and access to public services’](#). This conference was held in Mexico City 18-21 November 2008.

The Conference reviewed global trends in relation to representation and participation; access to public services; access to women’s representation and participation as well as how to improve lives of communities at the local level. In seeking to do this it looked at issues of decentralization as a means of deepening democracy. In addition, it reaffirmed

¹ National Women's Machineries (NWMs) are the main constituents at country or national level that are charged with the responsibility of pushing women's issues and agenda forward. In some cases, they are embedded within the Ministry for Women and Gender Affairs, while in some others, they are stand-alone department, albeit working with the Ministry of Women's Affairs.

the critical importance of local government as an integral part of representative democracy. It was further acknowledged that decentralization could create opportunities for women and men on issues that affect their lives.

To take advantage of such opportunities, the importance of adopting the rights-based approach was acknowledged as a strategy to increase women's representation and participation.² In this context the global frameworks including the UDHR, ICCPR, ICESCR, CEDAW, BPFA, the [Commonwealth Plan of Action on Gender Equality \(2005-2015\)](#), MDGs, and regional instruments that provide for equal and full participation of women and men in all spheres of life were reviewed. On a practical level, basic social services such as water, sanitation, education and food were discussed as how best they can be delivered for the benefit of all. From a global perspective, the Conference reaffirmed the importance of promoting gender equality and equity from national to local levels, thus, acknowledged, the role of central government to promote and protect women's access to local governance and to ensure the availability of financial and other resources to meet women's practical and strategic needs and create structures of accountability that enable women to exercise their rights.

Highlighting a few findings and recommendations from IDRC's research:

- Both women and men are enthusiastic about the opportunities at the local level for participation in public life and are committed to promoting gender equality and equity. Thus they must be provided the necessary access and resources to participate and be represented.
- In the context of food, financial and climate change crises, policies are often formulated at the higher levels without involving women in their formulation; ie transferring the responsibilities of payment and care to communities and civil society and extending women's unpaid domestic and care giving responsibilities into the public sphere.
- A major finding of the conference is the lack of disaggregated data on local government representation such as a resource like the [IPU website](#).
- Insufficient resources and special measures such as quotas and affirmative actions are useful mechanisms to promote women's participation.

² A Rights-based approach or citizen-based approach is an approach that recognises that men, women and young people have a role and responsibility in the governance of their community as documented in the universal declaration of human rights.

- The importance of gender responsive budgeting is critical to ensure effective and maximum benefits for women, men and young persons.
- The need to build and strengthen capacity at local levels is essential to promote ownership.

Recommendations from the IDRC include:

- Design and review policies that promote gender equality and equity. We can start with CLGF.
- Promote and recognize the roles and responsibilities of organizations that promote and protect women's rights and participation including grassroots women's and community-based groups.
- Implement mechanisms and special measures for women's participation and representation.
- Ensure access to decentralized services and resources.
- Fiscal decentralization, access to finances and remuneration.
- Capacity building.
- Communication, dissemination and support networks.
- Monitoring and evaluation.

I would like to conclude with some recommendations for CLFG 2009:

- That the CLGF in collaboration with Commonwealth and regional groups develop a "Gender and local government action plan a framework for improving gender in local government"
- Adopt the outcomes of IDRC (Mexico) Conference
- Promote and enhance gender responsive budgeting at local government level.

Finally, over 2,400 years ago the ancient Greek scholar, Plato wrote that a city should be ruled by philosophers, by those who sought wisdom, those who avoided petty squabbles to focus on the great issue of how to secure the welfare of the state and all its residents. In the twenty first century we too need the wisest people, the modern philosophers to ensure we survive these troubled times. How will we ever have wise rulers, if we continue to ensure that over half our citizens are excluded from those positions of power and influence where they can do most good?

Elsie-Bernadette Onubogu

Adviser, Commonwealth Secretariat, London.

Co-facilitator of Working Group 3.

Local government and decentralisation: A critical analysis of women's representation and participation in the Commonwealth

Increasingly, decentralisation and local governance reforms are transforming the structure and efficiency of governance in some countries, with the implication that local people will be 'enfranchised' and therefore transformed from 'subjects into citizens.'³ In this context, it can be translated therefore, that women will be enfranchised, their voices heard, and they can contribute to decisions that affect their lives.

Women's participation and representation in local government with decentralised power, refers to any change in the organisation of the state which involves the transfer of power or functions from the central level to any sub-national levels, from one sub-national level to another lower level,"⁴ thus, providing opportunities for women to contribute to the decisions that affect their lives. Often, the amount of power transferred informs the extent of impact and access. For example, whether the system offers devolution, deconcentration, delegation and/or privatisation, could determine the level of opportunities available for women on issues.

A critical question for consideration is 'why is the transfer of power necessary?'

I believe such power transfer is essential because the process of promoting good governance requires the transformation of society through socio-economic, political as well as cultural empowerment of all citizens - in particular, the empowerment of marginalised groups to participate in their own development. At the practical level, as documented by Commonwealth countries and others, local governments can play a key role. Women, through their participation at the local level are able to influence decisions so they are gender sensitive and support women's empowerment. Subsequently, such women can be conduits for communities and often have the opportunity to build constituencies. At the last Commonwealth Local Government Conference (Aberdeen),

³ Ribot, *Waiting for Democracy: The Politics of Choice in Natural Resource Decentralisation*. Washington DC: World Resources Institute, p. 7, 2004.

⁴ Chikulo BC, 'Decentralisation and the role of the state in the future' in Mandaza I (ed.), *Governance and Human Development in Southern Africa*. Harare: Sapes Books, 1998, p 82.

the Heads of Government endorsed a twelve-point plan outlining the key principles for strong local democracy and governance. Among this 12 point agenda is the need for “inclusiveness in all sectors of the community, particularly women.”⁵ To promote this commitment, the Commonwealth Local Government Forum in association with the Commonwealth Secretariat organized a session on ‘Women and Local Government’ during the 2009 Annual Commonwealth Local Government Forum held in Freeport, Grand Bahamas. The session further reaffirmed the provisions of the Commonwealth Plan of Action on Gender Equality (CPoA, 2005-2015) adopted by the Commonwealth Ministers Responsible for Women and Gender Affairs in Fiji Islands in 2004.⁶

Within the context of ‘rights’, political participation and democratic governance, the session reviewed women’s participation, representation and contributions to governance in Commonwealth countries and beyond. It outlined strategies to improve women’s participation and representation in governance, a panacea for achieving sustainable development. A notable outcome is the agreement by the Commonwealth Local Government Forum to develop (in partnership with the Commonwealth Secretariat and national partners) a ‘Gender and Local Government Action Plan’. This will serve as a practical mechanism and advocacy and resource tool to promote the ‘Aberdeen Agenda’, in particular, women’s increased participation and representation in governance and politics.

Political participation is a fundamental right of every person. As noted in the Universal Declaration of Democracy, “...the achievement of democracy presupposes a genuine partnership between men and women in the conduct of the affairs of society in which they work in equality and complementarity drawing mutual enrichment from their differences.”⁷ The International Covenant on Civil and Political Rights, which came into force in 1976, guarantees every citizen's right to participate in public affairs, vote or be voted into office, and have access generally to public services within her/his country.⁸ This right, further reaffirmed by other frameworks and ratified by States, which includes the [Convention on the Elimination of All Forms of Discrimination against Women](#)

⁵ ‘The Aberdeen Agenda: Commonwealth Principles on Good Practice for Local Democracy and Good Governance’ Commonwealth Local Government Forum: UK.

⁶ Commonwealth Plan of Action on Gender Equality (2005-2015), Para 3:13

⁷ Universal Declaration on Democracy, Principle No. 4, 1997

⁸ ICCPR, Article 3, ‘The States Parties to the present Covenant undertake to ensure the equal right of men and women to the enjoyment of all civil and political rights set forth in the present Covenant.’

(CEDAW), must be exercised by all, including women. Ratification of these instruments by states confers and signifies accepted obligation to take all necessary measures to equal and full participation in the lives of men and women. This presentation will seek to review how far States have sought to fulfil this obligation especially through decentralization and local governance.

In relation to women's participation and representation, reports indicate that women constitute more than half the world's population, and have consistently out-voted men in elections. To ensure that women's voices are heard and the gender equality gap is closed, the [Fourth World Conference for Women](#) adopted a minimum target of at least thirty per cent (30%) women's representation and participation in government and decision-making positions. This target was set on the assumption that with 30%, women would achieve 'critical mass' or in other words, sufficient numbers to make a difference. Thus, the former UN Secretary General in his report stated that a "critical mass" (estimated at a level of at least 30-35% in decision-making bodies), has a visible impact on the style and content of political decisions. The current Commonwealth Plan of Action has called for countries to push beyond the 30 per cent minimum target for women's representation. In fact, the African Union has adopted a fifty/fifty (50/50) gender balance framework for all African countries. The challenge remains not only its implementation but translating such commitments at the local level of governance.

It is pertinent to mention that progress recorded has largely been due to institutional mechanisms through special measures such as quotas and/or affirmative action by governments, constitutional/legislative reforms, political will and women's advocacy. For instance, the 73rd & 74th Constitutional Amendment Act in India (1992/3), reserved 33 per cent (33%) of seats in all local bodies (Panchayats & Municipalities) for women, with a proviso that a third of the Chairpersons at all levels have to be female. Other countries that have adopted similar measures include Pakistan, Bangladesh, Uganda, Tanzania, and Lesotho, to mention a few. More recently though, the Indian State of Uttarakhand passed a bill (Uttarakhand Panchayat Law [Amend] 2008), which has up-scaled reserved seats for women to 50 per cent (50%) at the Panchayats, with a double term at the Pradhan level.

The story of women's representation at the local government is much similar to that presented above. Data on women's participation and representation at local government

levels highlight an uneven trend often with region specificities. Despite the above statistics, most countries have relatively poor records in terms of women being elected to representative bodies whether at national or local levels. What is also true is that while progress has been made in some countries, women have no representation at the local level in some countries.

Despite these calls and efforts by women organizations, activists and stakeholders; women's representation and participation in local governance processes remain slow and uneven. Several factors are responsible for such minimal progress. These include, lack of political will and commitment; discriminatory practices and laws; the culture of politics; traditional and religious barriers; financial and organizational considerations among others. Irrespective of challenges and barriers to women's representation and participation, it would appear that recent waves of decentralization and the push for accountability – and women's dogged interest to influence decisions that affect their lives – have increased across the globe. Recent trends from Arab countries Kuwait, Bahrain, UAE (where women took part in elections for the first time) is encouraging. In addition, Swaziland's adoption of a Constitution which provided 33 per cent (33%) reserved seats for women is evidence of 'the wind of' transformation.

The importance of transforming societies, promoting democracy and sustainable development underscores the critical importance of women's full and equal participation. The current situation of women in government has been aptly summarised thus

...historically, women have been sidelined from the structures of governance that determine political and legislative priorities. The legitimacy of political agendas that do not include the views of those affected, however, must be questioned.⁹

The question of legitimacy is critical as overall development of a society is unlikely to be achieved without women's advancement, equality and equity.

Following from the 2008 global conference on 'Local Government, Decentralisation and Women's Rights' organised by the International Development Research Centre (IDRC – Canada) with other partners in Mexico, the CLGF annual conference in the Bahamas re-

⁹ *Equality in Politics: A Survey of Women and Men in Parliaments*, Inter-Parliamentary Union (IPU), p6, viewed 22 February. See [Hhttp://www.ipu.org/PDF/publications/equality08-e.pdf](http://www.ipu.org/PDF/publications/equality08-e.pdf). See also IPU *e-Bulletin*, 'Is Parliament Open To Women' Issue No.19, Article 2, viewed 22 February [Hhttp://www.ipu.org/eB-e/19-2.htm](http://www.ipu.org/eB-e/19-2.htm)

affirmed the promotion of women's rights to participate in governance, thus, reinforced the question of representative and democratic legitimacy. As the Fourth World Women's Conference noted, "without the active participation and representation of women at all levels of decision-making, the goals of equality, development and peace cannot be achieved."¹⁰

*Other speakers to Working group 3 were **Hazel Brown**, Network of NGOs of Trinidad and Tobago, and **Douglas Campbell**, Department of Local Government and Community Development, Dominica.*

¹⁰ The Beijing Platform for Action, 1995.

WORKING GROUP 4**Effective leadership-Implementing the Auckland Accord:
Resourcing local government for improvement****David Grossman**

Director, ICMA International

[ICMA](#), the International City/County Management Association, shares with the Commonwealth Local Government Forum (CLGF) the principle that strong and effective local governments are central to the advancement of the democratic system.

Since its foundation, in 1914, ICMA has been committed to “the preservation of the values and integrity of representative local government and local democracy and a dedication to the promotion of efficient and effective management of public services.” To fulfill the spirit of this commitment, ICMA works to “maintain and enhance public trust and confidence in local government, to achieve equity and social justice, to affirm human dignity, and to improve the quality of life for the individual and the community. Members of ICMA dedicate themselves to the faithful stewardship of the public trust.”¹¹ Therefore, to no one’s surprise, ICMA’s work compares greatly with CLGF’s work. Due to time constraints, let me just mention some of the similarities between the Auckland Accord and ICMA’s Ideals and Values.

We recognize the central role of citizen inclusion and participation in the planning and decision-making processes of any local government. And we believe that participation must be encouraged under a framework of respect to cultural and ethnic diversity. Ethics is also at the core of any good local government. Its legitimacy is built on the trust of its citizens. We recognize that without true accountability, it is not possible to ensure the trust of citizens. Local government is given the responsibility of several key public services that must be delivered with the highest quality standards possible. Most importantly, these public services must represent a value added to the community and serve as a foundation for its social and economic development, all the while safeguarding the environment. Likewise, ICMA recognizes, as the CLGF does, the central role of city

¹¹ ICMA’s Declaration of Ideals.

councils in “ensuring that they are able to promote and build the local economy, skills, and cultural attributes to attract investment, jobs and tourism.”¹²

Local governments to be successful in today’s complex environment require a combination of strong political leadership, policy development, a relentless focus on execution and results, a commitment to transparent and ethical government, and a strategy for representing and engaging every segment of the community.¹³

Professional managers facilitate the establishment of the system of local government called the council-manager form. This is where elected officials are the community leaders and policy makers who establish a vision for their city, town, or county, and who, hire the manager to carry out policy and ensure that all residents are being equitably served. The manager coordinates the work of department heads and other employees who help ensure the smooth and efficient delivery of services. By building public/private partnerships, managers can or might target all of a community's resources to solve current problems.

Professional managers’ primary responsibility is to keep communities running smoothly. To do so, they work with a range of individuals involved in public safety, public works, community and economic development, and many other service areas. Therefore they ought to be highly trained, experienced men and women committed to meeting the challenges their community faces day in day out. A professional, in any discipline ought to perform better than an amateur. And in order to do so, he/she must draw from experience, knowledge and skills. Among the tasks a professional local government manager must do are:

- *Administration of personnel:* Provide direction and leadership to department heads and those who provide direct services to the community.
- *Management of public funds:* Ensure the cost-effectiveness of programs, balancing budgets, and securing the financial health of the community.
- *Implementation of programs and policies:* Work with elected officials and community leaders to achieve common goals and objectives for the community.

¹² The Auckland Accord, CLGF March 29, 2007.

¹³ See for instance, ‘The Mayor-Manager Conundrum that Wasn’t’. See [Hhttp://icma.org/main/ns.asp?nsid=1543&hsid=1&scid=1&moreDocs=1&t=0](http://icma.org/main/ns.asp?nsid=1543&hsid=1&scid=1&moreDocs=1&t=0)

- *Coordination of service delivery*: Anticipate future needs, organizing work operations, and establishing timetables to meet community needs.

In a world undergoing constant rapid changes, local government officials require access to the latest technology and knowledge. It does not matter if it is an elected or appointed official: all individuals that have a responsibility with respect to the performance of a local government must be up to date on the latest innovations in management and programming which could benefit their communities. ICMA's central role is to provide access to our members to the newest technology, knowledge and management approaches to support their performance and enhance their organization's ability to cope with today and tomorrow's challenges.

One of the responsibilities of a professional manager is to support the elected body she or he serves. Therefore ICMA provides training and information for council members. Elected officials have significant responsibilities, not only to dictate policies and provide guidance to the local government, but also to oversee the performance of the government staff. Given the variety of functions a local government performs, elected officials must have sufficient knowledge to be able to conduct their business efficiently and effectively.

ICMA helps professional managers to stay on top of the latest developments in management and technical issues. ICMA furthers the professional and personal development of our members through a core set of training programs, information sharing mechanisms and network of services domestically and internationally. Under ICMA University we have defined the Practices of Local Government Effective Management that involve four general areas:

1. **Democratic Values** (Policy facilitation; Democratic Advocacy and Citizen Participation; Diversity)
2. **Strategic Leadership** (Strategic planning, Initiative, Risk Taking, Vision, Creativity and Innovation, Technological Literacy)
3. **Good Management General Principles** (Human Resources - Staff Effectiveness, Policies and Procedures; Finances – Budgeting, Financial Analysis; Service Delivery - Functional and Operational Expertise and Planning, Citizen Service, Quality Assurance)
4. **Personal Skill and Values** (Advocacy and Interpersonal Communication; Presentation Skills; Media Relations; Integrity; Personal Development)

Regarding the last point, ICMA has a clear commitment to ethics. ICMA has as a condition of membership the adherence to the principles of the ICMA Code of Ethics, developed in 1924. Members agree to submit to a peer-to-peer review of their conduct under established enforcement procedures. ICMA members are strongly encouraged to become champions of the ethics culture by “walking the talk”. The ethics culture involves the building of ethical habits in the local government. The Core Values ICMA promotes are:

- Equity – treat everyone fairly and avoid inappropriate political activities.
- Trust and transparency – be open and share information generously.
- Honor – do the right thing.
- Integrity – tell the truth and seek no favors.
- Commitment – make a commitment to continuous learning for yourself and for your organization.
- Stewardship – leave your community in better shape than you found it (be a true custodian of the public trust).

As a complement to the training program, ICMA offers a voluntary credentialing program that is a means of defining and recognizing an individual ICMA member who is a professional local government manager qualified by a combination of: education and experience; adherence to high standards of integrity; and has an assessed commitment to lifelong learning and professional development. Managers are recognized by ICMA through a peer review credentialing process. The program also assists ICMA members in focusing and reflecting upon their lifelong professional development experience. The designation of ICMA Credentialed Manager is granted by the ICMA Executive Board. ICMA Credentialed Managers are viewed with growing distinction by local governing bodies and progressive, civically engaged communities. The program involves a five-year performance-based assessment to keep the credentialed status.

Since its foundation, ICMA has become a repository of information about local government performance and issues. Several of ICMA’s publications are used in graduate programs by well-known universities. ICMA experience as publisher is vast and comprehensive. Beside book publication, ICMA also produces case studies and special reports so our members and colleagues have timely information to support their decision-making processes about relevant issues. Recently, ICMA added the delivery of audio

conferences on current issues such as how to deal with financial crises, sustainability, customer service, and performance measurement among others.

Our continuously changing global environment has a direct impact on local government's demands. In order to be prepared to successfully cope with the changes, ICMA works on a thorough assessment of critical issues facing local governments. The survey research capacity and other analytical tools are used to generate a clear picture of environmental forces and the status of local government capacity to address the issues. Best practices, tools, and resources are identified and shared with our members and colleagues to help their local government solve their toughest challenges. The current focus areas are:

- Management and Leadership - helping local governments become more effective and efficient.
- Sustainability - balancing the values of environmental stewardship, economic development, and social equity in a way that leaves the community better for the next generation.
- Public Safety - new approaches to preparing, responding to, and recovering from emergencies.
- Healthy Communities - uncovering the best ways to help citizens and employees achieve health and wellness.

An important management tool that ICMA has been a leader in is Performance Management. Since its first publications on this topic in the late 1930's, ICMA has been promoting this management tool as a key element in the toolbox of local government managers. In 1994, ICMA created the [Center for Performance Measurement](#) that provides direct assistance to local governments and manages a system of performance indicators that allows jurisdictions to compare their performance with other similar public entities.

I would also like to share another important area of our work as an Association. Since 1989, ICMA International has leveraged the experience of local government practitioners and veteran international consultants to further the ICMA mission to create excellence in local governance worldwide.

ICMA International has introduced sound management practices to local governments, municipal associations, nongovernmental organizations, national ministries and agencies in developing countries and emerging democracies throughout the world. As a result, ICMA has participated in more than 500 projects in over 40 countries with a strong, practical, hands-on approach adapted to the local conditions. The areas in which ICMA International has worked are: Association Development; Citizen Involvement; Environmental Management; Infrastructure Development; Local Economic Development; Management Tools and Practices (Budgeting, Financial Management, Institutional Strengthening and Capacity-building, among others); Partnerships (among levels of government, as well as with NGOs and the private sector); Performance Measurement; Technology (including the application of IT for information sharing); Transparent Governance; and Water and Sanitation. ICMA International has two regional offices, one in Mexico and another in India.

Finally, I want to share with you a couple of examples of ICMA's information and knowledge sharing activities which impact the life of professional local government officials and therefore their communities. Since the early 1990's ICMA has been fortunate to collaborate on a number of projects in the Latin America region. As result of some of those projects, Guatemala and Mexico have developed certification programs for municipal financial officers. What these programs offer are a means to assess the participants' knowledge and experience and to create a pool of qualified professionals from which elected officials can choose, promoting more professional local government.

Another example is the work on performance measurement that has helped to improve the capacities of both personnel and organizations to meet their goals and objectives. ICMA has supported performance measurement initiatives in several places, in developing countries as well as countries in transition. Two examples that come to mind are Mexico and India where ICMA has contributed to the establishment of countrywide performance measurement programs. Because creating a culture of performance measurement institution-wide is so critical, ICMA has designed and carried out workshops for elected and appointed officials in performance measurement to ensure buy-in throughout the institution. If a municipality is successful at improving performance, the entire municipality benefits – from the local elected officials to appointed staff – and ultimately the community.

I hope that this brief overview of ICMA activities can help CLGF visualize how the Forum can contribute to the advancement the Auckland Accord.

Dr. K K Pandey

Professor Urban Management

Indian Institute of Public Administration, New Delhi

The workshop 'Resourcing local government for improvement' was conducted in the overall context of a resource crunch at the municipal level covering both financial as well as physical resources. It was emphasised that there is a wide mismatch between funds, functions and functionaries. It was also indicated that this difference requires an inter-governmental action agenda to encourage synergy and convergence from all stakeholders. Finally, existent resources are not being tapped by city governments to bridge the gaps. The presentation on local government capacity building emphasized a three-tier approach to capacity building: Awareness creation; Education and class-room training; and, Hands on learning, mentoring and 'on the job' capacity building.

It was indicated that last couple of decades have undergone a process of decentralisation and empowerment of local governments. Countries across the globe have promoted political, functional and fiscal decentralisation through constitutional recognition, enabling legislation, specific schemes and programs under bilateral, multi-literal and central/provincial and civil society collaboration. It is now imperative to build capacity of concerned urban sector stakeholders to exercise the powers devolved to them in this process of decentralisation.

As mentioned, **awareness** of the issues is the first step in building the capacity of stakeholders in a wider context of urbanization, political participation and sustainability. In this regard, awareness workshops, seminars and conferences at macro levels need to be organized. This should occur at international, national and sub-national levels, with particular foci upon local democracy, economic development, productivity, equity and climate change and a safe environment.

The workshop also stated that local government capacity was needed to upgrade the **skills** of a cross section of functionaries involved in municipal matters. These include

urban planning, land management, environment, operation and maintenance, municipal finance, community participation and so on. This training should be based on material developed from best practices applied in the field.

The third aspect of capacity building focused on **sharing experience** and ‘on the job’ training so skills can be transfer ‘at the door step’ so to speak of the recipient. This can or should also include specific coaching, guidance and mentoring regarding manuals, check lists, and guidelines. It was also felt that elected officials and representative from Nongovernment Organisations (NGO) and Community-based organisations (CBO) in addition to municipal staff also require training in their respective field. In this regard, UN Habitat has developed specialized stakeholder training materials that have been implemented in a number of countries, with training tools for suitable adaptation in local contexts.

As elaborated earlier, the workshop indicated that the last three decades have witnessed an increased focus on a three-tier capacity building approach, however, the availability of resources (financial and physical) is one of the key-constraints to extending such capacity building networks. Resources are needed for both trainers as well as trainees. In this regard, wider cooperation among countries to share in-country experience can be used with a view to replicating innovations in other local contexts. This cooperation should *inter alia* include city-to-city cooperation, exchange visits, hands on learning and a mentoring approach by training institutions and civil society organisations. Further, Training of Trainers (ToT) programs are also needed to develop a pool of trainers at regional and local levels who can realise capacity building potential in this regard. This could be based on experience sharing on innovations at different levels of operations such as international, national, provincial and local. Initiatives on TOTs could be accelerated through extensive cooperation among various stakeholders.

There was a consensus amongst workshop participants that cities have the potential to extend resources for capacity building, provided adequate initiatives are taken to tap funding municipal infrastructure. This can be achieved through building the capacity of urban sector functionaries under alternate types of skills development programs (also essential for elected and non elected functionaries as mentioned). As has been implemented by certain countries, it is also essential to allocate a fixed proportion of a municipal budget for capacity building. In addition, various initiatives undertaken under

bi- and multi-lateral programs (and other public sector schemes) should be used for optimum capacity building. Finally, it was emphasised that building the capacity of local governments is essential for making local government an effective tool for establishing local democracy. This support will enable local governments to engage, encourage, guide, support and motivate various stakeholders towards a common goal of sustainable habitats, taking into account objectives of the UN's Millennium Development Goals and other policy objectives of a welfare state.

*Other speakers to Working Group 4 were **Karibaiti Taoba**, Manager, Pacific Capacity Building Project, CLG and **Seve Lausaveve**, Ministry of Internal Affairs, Tuvalu.*

WORKING GROUP 5

Capacity to deliver infrastructure finance: Resourcing local government for improvement

Ronald McGill¹⁴

Program budget adviser

Ministry of finance and economic development, Ethiopia

Building capacity for LG to perform

The session focused on three areas of practical capacity building in local government, to allow it to perform. These were:

1. **Performance** – measuring LG delivery;
2. **Capacity** – getting LG to be able to deliver; and
3. **Organisation** – the building blocks for basic capacity.

Each is explained in turn.

1. Performance – measuring LG delivery

Development

The demand for infrastructure and services confronts every local government in the developing world. The weakness of that local government compounds the enormity of the challenge.¹⁵ The fundamental importance of access to infrastructure and services, as a means of supporting both economic development and to impact on various parts of the poverty spectrum, is now accepted in common parlance. The key point is that we are seeking to establish ‘what difference LG is making out there?’ with the money it is spending. One method for measuring such delivery is performance budgeting (PB).¹⁶ PB

¹⁴ Formerly senior technical adviser with the United Nations Capital Development Fund (UNCDF) in New York. He is now the program budget adviser to Ethiopia’s ministry of finance and economic development (MoFED), based in Addis Ababa.

¹⁵ McGill, R. (1997) *Institutional development: A Third World city management perspective*, St Martin's Press, New York, NY [Macmillan Press, Basingstoke (Nov, 1996)], republished 2007 as *City Management in Developing Countries: an Institutional Development Perspective*, BookSurge. See <http://www.amazon.com/City-Management-Developing-Countries-Institutional/dp/1419659707/ref=sr_1_1?ie=UTF8&s=books&qid=1266884654&sr=1-1H>

¹⁶ McGill, R. *Achieving results: performance budgeting in the least developed countries*. United Nations Capital Development Fund, New York (2006), p. 234. See <http://www.uncdf.org/english/local_development/documents_and_reports/thematic_papers/pbb/index.phpH> and ‘Performance budgeting’ *International Journal of Public Sector Management* (2001), Vol. 14, No. 5, pp.376-390.

is founded on the principle of delivering infrastructure and services, economically, efficiently and effectively. Each measurement criterion is explained in turn.

Economy of inputs

Any organisation's leader knows that if you budget X, you should spend X and that you should deliver what you promised. Variance analysis is the first technique in measuring the economy of inputs. Thus, if the item of infrastructure or the targeted service to be delivered costs 10,000, the following is already assumed:

1. That the budgeted figure is technically accurate;
2. It is based on experience (if service delivery, dominated by personnel costs) or an engineer's 'bill of quantity' (if a capital project); and
3. It anticipates any cost fluctuations, say, because of the prospect of a rise in inflation.

Thus, the first score in measuring PB performance is:

$$(1) = \frac{\text{Actual}}{\text{Budget}} \times 100\% \quad \text{(*Economy of inputs* (where T = 100%))}$$

Here, 'T' is the target of 100%. So, if the budget is 10,000 and the actual is 10,000 then we are on target; a score of 100%. If at the end of the year, only 5,000 is spent, then the score is 50% and so on. The basic intellectual principle is that of common sense.

Efficiency of outputs

Any organisation's leader knows that if you budget to deliver outputs (a road, primary health care), it is that for which you are most obviously accountable. This is especially so if you have told the public that 'these are the things we intend to deliver next year'. In order not to drown in data,¹⁷ only two criteria are advocated for measuring the delivery of outputs. These are:

- **A** = % specification
- **B** = % time

¹⁷ Probably the most famous collapse of PB in the form of a planning, programming, budgeting system (PPBS) was the Greater London Council's (GLC) attempt in the 1970s. It collapsed, literally, because it drowned in too much data.

Thus, the second score in measuring PB performance is:

$$(2) = \frac{(A+B)}{2} = \textit{Efficiency of outputs} \text{ (where } T = 100\%)$$

Here again, 'T' is the target of 100%. So, if the specification is fully satisfied and everything has been delivered according to time, then the score is for each, 100% which is then divided by two to give the aggregate score for that deliverable. Again, the basic intellectual principle is that of common sense.

Effectiveness of impact

Any organisation's leader knows that the economy of inputs and the efficiency of outputs, ultimately, have no practical meaning if there is no effective impact. At the annual level, there are two basic criteria to measure this impact. These are:

- **C** = % occupancy rate / use of facility
- **D** = % assessment of 'problem solved'

Whether delivered through capital or recurrent expenditure, the result of the asset created, or the service delivered, has to be in terms of a basic impact question(s): Is the school or clinic fully utilized; Is the new market being fully used?¹⁸ What is the 'bottom-line' here? Has the original problem, defined by the community, been solved? Thus, the third score in measuring PB performance is:

$$(3) = \frac{(C+D)}{2} = \textit{Effectiveness of impact} \text{ (where } T = 100\%)$$

Again, 'T' is the target of 100%. So, if the customers are satisfied with the infrastructure or the service, then 100%. If more objectively, 'has the original problem has been solved', then 100% again; which is also divided by two, to give the aggregate score for that deliverable's impact. For fear of repetition, the basic intellectual principle is that of common sense.

¹⁸ In Lilongwe, Malawi, a donor agreed to fund the construction of a new city centre produce market. This was agreed subject to the location being moved to a zone adjoining the city centre. The result? The new market was built economically (according to budget), efficiently (to specification and time) but was not effective (only 10% of the asset was ever used) because it was in the wrong location!

Total program performance measurement

Total program performance is economy (1), efficiency (2) and effectiveness (3), divided by three, to give the final percentage score, as follows:

$$T = (1+2+3)/3 = \text{Total performance}$$

In this approach to PB performance, equal weight is given to the ‘3-Es’. If this is accepted as a basis for measuring LG performance, then the next step is to establish tests for LG to be able to perform in the first place!

2. Capacity – Getting local government to be able to deliver

There are certain fundamentals that every local government should have by way of capacity to allow it to perform. Assuming for the moment a district council, then there should be:

1. A current district development plan and budget.
2. A functioning district council and district administration.
3. A functioning financial management system.
4. The establishment of a development fund (i.e. capital funds) account.
5. Key district staff in place.

An assessment table best illustrates this (refer Table 1 below). In short, in order to deliver (to perform), local government must have certain key prerequisites in place (and these items are, of course, not exhaustive).

3. Organisation – The building blocks for basic capacity

We recognise that all infrastructure and services cannot be delivered without people in LG. An immediate focus for intervention is therefore, to get people in place to do the work! The following table presents a framework for assessing capacity. This happens to include measuring progress in applying gender equitable local development (GELD) principles¹⁹ in building a local authority (the proclaimed “bonus item” in the working session). (Refer Table 2).

¹⁹ UNCDF. Gender-equitable local development program (GELD).
[Hhttp://www.uncdf.org/search/index.php?cx=016494082687074386866%3Aawcu-dhgu3uo&cof=FORID%3A10&ie=UTF-8&q=GELD&sa=Go#908](http://www.uncdf.org/search/index.php?cx=016494082687074386866%3Aawcu-dhgu3uo&cof=FORID%3A10&ie=UTF-8&q=GELD&sa=Go#908)

Points for consideration:

- The question to be asked is “how many people will be required to perform the specific service in the district?” This has to include the question of the quota of women (the quota comes from the appropriate legislation). The answer to the number of people should be followed by a basic understanding of the ‘level’ of post or posts required, including any hierarchical relationship. Once the number of posts is known, assessing the ‘measurable progress’ can start!
- Ideally, if the estimate of the number of posts is accurate, the district will ensure that the ‘authorised establishment’ (i.e. the approved number of posts) is altered to accommodate the extra posts. This accommodation must include the quota for women.
- The recruitment process is known to all. It must be open and transparent.
- Whatever the minimum requirements to fill a post, it is often (but not always) necessary to provide training so that the new personnel are able to perform. Affirmative action, through additional training, may be required to ensure that the women recruited are able to perform as well as men.
- ‘Facilities’ is so obvious, it should not need to be defined and yet, it is so often overlooked; office space, furniture, equipment and supplies. This is where sensitivity is required to support women’s specific needs. These can include adequate sanitation facilities, personal safety, and childcare where possible.
- Performance is measured according to the principles of economy, efficiency and effectiveness.
- The total score is simple addition for each row because the weighted score can only add up to 100% maximum. The council’s total score is then the addition of all rows, divided by the number of rows.

Conclusion and Recommendations

In the light of these three stages of ‘building capacity for LG to perform’, the Working Group considered the presentation as a foundation for offering specific recommendations. This included the group’s particular concern with MDG indicator number 12: ‘proportion of seats held by women in national parliament.’ The group lamented that there was no equivalent indicator for women’s political representation in local government which, for the participants, suggests a lack of understanding of and

belief in local government. This conclusion was therefore the springboard for five, sound policy-based recommendations:

1. MDG-3's indicator number 12 reads "Proportion of seats held by women in national parliament."

ISSUE: There is no reference to political representation at the local government level.

RECOMMENDATION: *That local government's political representation be targeted at a minimum of 30% of all seats / wards by women and by a figure exceeding that percentage, as soon as possible.*

2. **ISSUE:** Implementation capacity is a bane of local government, especially when development funds actually become available.

RECOMMENDATION: *That all local government development projects, subject to an initial assessment, include explicit capacity-building element in the fundamental areas of planning, budgeting, procurement, construction management, and financial management (including accounting and auditing); and, the capacity building to include explicit systems' development.*

3. **ISSUE:** There is a desperate shortage of engineers in development countries; a key to success in local development practice.

RECOMMENDATION: *That national governments in developing countries increase their investment in the education of civil engineers by 50% and that scholarships be awarded to those willing to serve at least two years in a local council after graduation.*

4. **ISSUE:** It is often impossible to recruit professional and other staff to councils outside the main urban centres because of a lack of incentives such as the availability of housing for staff and education for their children.

RECOMMENDATION: *That national governments introduce a policy and provide supporting resources for councils classified as remote (and not being able to attract staff) to provide free housing and primary education in these locations.*

5. **ISSUE:** Councils often recognize potential sources of local revenue but are not permitted in law to raise such revenue.

RECOMMENDATION: *That national governments introduce or amend local government legislation to permit councils to raise such additional revenues as they deem*

possible and practical, subject to the appropriate council resolution and subsequent bye-laws being passed.

Table 1: Enabling 'LG' To Deliver

Minimum conditions	Capacity Targets	Percentage weight	Actual score %
Existence of a gender-sensitive District development plan and budget. Max = 20	<ul style="list-style-type: none"> Approved development plan, through community participation (3-5 years). Approved annual budget to implement that year's portion of the plan. 	10	
		10	
Functional District council and District administration. Max = 20	<ul style="list-style-type: none"> Full council and committees' meetings timetable honoured in full. Women's participation quota met Accurate 'minutes' produced within two weeks of any such meeting. 	5	
		10	
		5	
Functional finance system. Max = 20	<ul style="list-style-type: none"> Daily accurate financial records by CoB. Monthly bank reconciliations, within two weeks of month-end. Quarterly financial reports submitted to the zone, within two weeks of quarter end 	10	
		5	
		5	
Establishment of GELD fund (i.e. capital funds) account. Max = 10	<ul style="list-style-type: none"> Functional capital account 	10	
Key District staff in place. Max = 30	<ul style="list-style-type: none"> Administrator Finance officer Planner Five technical supervisors (Ed; Ag; Health; Women; Capacity) 	5	
		5	
		5	
		15	
100		100	

Table 2: The Building Blocks For ABSIC Capacity

	Number of posts <u>required</u> (% of women according to national standards). (Note 1)	Number of posts <u>establishe d</u> (% of women according to national standards) (Note 2)	All establishe d posts to perform each devolved function, <u>filled</u> in the district? (Note 3)	All establishe d personnel fully <u>trained</u> to perform the devolved functions? (Note 4)	Facilities: <u>accommodation</u> (gender sensitive, including hygiene arrangements), plus furniture, systems, equipmen t and transport <u>provided</u> ? (Note 5)	Assessment of <u>productivity</u> : i.e. performing economically , efficiently and effectively in the performance of the function? (Note 6)	Total score of "capacity to perform the function" (including % of women according to national standards)? (Note 7)
	% n/a	10%	10%	10%	30%	40%	T = 100%
Generic functions of a district council							
‘LINE’ FUNCTIONS*							
Education, Youth, Sport and Culture							
Health, Gender, Family Promotion							
Economic Development							
Infrastructure, Land, and Planning							
‘STAFF’ FUNCTIONS**							
Administration and Good Governance							
Human Resource Development and Support Services							
Mayor, Executive Committee and District							
COMPLETE DISTRICT SCORES:							

* Line functions: Those that *do* the actual delivery.

** Staff functions: Those that support the people that deliver (such as finance and HRM).

WORKING GROUP 6**Strategies for effective service delivery: Resourcing local government for improvement.**

John Hayes
IDeA, UK

It's a mixed picture for local government in the UK. On the one hand local government is acknowledged as the most improved part of the public sector, with a growing political consensus that strength provides the basis for greater future freedoms. This can lead to enhanced responsibilities for direction of local public services. On the other hand, despite service improvements, the reputation of local government amongst the public is low, making support for local government hard to come by as cuts in public expenditure bite.

The Improvement and Development Agency for local government ([IDeA](#)) has a very specific role in council improvement. Essentially it exists to enable politicians and officials to help each other. Core to this is the concept of "peer working" where practitioners engage with each other to define what practices work best, challenge each other's practice using this definition (peer review) and, where local authorities struggle, finding peers who are willing to help directly.

The techniques associated with this are becoming ever more sophisticated. A current programme is the [London Efficiency Challenge](#) where the 33 London Boroughs have made a commitment to actively help each other save money. This has involved the Finance Directors working together to define performance measures for all key areas of spending. The IDeA contribution to this programme will be: developing an online self-assessment that will enable councils to rank their performance against each other; a three day peer event for each of the 33 councils where the self assessment is challenged, and; an agreement on common problems and a joint approach to their resolution.

There are a range of similar initiatives with varying degrees of sophistication all aimed at helping UK councils and practitioners help each other. Perhaps the largest one in terms of involvement is the [Beacon Scheme](#) where every year for the past ten, councils have

submitted their practice for assessment against current policy priorities (there are different priorities each year). Councils which "win" then commit to a range of practice sharing activities which include direct support to councils who need the help most.

Looking forward, the IDeA see technology as increasingly important to the process of identifying and sharing best practice. To this end it has developed its own "community of practice" [web-site](#), a sort of Facebook for local government, which currently has some 35,000 users working in around 900 specific communities of practice. These communities of practice of course present the ideal means of joining up practitioners across UK local government and internationally.

*Other speakers to Working group 6 were **Victor Dumas and Kai Kaiser**, World Bank and **Mark Robinson**, DFID.*

WORKING GROUP 10**Working with civil society, volunteering and social enterprise:
Partnerships to improve local services.****Andrew Fiddaman**

Managing Director

The Prince's Youth Business International. Youth Business Initiative

Working with civil society, volunteering and social enterprise

Many local governments face increasing pressure to address challenges such as improving school and other education systems, environmental concerns, climate change, migration and social disruption as they try to support their communities and constituents. In addition, national and local governments often struggle to find ways in which to engage with young people and to make them feel valued as a vital part of the community. Young people sometimes feel that they have no role in the political process and feel frustrated by what they perceive as a lack of interest in their concerns. Such frustrations can be exacerbated when there are difficulties in finding employment.

[Youth Business International](#) (YBI) was invited to the Commonwealth Local Government Forum in the Bahamas to participate in discussions looking at different examples of working with civil society, volunteering and social enterprise. YBI, whose President is HRH The Prince of Wales, works through a network of local youth business programmes in 39 countries, 20 of which are in the Commonwealth, to help young people start successful and sustainable businesses that will, in turn, provide employment opportunities for others.

Although youth employment issues are national concerns, it is often the local government authorities that have to deal with disaffected young people and social disruption. There are 1.5 billion people in the world today between the ages of 12-24 – the largest number ever – and 1.3 billion of them live in developing countries. Although this number will rise slightly, it is fast approaching a plateau as fertility rates decline, producing a ‘youth bulge’ in the population as outlined in the 2007 [World Development Report](#).²⁰ In addition to the pressures caused by this ‘bulge’, additional pressures are

²⁰ World Bank, World Development Report ‘Development and the Next Generation’ 2007.

being caused by the current economic climate and a subsequent reduction in employment opportunities. The [International Labour Organization](#) estimate that young people are 2.8 times more likely to be unemployed than adults.²¹ This is a worrying statistic at a time of increasing unemployment.

Young people are at the forefront of global, social, economic and political developments. They are often agents of change and innovation and social and economic entrepreneurs. Given advances in the fields of technology, education and communication, they are also potentially the best-educated and informed young people to date. However, those benefits are not evenly distributed and many young people are left outside, often struggling in the informal economy and often also living in dangerous circumstances. Therefore, one of the greatest challenges facing governments, business and society at large is to determine how they can be successfully integrated into the workforce and their own communities.

Thankfully, all is not doom and gloom. Young people represent an enormous amount of talent and energy and it is essential that it is used as productively as possible rather than going to waste.

Volunteering

Volunteering represents an effective way of using such talent. It can take the form of young people volunteering to work with others on their own initiative or through the development of support schemes by local government. Many young people are interested in volunteering to work with community organisations and others providing that such activities are considered productive and of value. It is important that the individual and the organisation concerned treat the relationship as a partnership where all concerned feel that their contribution has produced real benefit. For the organisation that might be the tangible support and outcomes that the young person has provided, while for the young person it might be improved social and business skills and an increased sense of self worth. It may also lead to offers of employment, further training and increased education opportunities.

²¹ ILO Global Employment Trends. Jan 2009. See [Hhttp://www.ilo.org/empelm/units/lang--en/WCMS_DOC_ELM_DPT_TRD_EN](http://www.ilo.org/empelm/units/lang--en/WCMS_DOC_ELM_DPT_TRD_EN)

The potential for local government involvement was covered in the UN's [World Plan of Action for Youth](#) (WPAY) in 1995 and WPAY+10 in 2005.²² It that outlined the benefits of voluntary service programmes for youth such as youth camps, community service projects, environmental protection and inter-generational cooperation programmes and emphasised the need for youth organisations themselves to be actively involved in designing, implementing and evaluating such programmes.

Efforts have been made by the Commonwealth Secretariat, through the [Commonwealth Youth Programme](#) and others, to mainstream and empower youth and engage them in training, health awareness and citizenship programmes, however, in general, the idea of youth as an asset to development is little acknowledged or appreciated. There are many opportunities to build on such programmes to demonstrate the important role that young people can play in developing their communities. For example, in Sri Lanka the links between young people, young entrepreneurs, the Chamber of Commerce, YBI's local partners the Hambantota Youth Business Trust and local government in Hambantota, all played an important role in rebuilding the local community after the tsunami.

Volunteering should also be seen as a two-way street. Many individuals from local government are already engaged in volunteering within their communities whether in schools, with youth organisations or faith-based groups. Such volunteering provides the young people with active role models for community involvement while at the same time providing the volunteers with a greater understanding of the challenges faced by young people and others that they represent.

Employment and entrepreneurship

Finding and starting a job remains the greatest challenges for most young people. Unemployment and under-employment are major problems and the difficulty of finding a job can be compounded, particularly for young people, by issues of poor or insufficient education.

Local government can and should encourage employment schemes such as internships and apprenticeships that can build on the benefits of volunteering to provide long-term employment opportunities. There are an increasing number of vocational training

²² See 1995 UN resolution (A/RES/50/81) -World Plan of Action for Youth – Employment. See [Hwww.un.org/youth](http://www.un.org/youth)

facilities and organisations willing to help although it is essential that such training is designed to meet the needs of current and future employers rather than older ‘traditional’ jobs that may no longer be relevant. There are also increasing opportunities for young people who wish to consider self-employment as business or social entrepreneurs who want to achieve their dreams. In this regard, YBI estimates that about twenty percent of young people have the capability of starting their own business but that fewer than five percent actually do so.

There are several hurdles facing young people who wish to start a business and, although they may differ from country to country, there are many common issues. Cultural attitudes sometimes favour the old over the young or men over women. Some embrace new opportunities while others avoid risk at all cost. In many countries the idea that young people might consider starting their own business is never suggested, and careers advice tend to focus on the benefits of working for a well-established large company or for government.

Entrepreneurship is not suitable for all, but regardless of their talents and experience it is vital that opportunities must be available when young people finish education and training. Small and Mediumsize Enterprises (SMEs) form the background of many economies, providing the bulk of jobs, yet entrepreneurship for school leavers is often considered as the last resort.

Legal and bureaucratic constraints, unfortunately, often make it difficult for anyone, regardless of age to start a new business. Many self-employed young people also work in the informal economy because the administrative procedures for business registration are too cumbersome or costly.

While some people are fortunate enough to enjoy support from other individuals and organisations, and the access to the various networks that help business and government to develop, unfortunately, such support and networks are rarely available to young people.

The last, and by no means the least, challenge for young people in virtually every country is the lack of access to credit and start-up funding. There are many micro credit and micro-finance schemes available but few are open to young people. That may be

because of the perception that the young represent riskier investments, and even where micro finance is available there are often tight limits on the amount of money available.

Youth Business International exists to address at least some of these issues through its network of local youth business programmes that help young people start successful and sustainable businesses that will, in turn, provide employment opportunities for others. Over 80 percent of new jobs created are in small to medium sized businesses and as pressure on employment in government and large corporations rises, it becomes even more important for the SME sector to provide such employment opportunities.

Each local programme operates on three common principles to

1. support young people, typically aged between 18-30, who have a good business idea but who cannot obtain help elsewhere,
2. provide access to start-up funds in the form of a loan without the need for guarantees or collateral; and
3. provide the young entrepreneur with a volunteer business mentor and access to business networks.

The YBI Network helped nearly 7,000 new entrepreneurs get started in business in 2008 and YBI's goal is that by 2020 it will have grown the Network to make it capable of supporting 100,000 new entrepreneurs each year and creating one million jobs.

Building such new businesses does not only benefit the individuals concerned and their employees but makes significant contribution to government. For example, the Canadian Youth Business Foundation, YBI's partner in Canada, was able to demonstrate to the federal and provincial governments that it had generated over \$30million for government through employment and corporate taxes paid by the new youth led businesses the foundation had supported and in savings on unemployment benefits.

The YBI Network firmly believes that it can only achieve its goals by working in partnership. Leaders from business and local government are involved as board members, mentors and supporters and companies are encouraged to share their business skills with others in a way that provides benefit to the company as well as the young person. Training and secondary finance are also essential ingredients of a successful start-up and so there are strong links with local government programmes and other

training and financial partners both in preparing the young person for self-employment and helping them grow their new business.

However, business and non-governmental organisations such as YBI cannot address all the concerns on their own. It is vital that governments also become actively involved through the development of national youth action plans and poverty reduction strategies. Many of these are developed at national level and several are linked with the Youth Employment Network of the UN, however, it is essential that local government plays a vital role in both the development and implementation of the plans.

There is a need to reform the regulatory framework in order to make it easier for young people to start and run their own businesses, and to improve access to micro-finance and to effective business advisory and support services from local authorities and also from the private sector. There should be greater emphasis in school on preparing young people for the transition between school and work. Support for the formation of self-help groups, improvement of the effectiveness of entrepreneurship training in vocational high schools and the identification of success stories for dissemination and replication are all essential.

The UN's World Plan of Action for Youth states that:

...in order to have a real impact on poverty reduction, the challenge at the national and international levels is to 'scale-up' the successful aspects of these initiatives (supporting entrepreneurship and self-employment among youth). Therefore, there is a need to increase financial commitments to youth employment initiatives.

The Freeport Declaration on Improving Local Government: the Commonwealth Vision, agreed at the 2009 Conference, encouraged local government to "Initiate new services which help local business and other stakeholders e.g. social support services and promotion of local economic development." The Declaration also suggested that "Local economic development strategies, best driven by councils in partnership with the private sector and other stakeholders, offer an effective way of attracting jobs and investment and creating resources to support local development", and recommended that:

Many of the local government improvement strategies will be enhanced by close cooperation with civil society and promoting and funding local NGOs. Local

government should actively support youth for example through volunteering and youth entrepreneurship.

Opportunities

By working in partnership with local and national government, business and other stakeholders, YBI allows local communities to build for the future. It helps to create initiatives to reduce youth unemployment and alleviate poverty through wealth creation. These initiatives benefit society through the opportunities created to reduce the frustration of young people and their dependency on the state and develop an entrepreneurial culture among young people and significantly increase their employability. They generate wealth and dynamism in the small business sector of the economy and provide others with the opportunity to recycle their experience and energy into their local communities.

For young people it increases self-esteem, increases their employability and helps them achieve economic independence. For business it encourages involvement in the local community, develops an entrepreneurial culture, improves workforce skills and encourages the development of a dynamic small business sector. For society it reduces youth unemployment, helps to alleviate poverty, helps in wealth creation and reduces youth alienation and social conflict, and for local government, it provides opportunities to benefit from the talent, enthusiasm and energy of the young people it serves.

Bibliography

World Bank 2007, *Development and the Next Generation*, World Development Report, World Bank.

International Labour Organization (ILO) 2009, *Global Employment Trends – Jan 2009*, ILO, Switzerland.

ILO 2008, *Global Employment Trends for Youth – 2008*, ILO, Switzerland.

UN 1995, *World Plan of Action for Youth Employment*, UN resolution (A/RES/50/81).

ILO SEED 2006, *Stimulating Youth Entrepreneurship*, Working Paper No. 76, ILO.

The Prince's Youth Business International 2008, *Report and Accounts 2008*, The Prince's Youth Business International.

Other speakers to Working Group 10 included representatives from the Commonwealth Foundation.

WORKING GROUP 11**Strengthening local government through regional cooperation:
Partnerships to improve local services.****Paul Spencer**Secretariat for Political Affairs, Department of State Modernization and Governance
Organisation of American States**The inter-American network on decentralization, local government, and citizen participation**

The vital importance of decentralization processes has been recognized at the highest political levels, and reflected in the commitments of the Inter-American Summits in Santiago de Chile (1998) and Quebec City (2001), which emphasized the need to strengthen sub-national levels of government and the participation of civil society in decision-making on political affairs. To aid in effective compliance with these mandates, in July 2001 the [Organization of American States](#) (OAS) convened the first hemispheric meeting in La Paz, Bolivia of ministers (or authorities) at the highest level responsible for policies on decentralization, local government, and citizen participation. Its purpose was to establish the bases for inter-American cooperation to stimulate the decentralization processes.

The meeting of ministers and high authorities established the Inter-American Network on Decentralization, Local Government, and Citizen Participation, known as RIAD, as an instrument for inter-American cooperation on these subjects, and to provide systematic monitoring of the Summit commitments. The OAS Department of State Modernization and Governance was designated as the network's technical secretariat.

RIAD's objectives

The network was established with the following objectives:

- To provide an opportunity for exchange of experiences, knowledge, and specialized information on the topics of decentralization, local government, and citizen participation.
- To develop guides and general strategies in the area to provide a framework for the design and preparation of public policies to strengthen and guarantee

continuity of the processes of decentralization, local government, and citizen participation.

- To provide follow-up and systematic support for implementation of the Summits of Heads of State and Government of the Americas in this area.
- To promote activities with international organizations and institutions or the private sector, which can cooperate with financing of experts, sub regional and national forums, courses and training, seminars, research, publications, etc.

Ministerial meetings

Every two or three years the network holds an inter-American meeting of ministers and high-level authorities to review and evaluate activities undertaken and identify new areas of work that will facilitate progress toward the proposed objectives and tasks. The following has occurred so far:

- The first ministerial meeting convened by the OAS and supported by the Quebec Summit took place in La Paz, Bolivia, in July 2001.
- The second meeting was held in Mexico City in September 2003.
- The third meeting took place in Recife, Brazil in October 2005.
- A date for the next Ministerial meeting (possibly Jamaica) is yet to be determined.

Achievements of RIAD

From its inception RIAD has established – among other things – a reference framework for its action, which consists of:

- The Declaration of La Paz of 2001
- The Mexico City Plan of Action of 2003
- The Declaration of Recife of 2005.

These documents establish strategic guidelines and priority areas for action, among which the following should be noted:

- The execution of activities to strengthen relations among its members, including horizontal cooperation, the use of information technologies, and the holding of sub regional or thematic meetings with participation of local and regional representatives.

- The establishment of basic parameters and reference frameworks, including general indicators, to facilitate comparison of experiences, organization of the results, and guidance for decentralization policies.
- The development and improvement of methodologies and strategies to promote decentralization policies.
- The establishment of RIAD as a vehicle for cooperation for the exchange of experiences, and the drafting of proposals and public policies to strengthen decentralization of local and regional governments, and channels for civil society participation in public administration.
- Cooperation for strengthening of public-private partnerships to consolidate decentralization processes and fashion public policies.
- Support for research on the particular aspects of the decentralization in each RIAD member state, as well as general and regional trends.

RIAD has made great strides in many of these areas:

- In addition to the abovementioned hemispheric meetings, we have held thematic and sub regional meetings in the Caribbean countries, Central America, South America, and North America. The latest sub regional meeting took place in February 2009 in Costa Rica for the Central American countries, to present progress achieved in the decentralization processes. The meeting resulted in signature of a commitment to strengthen and carry on these processes.
- Preparation for the next meeting in Jamaica.
- We have been supporting processes for preparation of a Regional Strategy for Local Government and Democracy in the Caribbean, taking part in several meetings to develop the framework for the policy and cooperation on this subject (the May 2008 meeting in Port of Spain and the December 1-3 consultation and conference in Montego Bay)
- The OAS and the Alberto Hurtado University have established a virtual diploma course on decentralization and local economic development, which has been offered since 1999 with excellent results.
- In addition, we are preparing a virtual Latin American course on decentralization and citizen participation, designed for professionals and experts at the central and sub-national government levels and leaders of civil society organizations that are

active in the decentralization processes. We hope this will be operational in the next six months.

- Several studies have been completed, and are available on the website of the OAS Department of State Modernization and Governance. The most recent, “Decentralization and the challenges for democratic governance,” contains recommendations for creative solutions to decentralization processes in the hemisphere.
- Moreover, the RIAD technical secretariat is upgrading the website to be more useful as a space for exchange of information, virtual forums, and exchange of experiences. You will soon be able to access it through the website of the Department of State Modernization and Governance of the Secretariat for Political Affairs of the OAS.
- We have formed and are continuing to seek partnerships with other networks and organizations.
- In addition, when requested by OAS member states, we provide technical assistance for the preparation and review of project proposals and support for identification of financing.

Conclusion

In carrying out our work in various regions of the Americas, we are fully conscious of the challenges faced by local and regional governments in this process. There is no panacea for these problems. But we are convinced that with i) clear legal frameworks, ii) with the transfer of sufficient resources to be able to function effectively, iii) with proper coordination mechanisms, iv) with strengthened institutional capacities, and v) with citizen participation, local and regional governments can effectively reduce poverty, generate and offer decent jobs, prevent crime, strengthen social cohesion, involve citizens, and establish effective channels with citizens, among other things. May I take this occasion to reaffirm our ongoing commitment to decentralization processes in the region and this is evidenced by paragraph 79 in the Declaration of Commitment of Port of Spain, adopted by the V Summit of the Americas on April 19, 2009.

*Other speakers to Working group 11 included **John Mary Kauzya**, UNDESA, **Keith Miller**, Caribbean Forum of Local Government Ministers, and **Tavita Amosa**, Somoa.*

WORKING GROUP 13

Measuring local democracy and good governance - Implementing the Aberdeen Agenda and international peer reviews - Measuring Improvement.

Kristof Varga

Senior Program Manager, Open Society Institute

Assessing local democratic governance: experience from east central Europe**The rationale for measuring local democratic performance**

The [Local Government and Public Service Reform Initiative](#) (LGI) of the Open Society Institute (OSI) ²³ initially conceived the idea of developing a system of measurement for local democratic performance to find the explanatory variables behind the apparent difference in democratic developments in countries with similar past systems of centralized Soviet type government in East Central Europe in the early 90s.

While the democratic institutions of decentralization were quite similar in these countries, the depth and strength of local democracy was very different in a region stretching from the Baltic states to the former Yugoslavia. Almost 20 years after the democratic turn in that region, and with most of its countries members of the European Union now, differences in the nature of local democracy are less marked. In addition, although systems of local governance are far from being standardized in the EU, general principles such as those laid down in the [Charter of Local and Regional Governance](#) adopted by the Council of Europe have become the guiding light in their development. However, the events of the global economic crisis served as an unexpected impetus for revisiting the issue of the performance of local democracy as a deeply connected area to national policies. As central governments are sometimes desperately looking for resources to fend off or mitigate the impact of the crisis there is a danger of a 'clawback' of democratic reforms. As local governments 'cost' central governments considerable

²³ The Open Society Institute (OSI) is an international development and grant-giving organization. OSI established its Local Government and Public Service Reform Initiative (LGI) more than ten years ago. LGI is dedicated to supporting good governance focusing on the local level. We give grants, do research, consult, publish, build capacity and organize networks to share and disseminate experience focusing on Central and Eastern Europe and Central Asia. We are becoming active globally in Africa, South East Asia and South America.

amounts of money, the danger of retracting some of the democratic achievements in fiscal decentralization is growing. In situations of societal stress there is also a tendency in politics to look for easy and single answers rather than maintaining the plurality of opinions and agendas of which locally elected bodies and politicians have traditionally been a source and testing ground for. Some Latin American countries such as Argentina and Brazil can serve as a good example of efforts to solve an economic crisis being coupled with strong re-centralization tendencies. Eaton and Dickovick in their article ‘The Politics of Re-centralization in Argentina and Brazil’²⁴ show that in response to the economic difficulties of the 1990s the central presidency of these countries sought to re-centralize fiscal power.

A concept for local democracy

Democracy is not an easy term to define. Our project drew on Beetham’s conceptualization of democracy, nowadays one of the most frequently used frameworks in democracy evaluations. He argues that democracy implies decision-making about collectively binding rules and policies. A decision-making process is democratic to the degree that it is “subject to the control of all members of the collectivity considered as equals.” Therefore, the two key principles of democracy are *popular control* over decision-making (or at least decision-makers) and *political equality*. For evaluation purposes we broke down these principles into four criteria:

1. *A guaranteed framework of equal rights.* This includes access to justice and the rule of law, the basic civil and political rights. Citizens’ rights and their enforcement also provide limitations on government.
2. *Institutions of representative government.* Free and fair elections are a basic instrument of democracy to promote popular control. Elections are democratic if they are meaningful, inclusive, fair, and uninfluenced by government power. The idea of meaningful and fair elections also includes competition amongst political forces, which have equal access to communication.
3. *Institutions of open and accountable government.* A democratic government is transparent, and politically, legally, and financially accountable to other bodies. The power of democratic government is limited by other formal institutions.
4. *A civil or democratic society.* Independent associations have the potential to encourage government responsiveness to public opinion and to increase equality

²⁴ *Latin American Research Review*, Vol.39, No1, 2004, pp. 90-122.

among citizens. An organized society with a democratic political culture is a powerful instrument of democracy.

In order to adapt these principles to the assessment of local democracy we added two new dimensions. The first is drawn from the local nature of local governance. A distinctive feature of local governments is their *autonomy*, i.e. their freedom from the direct involvement of external forces. If local administrative units have no legal, political, and most importantly financial autonomy, the term 'local (self-) government' loses its meaning. The second dimension is *effectiveness*. Policy performance is a crucial dimension of a local democracy assessment. Unless local powers can have a meaningful impact on people's daily life they will become insignificant, no matter how democratic their mandate and solid their legal status are. In sum, local democracy is conceptualized for a local government that is autonomous, effective, open, and representative, surrounded by a civil society in the framework of guaranteed political rights.

Although developed independently it is easy to see how these six dimensions can be mapped on the '[Commonwealth Principles on Good Practice for Local Democracy and Good Governance](#).' Although the Principles are more robust in their coverage, more detailed and specifically deal with issues such as participation of women, there is nothing in the six dimensions we used for measuring democratic performance that is not in harmony with the 12 principles.

Methodology: A profile approach

As there is no uniform definition of local democracy there is no uniform list of priorities when it comes to applying those principles in practice. It is the essence of local governance that its structures allow for differences in local circumstances, whether cultural, socio-economic, political, demographic or tied into the local geography (in the case of remote communities, for example). Thus our choice of approach for a methodology was a *profile approach* which we used to account for different and equally important aspects of governance, essentially based on the six principles described above. We outlined the main areas to assess however there was nothing in the methodology that prescribed any specific relations to different elements of the profile. The profile makes it possible to encompass the most important aspects of local democracy but in a way that takes into account local specifics.

The next step in the development of the research was to identify explanatory variables which can be used to measure the strength of different profile components in a given municipality.

As with all performance measurement systems the selection of these variables was possibly the most difficult task in our endeavor. We were looking for variables with the most explanatory force but with certain characteristics that had more to do with the practicalities of data gathering than the theoretical foundation for the selection. We felt that a good compromise was found between what *should* be measured and what *can* be measured in a verifiable and ideally easily quantifiable way across types and sizes of municipalities in a cross national context.

To use one example as an illustration for our approach for the profile component *effectiveness of local government* we identified an explanatory variable as policy performance defined as ‘the capability of the LG to make informed and coordinated decisions given the *time constraints* on it’. The measurements we took for this variable were:

- delays in making key decisions such as passing the budget;
- the proportion of agenda items postponed; and
- the frequency of stalemates in decision making in the local council.

In the final survey design we used four groups of variables:

1. *Characteristics of Local Governments and the Local Government System* - the budget, distribution of Formal Authority, Administrative Staff, characteristics of the local Representative Body.
2. *Local Institutions*, i.e. Political Parties, Civil Society and Local Media.
3. *Characteristics of the Local Political Culture* - Citizen Participation in Local Politics, Citizens’ Political Culture, the political culture of elected Representatives.
4. *Characteristics of the Municipality* - size, socio-economic development, level and nature of inequalities, heterogeneity and cleavages, history and administrative status and geography.

Once we established the groups of explanatory variables we developed proxies to measure them. These formulated the basis for our data gathering method (quantitative, based on surveys and statistical information). During the course of the study we surveyed over 5000 mayors, councillors and chief administrative officers surveyed and conducted interviews in 2024 municipalities in four countries. Our plan is to repeat the surveys so that the data can be used to identify trends. So far two surveys were done in 2001 and 2004.

Results

There are several products that we developed on the basis of our survey data. The first level of analysis was the country reports.²⁵ The second level of analysis was to select issues important for the democratic change in the countries surveyed and to complete regional cross-country comparisons on them. Topics included – but were not limited to – the gender gap in local political leaderships, the influence of local media on local government and different types of institutional balances or imbalances between local councils, mayors, and city managers.²⁶ The third direction we plan to take the analysis (based on this initiative) is to use the data to identify trends in the development of local democracy at the country and regional level.

While it would go beyond the scope of this paper to summarize concrete results of the research, there are a few items that have the potential to provoke discussion among participants of the CLGF workshop.

Firstly, we found that local politicians are a special breed across all political parties and countries. They follow their own opinion, care less about the party line *and* have little professional training. While this is good news from the point of view of local independence it also highlights a serious problem from the effectiveness and efficiency point of view of local governance. If local leaders are motivated and capable to lead their communities (and often do it without assistance from national structures) there is a danger that non-appropriate public policies could be developed and applied.

²⁵ OSI LGI have published reports on the development of local democracy in Hungary, Latvia, Poland, Romania, Bulgaria, Estonia and Slovakia. These reports can be downloaded from the OSI LGI website. See [Hhttp://lgi.osi.hu/publications_datasheet.php?id=100H](http://lgi.osi.hu/publications_datasheet.php?id=100H); [Hhttp://lgi.osi.hu/publications_datasheet.php?id=340](http://lgi.osi.hu/publications_datasheet.php?id=340)

²⁶ Papers on these topics and more are available from: [Hhttp://lgi.osi.hu/publications_datasheet.php?id=265](http://lgi.osi.hu/publications_datasheet.php?id=265)

A second interesting result of the study was that citizen interest and involvement in shaping local decisions is lowest in very small municipalities. This result was contrary to the prevailing thought that small communities are easier to mobilize given their high level of social capital. The research showed that although a higher level of activity was present in the beginning of the democratization period, citizens soon realized that small local governments have virtually no means of having a significant impact on the life of the community. They have no fiscal independence, their small budget only covers centrally mandated tasks and their influence in regional politics is minimal. As a result, the early enthusiasm for civic participation in local governance in small communities soon was replaced by the inertia and disinterest previously thought to be characteristic of large metropolitan settings.

*Other speakers to Working group 13 included **Francis Duri**, UCAZ, **Phil Amis**, University of Birmingham, UK, **Shuaib Lwasa**, Makerere University, Uganda and **Raphael Magyezi**, ULGA, Uganda.*



Improving Local Government: the **Commonwealth vision**

Background discussion paper for the
Commonwealth Local Government Conference,
Freeport, Grand Bahama, 11-14 May 2009



Dr Philip Amis
Director, International Development Department,
University of Birmingham, UK





Commonwealth Local Government Conference

Improving local government:
the **Commonwealth vision**



Foreword



The biennial Commonwealth Local Government Conference has become a key date in the CLGF and international local government calendar. In May 2009 it will be held in the Bahamas - for the first time in the America/Caribbean region, followed by Commonwealth Heads of Government who will meet in Trinidad and Tobago in November. We look forward to close interaction with our colleagues in the region and with the many different stakeholders attending, many of which come from small states where local government is still being developed. This year's theme, as reflected in this background report, is *Improving Local Government: the Commonwealth Vision*.

The report provides a helpful analysis of the status of local government around the world and how it is seeking to go forward - in financing, in democratic structures and in improving performance. It also provides valuable suggestions and discussion points on how our improvement agenda can be implemented and how best CLGF can support its members, building on the framework provided by the 2005 *Aberdeen Agenda* and the 2007 *Auckland Accord*. We are grateful to Philip Amis and all who contributed to the report, which I am sure will provide a key reference point for our discussions. At our 2007 Conference Professor Jeffrey Sachs highlighted the critical role that local government has in delivering the basic services which underpin the UN's Millennium Development Goals. Our task in Freeport is to ensure that, despite the many pressures generated by the current world economic recession, our vision of improved delivery of services to the community, of clear and adequate resources and of greater local democracy and accountability is not compromised but continues to be pursued in all the 53 countries of the Commonwealth.

Carl Wright
Secretary-General, CLGF

Contents

Introduction	2
Chapter 1: The local government context	3
Chapter 2: Financing local government	7
Chapter 3: Democracy and accountability	12
Chapter 4: Improving performance	17
Chapter 5: Towards a way forward	24
Conclusion: issues for discussion and implementation	25
References	27
Bibliography	28

Acknowledgements

CLGF would like to acknowledge that the production of the conference background paper has been made possible through financial contributions from the Commonwealth Secretariat (Governance and Institutional Development Division) and Birmingham City Council.

CLGF would also like to thank the author, Dr Philip Amis, University of Birmingham, Ataullah Parkar who was generously seconded by Birmingham City Council to provide research support, the contributions made by the Birmingham International Development Department's Governance and Social Development Research Centre (GSRDC), and members of CLGF's Research Advisory Group who provided case studies.

The views expressed herein do not necessarily represent the views of CLGF or the Commonwealth Secretariat.

Introduction

This paper provides an introduction to the Commonwealth Local Government Conference 2009 whose theme is *Improving local government: the Commonwealth vision* being held in Freeport, Grand Bahama from 11-14 May 2009. The conference brings together ministers of local government, elected local government mayors and leaders, officials from all spheres of government, academics, representatives from NGOs, regional/international development organisations, and the private sector. It is a unique event in that it promotes debate, policy making and international learning with all the key practitioners in the local government sector.

The paper highlights some of the key issues around this theme. It considers some of the challenges and barriers affecting improvement across the sector, sets out some of the opportunities that exist to enhance the effectiveness of local government, and raises some of the key questions which the conference should consider in terms of learning from international good practice to enhance and improve the effectiveness and accountability of local government across the Commonwealth. As far as possible the paper draws on practical case studies from a cross section of Commonwealth countries to demonstrate the issues that it raises.

Chapter 1 sets the context within which local government is currently working, highlighting the important role local government plays in poverty reduction and meeting the MDGs, the growing challenge of urbanisation; local government's role in addressing climate change; the impact of the current economic crisis and the changing international aid architecture.

Chapter 2 discusses issues around the financing of local government, looking at some of the reasons why local government is often underfunded, and gives some policy suggestions. It highlights the importance of regular and formula driven central-local transfers; enabling legislation and mechanisms to access capital markets and look at innovations and the role of external (donor) funded support and some of the lessons that have been learnt.

Chapter 3 focuses on issues of improving democracy and accountability in local governance. It looks at:

- the critical importance of having elected local councillors and their role in service delivery
- the importance of local vision and leadership in local democracy
- whether or not the poor have been able to benefit from new democratic openings in the urban sector; and
- mechanisms for including previously excluded groups, including reserved or quota seats and the potential use of participatory budgeting.

Chapter 4 looks at improving performance in local governments. The mechanisms discussed include: financial tracking; community

monitoring; capacity building for officials, councillors and at both central and local levels. It addresses the experience of local government working in a range of partnerships, public-private, and public-community; including a section on international twinning and cooperation. The final section looks at the importance and challenges of developing indicators and mechanisms to measure impact and success.

Chapter 5 looks at how we can take the process forward. Within this there is a discussion of why local government is often invisible to policy makers and a rejection of common myths for not supporting the sector. It focuses on some of the issues that the conference will debate and ways in which CLGF and other stakeholders might be able to facilitate and support improvement at the local level. It is not an exhaustive list, but highlights many of the key areas

The conference seeks to build on the outcomes and recommendations from earlier CLGF events and conferences. Significant work has been done across the Commonwealth to come to a shared vision around local democracy and governance at the local level. All CLGF members, and crucially all Commonwealth Heads of Government, have endorsed the principles in the *Aberdeen Agenda: Commonwealth principles on good practice for local democracy and good governance*. Now part of the Commonwealth's commitment to fundamental political values, the *Aberdeen Agenda* sets out 12 principles that stakeholders agree should underpin local democracy and governance across the Commonwealth. Subsequently, including at its last conference: *Delivering development through local leadership* held in Auckland in 2007, the Commonwealth has set down commitments for the kind of local government it is seeking to achieve – local government that is an enabling body, that can act as a community leader and can forge alliances and partnerships with other organisations and partners to maximise resources in the interest of local development for all. The 2009 conference will consider more strategically what should be done to achieve these goals and aspirations, and to ensure that we generate a culture of improvement in public services at the local level across the Commonwealth. It will do so taking into account the severe economic crisis that undoubtedly has an impact on local government and its work.

The outcomes of the conference will be discussed and agreed by CLGF members at their General Meeting immediately after the conference and will be circulated to all members, encouraging them to support it and to implement the recommendations. The outcomes will also be formally submitted to Commonwealth Heads of Government for endorsement at their biennial meeting in Trinidad and Tobago in November 2009.

This paper puts forward some issues for the conference to address and makes some suggestions for discussion. The themes which have been highlighted are designed to prompt discussion and debate, they are not an exhaustive list.

1 The local government context

1.1 Why local government is important and why its improvement matters

Perhaps the most important question is why should we be concerned with local government? Why does it matter?

- Local government is part of the general government structures in most countries.
- Local government is the part of government closest to the people. To many people when you say “government” they instinctively think of local government rather than central government. It is the part of government that often has the most direct relevance to people’s daily lives. The distinction between different levels of government does not have much resonance with the public in many countries.
- Local government has an important democratic mandate; its politicians and leaders are usually elected by the public. It therefore enjoys a substantial amount of legitimacy. It is also a vehicle which represents its locality; it can lobby for the area.
- Local government, as we discuss in detail later, is important for poverty alleviation and for meeting the Millennium Development Goals (MDGs). It delivers many basic services such as waste management, sanitation, water provision, primary healthcare and local economic development.
- Local government can support the democratic process in general by offering a potential alternative source of political power. It can provide a check on authoritarian tendencies.
- In many countries local government accounts for a substantial proportion of both public expenditure and employment.
- Local government especially through building regulations, planning and transport policy, and disaster management and mitigation, has an important role to play in the global climate change challenge.
- Given its diversity and large number of administrative units, local government provides many opportunities for policy innovation and experiments. In the UK, for example, many public sector reforms were first implemented at the local government level.
- The increases in both democracy and decentralisation over the last twenty years have made local government more important. People are keen to play a more proactive role in the decisions that affect their lives and effective local government can facilitate this engagement.
- Local government is supported by international agencies; for example the EU, UN Habitat and the Commonwealth.

A substantial amount of what governments do is done by local

government. It is central to democratic governance and service delivery. Box 1 explains the special situation of local government in states that are sometimes identified as failed, and/or in post conflict situations. In some situations governments and states can be reconstructed from the bottom-up by beginning with establishing local government.

Decentralisation and local government is not implemented in a uniform way across the Commonwealth. Countries range considerably in size, population and culture, they may be recently emerging from period of conflict, have a federal system of government where local government is a creature of the state or province, or have a small population, albeit one that is keen for a degree of self-determination which goes beyond the capacity of central government. These differences have to be taken into account in designing, implementing and reforming policies of decentralisation. The nature of local government varies, but as the commitment to the *Aberdeen Agenda* show, there are core principles that should underpin local government across the Commonwealth.

Small states, with populations of less than 1.5 million, make up two thirds of all Commonwealth member states. Many have operating systems of local government and others are looking to develop or reintroduce local government. It may appear that small, indeed micro-states, do not warrant a system of local government as central government is already local. However as can be seen in countries such as Mauritius, Malta, Kiribati, the Bahamas or Belize, local government is an important part of the governance framework providing key services and local accountability of decision making. Indeed in a country like Kiribati, where island communities are remote from the centre, the island councils are the more immediate and important face of government with considerable autonomy.

There are however challenges, including financing local government, identifying the most appropriate size and functions for the council, clarifying the role of political parties at the local level, and capacity/delivery. Central government’s role in enabling local government in small states is critical. Some work has been done specifically focusing on the needs of small states, including as part of CLGF’s own capacity building work in the Pacific. The University of the South Pacific has looked at the general state of local government across the region and a review of local government legislation to identify good practice has been completed by the University of Technology, Sydney.

1.2 Rapid urbanisation and urban poverty

In 2007 the world passed an invisible but important milestone: for the first time ever, more than half the world’s population (3.3 billion) lives in urban areas. By 2030 it is estimated that this figure will grow to 5 billion. The urban populations of Africa and Asia are expected to double by 2030. The main population growth will be of poor people (UNFPA, 2007). In total 924 million people live in slums: Sub-Saharan Africa

has the highest proportion of its population living in slums – 72 per cent (in 2001), while south Central Asia has 58 per cent, Latin America and the Caribbean 32 per cent respectively. In absolute terms Asia with 554 million slum dwellers dominates but Africa with 187 million and Latin American and the Caribbean with 128 million are all well represented (UNCHS, 2003). Clearly urbanisation is inevitable. Some commentators say this is a major problem (Davis, 2006).

Box 1 Decentralisation in weak or post conflict states: a good idea?

There is considerable disagreement about whether and how decentralisation should be pursued in fragile or post-conflict environments. Many argue that strengthening sub-national governance in fragile situations is vital, particularly for delivering basic services where the state is weak or absent, for addressing ethnic/regional inequalities, and for conflict management. They note the importance of centre-periphery relations in terms of state-building, particularly in restoring state legitimacy. Recent research has found links between the potential for state fragility and the governance of cities (see Beall, 2008). Yet many are sceptical as to whether there is any evidence that decentralisation can produce pro-poor outcomes in fragile settings. A 2004 World Bank report found that the potential for poverty reduction through decentralisation was lowest in the most fragile countries. One study notes that comprehensive decentralisation reform has rarely been pursued in fragile settings; and argues that deconcentration should, in fact, be a starting point.

There is also concern that decentralisation in certain contexts can be potentially damaging; case studies highlight the risk that decentralisation can be subverted by politics (particularly patrimonialism and elite capture), therefore reinforcing non-democratic and non-participatory political systems, and increasing the potential of a return to conflict or fragility. Much of the literature discusses how the particular context of a given “fragile state” (note that there is wide variation among them) makes decentralisation inherently difficult. Strong state centralisation and control of local level state institutions often results in lack of political will for decentralisation. Some argue that in situations where non-state actors fill the gaps left by absence of government, comprehensive decentralisation risks reproducing state fragility. Conversely, some experts argue that it is precisely because of these difficult contextual factors that supporting sub-national governance is vitally important in situations of fragility i.e. as a means of reforming undemocratic political processes. Overall, there is growing recognition that without adequate understanding of local and national political context and political economy - particularly traditional authority and informal political systems - decentralisation reforms can be undermined (GSDRC, 2008d, p.1)

Despite these figures, historically urbanisation is a positive force and has been well correlated with increases in living standards and GDP per capita. While cities concentrate poverty they also represent one of the best hopes of escaping it. The challenge is to exploit the opportunities that urbanisation affords (UNFPA, 2007).

Local governance and urban management strategies should take account of the potential challenges that rapid urbanisation brings. Solutions require an all-of-government response and the dynamic between local government, ministries of local government and sectoral ministries will be significant. In such a complex governance environment with heightened community expectations, it is essential to empower local governments to forge links and partnerships with a cross section of stakeholders to handle the challenges of effective urban management.

“Evidence is needed to inform policies and to see how they work. The strengths of the Commonwealth – its diversity and solidarity - mean that it is exceptionally well placed to make a difference. Knowledge transfer across the Commonwealth has never been easier. With politicians, professionals and civil society organisations with first-hand experience of trying to make their cities better, safer and more inclusive places to live. What is needed is a catalyst that can trigger a new level of co-operation and endeavour – so that efforts to manage cities at least keep pace with the sharply rising rate of urban growth” Will French, State of Commonwealth Cities Report, CCGHS 2009.

CLGF and its ComHabitat partners recently launched a pilot network of inclusive cities to look at ways in which cities can learn from each other to improve policy and delivery at the local level to make cities more inclusive.

1.3 The importance of local government in meeting the MDGs

In tackling the issue of urban poverty, local governments are the main agencies for squatter settlement upgrading and the provision of public health. Primary health and education are also often local government functions, i.e. local government is responsible for planning and siting clinics and schools, if not paying the teachers and medics. In most government systems water supply is also a local government function. This is a political reality and is supported by economic theory as being the appropriate level for these functions (Shah and Shah, 2006: 10)

Crook and Sverrisson (2001), based on work in West Bengal in India, and the 2004 OECD report note that political decentralisation can potentially lead to pro-poor outcomes in the following four sectors:

- Pro-poor economic growth: changes in the level of economic activity;
- Pro-poor service delivery: better access to health, education, sanitation, water facilities etc. for the poorest sections of local government’s inhabitants;
- Social equality: pro-poor redistribution of income within local governments; and
- Regional equality: redistribution of resources of growth between deprived and economically wealthy areas.



Recent research has clearly shown the importance of local accountability in the successful delivery of public services, and that it is much easier to make these systems work at the local level (World Bank, 2004).

Finally local government has potentially negative levers (police and public order agencies) for 'bad governance'. The evidence shows that these can be very effective in terms of destroying jobs, mainly in the informal sector. This is an important insight as in many circumstances it is much easier to destroy jobs than to create them (Amis, 2002). Thus it is important to ensure that local government has the capacity to govern effectively. It may not on its own generate development, but where it is weak and unable to govern effectively, there is a strong chance that poor governance will inhibit growth. Removing it altogether is not an option to be considered.

Box 2 shows linkages and relationships between the MDGs and local government functions. Local government is involved in providing direct provision to most MDGs and has at least an indirect supporting role and/or some relationship with most MDGs. The provision of basic infrastructure including roads, police and fire service, solid waste management, local economic development and land use planning are all important responsibilities of local government. MDG 8 on global partnerships for development is the only MDG that local government is not seriously engaged with, but it can clearly be much more involved as programmes such as CLGF's Local Government Good Practice Scheme, funded by the UK, Australia and New Zealand, and the Federation of Canadian Municipalities' Partnerships Programme has demonstrated impressively.

The outcome of CLGF's conference on *Local democracy, good governance and delivering the MDGs in Africa was the Kampala Agenda*

for African local government the important role for local government in localising the MDGs and placing a stronger focus on local government's role in poverty reduction.

1.4 Implementation of energy efficiency and mitigation approaches to climate change

One of the most promising approaches to climate change is to improve the efficiency of energy use, particularly in relation to buildings (IPCC, 2007: 19). The enforcement and implementation of such building regulations and introduction of insulation to increase energy efficiency is a LG responsibility in most countries. Given the current concerns with climate change this is both important and an easy win. It reduces expenditure and is thus self-financing. The evidence suggests that environmental regulation requires administrative capacity at the local level.

Local government also has an important function in providing and supporting adaptation and mitigation strategies for climate change. One of the consistent predictions for climate change is of an increase in extreme weather events and natural disasters. Thirty of the 53 Commonwealth countries are small states (with populations of less than 1.5 million, where disaster preparedness and mitigation is increasingly a priority, including for local government. For example recent hurricane warnings in Jamaica have been delivered effectively using mobile phone technology, ensuring that people were able to get to shelters provided by the councils in good time. A similar approach is being considered in Australia following the recent catastrophic bush fires in Victoria. The provision of water facilities and storm drainage are also local government responsibilities.

Box 2 The role of local government in delivering on the MDGs

MDG	Fire fighting and police	Solid waste management	Roads	Primary education	Water and sanitation	Primary health	Public health	Land use planning	Economic development
1 (Poverty)	■ ■	■	■ ■	■ ■	■ ■	■ ■		■ ■*	■ ■*
2 (Primary Education)			■	■ ■ ■	■	■		■	
3 (Gender Equality)	■ ■			■ ■			■ ■		
4 (Child mortality)		■ ■	■ ■	■ ■	■ ■	■ ■ ■	■ ■	■	
5 (Maternal health)	■	■	■ ■	■	■ ■	■ ■ ■	■		
6 (HIV/Aids malaria)		■ ■		■	■ ■	■ ■ ■	■	■	
7 (Slums and Water)	■	■ ■	■ ■ ■	■	■ ■ ■	■	■ ■	■ ■ ■	■
8 (Partnership)									■

Key ■ ■ ■ Direct Provision ■ Indirect Relationship ■ Some Relationship *In some cases LG through bad governance can influence this MDG negatively

1.5 Local government and the global economic crisis

The current global economic crisis is likely to have a major impact on local government. At this stage it is difficult to speculate on the precise nature of the impact, however the comfortable assumption that the credit crunch would only affect the liberalised (perhaps too liberalised) Anglo Saxon economies of the US and the UK is a myth: the decline in exports and trade has dramatically affected the manufacturing economies of Germany and Japan. There is also evidence that the impact is being felt in the developing world in countries as diverse as China, India, Zimbabwe and Bangladesh. For example there are major concerns with the employment effects of a dramatic decline in Bangladesh's garment sector¹. The decline in metal prices is having a significant impact upon revenues on Zimbabwean rural government dependent upon the mining sector as a source of revenue. The World Bank has noted that of the 43 countries that were the most vulnerable to the current crisis, 14 were in the Commonwealth (World Bank, 2009). Meanwhile out of the twenty countries invited to the April G20 summit in London five are from the Commonwealth (UK, Canada, Australia, South Africa and India)

It is possible to identify two potentially conflicting trends:

- Relatively well resourced Commonwealth nations (Canada, Australia and UK) have started to implement stimulus² packages to stimulate economic growth and maintain employment. A substantial amount of this is likely to involve local government and be focused on the provision of infrastructure. Historically the provision of infrastructure and construction works (mainly housing in the UK) has been the classical counter cyclical Keynesian economic strategy.
- The second trend, which was clearly revealed in the 1980s austerity period often associated with Structural Adjustment Programmes, was for countries to limit public expenditure in general but resources going to local governments in particular. This makes political sense for many central governments as these areas are often opposition controlled and also it is easier to "let them take the strain". This was clear in a range of countries; urban infrastructure expenditures were often disproportionately cut as being easy targets, sectors that classically used scarce foreign exchange; did not earn revenue (either domestic or foreign exchange); and being capital intensive, large investments are easy targets for postponement. The result of all these factors is that local government and urban infrastructure were severely squeezed during previous recessions. While it is potentially misleading to speculate, it is difficult to imagine a situation where public expenditure in many Commonwealth countries is not put under intensive pressure in the near future.

The final issue concerns international finance: given the experience of the last two years, it is difficult to imagine a situation where private sources of capital will not be more conservative³. Many developing countries are also likely to be influenced by a decline in remittances and private investment/potential local revenue sources.

There is also concern that there will be a decline in aid in real terms in the foreseeable future. This may be a pessimistic assessment but will need to be monitored. The implication of this for local government is a need increasingly to seek to work with new partners, an issue we shall return to later. In summary: a central challenge is to limit the impact of the current recession from undermining much of the recent work and policy that has sought to strengthen decentralisation.

1.6 The changing aid environment

The aid environment has changed substantially since the mid 1990s and this has had a direct impact on the nature of support and assistance available either directly or indirectly to local government.

The following three factors should be considered:

- In the late 1990s all the countries of the UN and the major donors signed up to the Millennium Development Goals (MDGs) as an approach and commitment to addressing global poverty. From a UN-Habitat perspective - the UN agency with a focus on local government - the most important MDG is Goal 7: to ensure environmental sustainability with specific targets to reduce by half the proportion of people without sustainable access to safe drinking water; and to achieve a significant improvement in the lives of at least 100 million slum dwellers by 2020.
- The OECD 2005 Paris Declaration on Aid Effectiveness committed all the relevant donors to disbursing their aid according to twelve broad principles, emphasising the importance of ownership, alignment and harmonisation. The most important of these were the statements that donors would seek to harmonise their assistance; seek to work with existing country systems and to shift their aid to a Programme Based approach⁴. This represented a shift in aid disbursement from a traditional project approach to Sector Wide Approaches (SWAs) and to General Budget Support (GBS). The implications of, and opportunities for, the financing of local government that arise from this shift are important. The 2008 meeting issued a new Accra Agenda which has reinforced the Paris Declaration, and it is stronger in the role it sees for local government (see Box 6).
- A commitment to decentralisation, and to local government and governance. This was underscored by the 2005 Commonwealth Heads of Government commitment to the *Aberdeen Agenda: Commonwealth Principles on Good Practice for Local Democracy and Good Governance*. All countries of the Commonwealth have committed themselves to three key statements: the MDGs, the OECD Declaration and the Aberdeen Agenda. Together they provide a valuable policy framework, the challenge remains in the implementation.

2 Financing local government

2.1 Under-resourcing of local government

The evidence from a range of countries show that in most cases local government simply does not have the resources to either fulfil their mandates and/or to seriously tackle the MDGs⁵ although it is central government that has committed local government to delivering them (Kiyaga-Nsubuga, 2006). This was a central argument in CLGF's submission to the Commission for Africa in 2005. Furthermore there is a long running tendency for local government to become less dependent upon own revenue sources: *"Most countries experienced a decline in local government revenue sources as a share of local government funding of services (i.e. increased dependency and risk of decline in the sustainability of investments and local government autonomy). This is a trend that has proven difficult to reverse through existing support mechanisms"* (OECD, 2004: 34).

This trend has been noted in Commonwealth countries; for example the experience of urban bodies in India which, despite the 74th Amendment to the Constitution of India, are still unable to fulfil their mandates. (Om Prakash Mathur, 2006: 201). On average the under funding in relation to the Zakaria Committee⁶ norms is 130 per cent. Studies in Australia have similarly highlighted the issue of unfunded mandates.

The crude politics around national governments and taxation policy should also be noted. Despite economists' arguments about the appropriate levels for the incidence of different tax, in almost all systems, with the exception of Scandinavia and Switzerland, central government holds onto the best taxes. The result is often that local government must depend upon central government transfers; thus in most cases the emphasis has shifted from local government's own revenue sources to the robustness and efficiency of intergovernmental transfers.

The special case of local government in federal states needs to be considered; thus in India (and also Nigeria) central local relations is often better characterised as a three cornered fight between the central government, the state level and the local authority. This situation can create a whole series of complex issues but can also offer grounds for innovation. The case of Scotland within the UK, although not a federal state, could be an example of how this arrangement can promote innovation at the national/provincial/second tier of government. The experience of the provinces in the Republic of South Africa would be another case.

Local government, because of the nature of its activities, has an inbuilt tendency towards "fiscal weakness": local government faces an endlessly increasing demand on services caused *inter alia* by: population increase and urbanisation; a general rise in expectations – both through demands for welfare and sometimes safety nets; and inflation. Meanwhile the nature of local government's services, typically health care, education provision and solid waste management, is such that there are relatively

limited economies of scale in its provision, at least in comparison to industrial process. It takes more or less on a per capita basis on those receiving the service the same number of people to empty the dustbins, run health clinics or teach children⁷ in Accra as it does in Birmingham or New Delhi. Thus local government is classically caught in the scissors of ever rising expectations and the inability to achieve economies in the delivery of services; the result is a tendency (but not inevitability) that local governments often face fiscal weakness.

2.2 Access to sources of revenue

There is a common myth about local government finance; it is often argued that as countries develop their local governments become less dependent upon central transfers, and that local government not being dependent upon its own resources is a sign of underdevelopment. This is misleading. OECD figures make it clear that broadly speaking as countries develop they become *more* dependent upon central-local transfers. The exception is the countries of Scandinavia where local revenues account for a high percentage of local government finance. This should not surprise us, as countries develop their local governments are likely to have to perform a range of services. As noted earlier in most political systems central government often likes to retain the most important revenue streams.

While it is not possible to be dogmatic, there is evidence that buoyant taxes are very important for successful local government financial systems. This was established by research for ODA (predecessor of DFID) and the World Bank (Davey, 1996). A buoyant tax is one that increases naturally with population increase, rising expectations and demands and inflation; these are classically income or sales or expenditure taxes. The problem for most local governments, and this is especially true of municipal/urban governments, is that they are dependent upon property taxes. The updating and rerating of property is an administratively burdensome and political exercise. The result being that financially local governments are often effectively playing catch up. It is unusual for local governments to have access to easier revenue streams. Thus out of necessity local government will need to rely to a significant degree on central local transfers.

Central local transfers are often a problematic issue to local government treasurers. In principle they often have stated dates of arrival, but in many cases a combination of bureaucratic inefficiencies at the centre, shortage of funds and austerity programmes, means that transfers are often not as timely as is suggested. Thus for many local governments the treasurer's problems are often more about managing cash flow than strategic planning or budgeting. Later we shall discuss the innovation of publishing central local transfers in newspapers and other media to address this.

Box 3 Canada's Gas Tax Fund

The Canadian Gas Tax Fund provides stable and predictable funding for municipal infrastructure priorities that contribute to cleaner air, cleaner water and reduced greenhouse gas emissions

The 2007 budget extended the Gas Tax Fund to C\$2 billion per year from 2010 to 2014, with a further announcement in 2008 that the GTF was to be made a permanent measure at \$2 billion per year after 2014.

To implement the programme, detailed agreements have been prepared with every province establishing an allocation formula which allocates the revenues to provinces on a per capita basis. This allocation is shared between the province and its constituent municipalities; different formulae are used by each province to allocate funding to municipalities. In British Columbia and Ontario the local government associations distribute and monitor the funds.

The gas tax transfers are conditional, non-matching funds. The funds have to be spent on environmentally sustainable municipal infrastructure. Municipalities receive a lump sum based on their population. Municipalities can bank (use interest) or borrow against funds. Five per cent of the fund is earmarked for innovative projects developing new technologies for achieving environmental objectives.

What matters therefore for local government finance is:

- Local government needs access to a buoyant source of revenue; these are classically sales, income taxes and some licensing, vehicle taxes or market fees. Unfortunately in almost all systems of government finance these are collected at the centre.
- This necessity means that central local transfers are critical (and they are likely to increase as countries develop).
- Transfers should be formula driven, regular and reliable. The best formulas for this are those where local government is entitled to a proportion of a particular financial stream (Some countries would specify that local government should receive a proportion of sales or income from other taxes. This is the case in Kenya where LATF funds are determined as is 5% of national income tax, and in Ghana where the District Assemblies Common Fund (DACF) guarantees at least 5% of the national budget is distributed to district assemblies for development, and was recently increased to 7.5%. Distribution of the funds among the assemblies is governed by a formula which is approved by parliament each year.
- This also means that central governments should resist the temptation to manipulate the system for political advantage.
- The design and the detail⁸ of these is critical for local government finance and for effective systems.

- In some countries, especially those with federal arrangements, this system is enshrined with constitutional and/or legal protection. This is the case in the South African Constitution.
- Finally it is important transfer systems do not undermine the local effort to collect revenue.

2.3 Legislation to enable local government to raise funds from other sources

To improve the financial situation of local government it is sometimes necessary for enabling legislation to allow local government to raise funds through other means. For example, in many countries local governments are prohibited from seeking private sources of funds and this can only be changed by passing enabling legislation. However central government has a legitimate role in policing and/or monitoring local government borrowing. Thus for example substantial debts were run up in the 1990s in Latin America partly through excessive - and perhaps irresponsible - borrowing by sub-national governments.

One example where enabling legislation is needed is the case of municipal bonds. To some extent credit rating agencies mirror this trend in that no agency will give a credit rating to a sub national level of government or local government that is higher than that given to the national government. The logic being that in the end the central government is often ultimately responsible. CLGF together with the Development Bank of South Africa (2006) has published a very helpful guide entitled *Obtaining a Municipal Credit rating: a brief overview* on this process. Similar legislation may also enable local government to seek agreement with the private sector and receive loans. While gaining access to alternative sources of funding and credit is important for local governments where appropriate, the global experience of the last few years must emphasise the importance that this is done with due diligence.

2.4 Alternative mechanisms: the role of the private finance

Many local governments are urban or municipal governments. Given the nature of the extent of urbanization, the enormous needs for urban infrastructure cannot be met solely from the public sector. It is therefore critical to design systems to encourage private sources of funding. One model is the provision of municipal bonds alongside the development of a credit rating system. This is an innovation for developing countries of the Commonwealth but there have been some successful experiments in South Africa, Zimbabwe and India. Within India so far it is estimated that 14 cities have been assessed and have received a municipal bond. In addition more than 40 bodies have subjected themselves to a credit rating agency, which highlights the importance of market-orientated reforms and the use of these ratings as a source of benchmarking (Om Prakash Mathur, 2006; 193-195).

The demand-driven nature of this instrument is in contrast to many forms of aid disbursement, which is implicitly supply driven.

2.5 Municipal development banks

An alternative financing mechanism for local government is the municipal development bank. These are usually publicly-owned

organisations, whose objective and brief is to lend money to local government on commercial terms. It is seen as an instrument, which can be used to provide capital funds to local governments. HUDCO in India is an organisation that essentially operates on these lines. In continental Europe these banks are often linked to and sometimes owned by local government associations. The shareholder composition varies but in many cases the local government association is a major stakeholder. In principle this is an attractive option; unfortunately the research evidence tends to suggest that they are often put under political pressures and that they often do not provide loans on strictly commercial terms (Davey, 1996).

2.6 The experience of UNCDF

United Nations Capital Development Fund (UNCDF), through its Local Development Programme, has been an innovative donor in the field of local government funding. Its main focus has been to link the planning, revenue and budgeting cycles and process to make for more effective local government. This approach has been piloted quite successfully in a range of countries. UNCDF has been particularly concerned with the tension between the vertical logic of intervention, which is represented by GBS and SWAs, and the potential horizontal logic represented by an approach, which strengthens local government systems and the decentralization process in general. (UNCDF, 2006). One of the major innovations that UNCDF has piloted with some success is the linking of central government to local government transfers to improve performance in local government revenue collection performance. Thus the amounts of funds transferred are linked to local government performance. While intellectually satisfying, the evidence from elsewhere suggests that the political process tends to lead to such transfers becoming de facto entitlements rather than being clearly based on performance. This is a very important innovation, which requires further monitoring. It is clearly an important approach for the future.

2.7 International development finance: lessons learnt from government and donor decentralisation programmes

CLGF's recent conference on local government access to development finance, September 2008 highlighted many of the challenges facing local government in developing a relationship with the donor community and participating on planning and delivering development programmes, in spite of their role in delivering the MDGs and providing services that reduce poverty. This was particularly marked when taking into account the commitments made by African governments and donors at their meeting on aid effectiveness in the same month.

'Donors will support efforts to increase the capacity of ...local governments...to take an active role in dialogue on development policy and on the role of aid in contributing countries' development objectives..... work more closely with ...local authorities...in preparing, implementing and monitoring national development policies and plans' as well as to 'identify areas where there is a need to strengthen the capacity to perform and deliver services at all levels- national, sub-

national, sectoral and thematic- and design strategies to address them' Accra Agenda for Action, September 2008.

CLGF is committed to working with its members to continue to lobby and to develop the necessary skills and knowledge at the local level to ensure that these commitments can and are implemented.

2.8 Donor support

In a recent review of DFID's support to decentralisation and local governance in 27 countries in Africa, Asia and the Middle East, Newsom (2008) explains that "The good performers are where the decentralisation framework adopted is appropriate and pro-poor, the manner in which decentralisation is implemented is sound, there is strong and continued political commitment and there are adequate financial resources and human resource capacity. Long term and well sequenced decentralised country led programmes underpinned by flexible approaches and capacity building are important for achieving successful outcomes. (p8)".

Box 4 Funding for urban development: the JNNURM programme in India

India as part of its recent National Common Minimum Programme launched in 2005 a new programme entitled the Jawaharlal Nehru National Urban Renewal Mission (JNNURM)⁹. The rationale for the programme is a realisation that the weakness of urban infrastructure is increasingly being identified as a major constraint on India's desire to accelerate its already high GDP growth rate from 9%. The programme will provide US\$12.5 billion as a central grant which aims to leverage contributions from state governments, institutional finance, private sector funds and beneficiary contributions. JNNURM involves 63 urban areas and helps them prepare a comprehensive City Development Plan including funding issues but also important aspects of a reform agenda. From this Plan more detailed project plans for funding, including provision for future operation and maintenance. This programme represents a significant new approach to funding urban infrastructure in India; the emphasis on City Development Plans, funds for infrastructure for the poor and institutional reform should be noted¹⁰.

The need to strengthen capacity building through experience sharing has been recognized and a programme called PEARL (Peer Experience and Reflective Learning) has been launched. The objective of the PEARL programme is to create networks between JNNURM cities for cross learning and knowledge sharing on urban reforms and city governance so that the objectives of the mission are successfully achieved to make cities more liveable, economically vibrant and environmentally sustainable.

In general donors have found that their contribution has been most effective where there is political will and a sound decentralisation framework. The World Bank (2008) found that for decentralisation to work it must be underpinned by genuine commitment from the client country (p17). DFID recommends that it is insufficient to focus on national politics and secure national agreements for delivery of projects involving district/local government. Understanding the politics at all levels and the political relationships between the levels is important. Furthermore, it would be appropriate to consider working with smaller chiefs and family heads in cases where powerful chiefs have a vested interest in local assets. The OECD emphasises the importance of commitment from partner governments. One of the most important recommendations it makes is the need to ensure that donor programmes are integrated within the policies and plans of partner governments so that coordination in delivery remains coherent and sustainable. This is an important idea that we shall pick up later in this paper.

Establishing and sustaining good country partnerships for decentralisation-related projects present particular challenges. The EU Cotonou Agreement, which guides the EU's aid and trade relationships across African, Caribbean and Pacific countries for example, identifies local government as a key actor for development in its own right. The need to engage with all partners during the design stage is not always recognised. Many projects involve multiple institutions and different levels of government in the delivery of project outputs. It is important to ensure different levels participate in the design, field visits and monitoring. Also to establish appropriate feedback links so the experience at local level feeds into policy formulation (GSDRC, 2008e, p2).

The World Bank also emphasises the need for proper monitoring and evaluation: they encourage a more results-based approach to monitoring and evaluation that focuses on local outcomes (such as enhanced accountability, greater citizen participation, and improved service delivery) rather than on just the process of decentralisation (GSDRC, 2008e, p3). Effective monitoring and evaluation (M&E) requires careful design and use of good results-based indicators. If capacity is weak at the local level to take on responsibilities for M&E, technical assistance should be made available to build capability. Sound decentralisation indicators for measuring results; stronger and more effective monitoring and evaluation systems; and good knowledge management to support the complex and multi-dimensional nature of decentralisation work in partner countries are essential.

An evaluation of UNDP support to local governance and outer island development in Tuvalu found that a key contribution of the project was to support increased harmonisation between unwritten laws grounded in the customs and traditions of the people and formal laws as prescribed by the constitution. It is also noted that the project reinforced the concept of decentralised democracy alongside local traditional governance systems. The full ownership of the project by the Government of Tuvalu added to its success. One of the main lessons learned was that the project's flexibility and adaptability to the

local context enhanced project outputs (GSDRC, 2008e, p.9). The importance of external assistance, whether international or from central government, being sensitive to local socio-economic circumstances cannot be over-emphasised.

2.9 The changing aid environment and local government

The changing aid environment – especially the increase in donor harmonisation (Paris and Accra), represents both a threat and an opportunity to local government. The threat is that this approach can strengthen sectoral ministries at the expense of local government, (there is some evidence of this from Uganda). It can be an opportunity if local government becomes involved in the process: it should, at least in principle, increase donor funds, provide for better donor coordination, increase predictability and provide support for recurrent expenditure. Box 6 gives the main recommendations of a recent CLGF study.

2.10 Lessons learned from government and donor decentralisation support

The following lists lessons which have been learnt to make both government and donor support for local government more effective. These are important issues for the conference to consider for sustaining the positive gains that have been made in decentralisation policy, implementation of the Aberdeen Agenda, and also in consolidating improvements, through a culture of continuous improvement and capacity building:

- Strong national ownership, at both central and local level: central government commitment is essential.
- Understanding political context is important including the relationships between different levels of government; It is

Box 5 OECD on improved dialogue in donor and country programmes

"There is a need for a more extended dialogue between governments in developing countries and the donor community concerning the extent to which the Poverty Reduction Strategy Paper (PRSP) process and Sector Wide Approaches (SWAs) support or undermine decentralisation efforts. Partner governments that have embarked on decentralisation reforms should make sure they keep to their commitments concerning decentralisation in practice. Donors, for their part, should clarify their policies both towards SWAs, PRSPs and decentralisation and identify those aspects of their country support that lack coherence and compatibility. A review assessing the need for developing a poverty-reduction strategy credit similar to the present central government budget support system is also required."

(OECD report on *Lessons learnt on donor support to decentralised and local governance*, 2004,55).

important not to bypass local institutions, and to be flexible to local and traditional governance structures.

- There is a need to focus on both governance issues and technical capacity: support to decision making should be linked to access to resources.
- There is a need to build inclusive partnerships: decentralisation and local government projects typically involve multiple institutions and different spheres of government in the delivery of project outputs.
- Better monitoring and evaluation (M&E): good results-based indicators should be developed. If capacity is weak at the local level to take on responsibilities for M&E, technical assistance should be made available to build capability.
- Greater realism and management of expectations: Several studies note that expectations were high, and project aims were overly ambitious; furthermore decentralisation is a long-term endeavour.

Box 6 Financing local government; the new opportunities

The Paris and Accra Agendas on aid effectiveness present new opportunities from the new aid disbursement mechanism, namely SWAPs and GBS, and how they support local government. These new mechanisms must strengthen local government and not undermine it. Recent innovations have shown that this is possible. The key to achieve this is to make local government visible and a key stakeholder in central policy making, and to “hardwire” LG into the main CG system, especially in the following are the areas:

- There must be a local government component of the Poverty Reduction Strategy Process (PRSP) and PRSC process.
- Local government should be included in general public sector reform programmes and processes.
- Local government needs to be integrated into overall public finance management (PFM) discussions.
- There is a separate need to work towards making national statistics and financial accounting procedures compatible with local government systems.
- As far as practical, all policies should spell out which sphere of government (central/state or local) will be concerned with implementation. This is particularly important with sector plans and sector policies.
- Local government should be included in all SWAp and sector discussions which have a local service delivery component.
- Local government needs to be involved in the design of Performance Assessment Frameworks for the monitoring of SWAPs and GBS programmes.
- There should be a separate budget head for MD7 (slum upgrading).

3 Democracy and accountability

3.1 Local elections and accountability

The Commonwealth - in the Harare Principles (which sets out commitment to fundamental political freedoms) and the Aberdeen Agenda - highlights the importance of the election of local councillors in free and fair elections and their role in providing services to their constituents. Part of this process is the right for voters to replace politicians according to their preference.

In at least ten Commonwealth countries local government is not elected, or elected local government is under threat. Vigilance needs to be maintained to ensure that progress towards local self-government in the Commonwealth is consolidated and enhanced.

3.2 Citizens, voice and accountability and service delivery

Citizens, or voters, put pressure on the political representatives who deliver services in return. This is the classic argument for accountability and local democracy which CLGF supports. This is the "long route of accountability" as noted by the World Bank in the *2004 World Development report: Making Services Work for Poor People* where the relationship is perceived in terms of terms of a triangle of poor people, policy makers and providers. In terms of local government these categories are: local voters, local councillors and local government as the service provider. This is the central dynamic and main focus of democracy and accountability.

Citizens can also use a "short route of accountability" where citizens or voters seek to put pressure on the providers directly (World Bank, 2004), including initiatives like the report card system in Bangalore, community monitoring and the publicising of central local government transfers in Uganda. However there is sometimes a tension between these two approaches as some of these systems that aim to give the citizens greater voice can threaten the democratic mandate and role of local councillors. The case below provides some examples of how the urban poor are using democratic channels to exercise their voice.

3.3 The poor have been more successful in their claims in urban areas

Recent research by the International Development Department, University of Birmingham, based on a series of studies of ten urban areas - seven of which were in the Commonwealth - has shown that the twin trends of decentralisation and local democracy has provided the poor with more room for manoeuvre and some limited success in getting their claims recognised by government. In the Indian cases in Visakhapatnam, Ahmedabad and Bangalore it was clear that electoral politics did result in some benefits going to poor groups. Note that the poor have much higher rates of electoral turnout. (Devas et al, 2004). In the Bangalore case the study showed a very sophisticated process of "vote trading" with poor groups doing deals with different political parties in return for the best benefits.

Box 7 Capacity building in the Pacific – training elected leaders

In 2005 CLGF began a five-year project to enhance the quality of local government in the small states of the Pacific Islands. The project established strong "buy-in" by major stake-holders and partners through a participatory approach to design, planning and implementation.

Rapid urbanisation is one of the major risks to human security in Pacific societies in the coming decades, and the resource gaps that Pacific urban authorities face make capacity-development one of the most pressing issues.

A Regional Training of Trainers held in 2006 in collaboration with UN-Habitat and UNDP, used UN Habitat's locally-elected leaders (LEL) training program to train 30 trainers from eight Pacific countries. They modified the materials and the approach was developed to be appropriate to the region.

Vanuatu was one of the countries involved: in Vanuatu local democracy is strongly influenced by family, language and indigenous culture (*kastom*). This typically results in an extension of a chiefly, or patronage system, which in turn can lead to unequal distribution of public services. Information asymmetry is the norm with only those with formal education or the right connections able to access funds or services.

The LEL materials are structured around 12 competencies, delivered in two or three multi-day sessions or modules. They are: *Representation, Negotiation, Leadership, Communication, Financing, Enabling, Using power, Overseeing, Policy making, Facilitating, Decision making and Institution building.*

The LEL materials were used to train community leaders in Vanuatu as well as elected officials. Capacity building in communities includes many of the principles for good governance and many of the modules are useful for community development. Community leaders and representatives were grouped together according to their leadership roles, rather than geographical location, leading to lively debates where differing local approaches to leadership and representation were compared. Capacity issues rather than local issues were debated in small group workshops and presented in reports back. Local examples for discussion offered participants the opportunity to see different perspectives on community development priorities.

Feedback from participants confirms that participants appreciated the opportunity to be part of the training. The government hopes that it will continue to be rolled out to support the decentralisation policy. It can also enable community leaders to organise themselves to demand and take advantage of services provided to them. It is hoped that by raising community expectations of their elected leaders, local government's performance will improve in line with community expectations.

3.4 A vision for development by local politicians

The vision and leadership of local politicians matter, as was confirmed at CLGF's Auckland meeting 2007. Thus local politicians must seek to fulfil their mandate through general economic development and service delivery for all their citizens rather than rely on support solely through giving tax breaks and/or write offs to a

specific group or relying on patronage politics and/or using the local government as a source of unsustainable employment creation. The robustness and dynamism of local democracy is one of the best safeguards that can support and reinforce a greater vision for local government.

Box 8 Challenges to governance in Trinidad and Tobago

In 1990 the Trinidad and Tobago government embarked upon the reform of local government. Chaguana was established as a separate borough in October 1991. It did not immediately enjoy all the status or entitlements of the other city/town and borough corporations because of the national economic situation and operated for several years with grants/subventions from central government.

Emphasis was placed on the core business of sanitation and maintenance of public infrastructure. These services were weak and there was a lack of transparency and accountability with little emphasis on governance from the perspective of participatory decision making, community ownership of projects and programmes or in developing infrastructure/programmes to support the changing needs.

It took almost a decade for the Corporation to develop and move its programming beyond the delivery of the basic local government functions and services to adopt and adapt to a new structure and philosophy. From 1999-2003, the groundwork was laid for the new council elected in 2003.

Some of the specific challenges, which were to be addressed, were:

- To improve effectiveness and efficiency of the Borough administration
- To inculcate a sense of community within the citizenry
- To increase awareness and participation in local government and local governance
- To upgrade the status of local government and promote good governance

In an attempt to change the mode of operations as well as the philosophy the Corporation used a two pronged approach, one dealing with internal challenges, the other focused on creating a more inclusive environment.

Internal dynamics: three specific actions were pursued:

- Clearly defining roles and responsibilities of the council/administration
- Developing a culture of a teamwork amongst the council and administration
- Retraining staff where necessary, to adapt to changes in culture/technology.

Responsibility for tasks and service delivery was clarified and support systems for managing and facilitating public services works were put in place, including training in software applications, to help increase efficiency. Numerous staff workshops to facilitate a team culture were also organised. Citizen awareness and inclusiveness: using innovative projects delivered directly and through partnerships with other organisations, the borough sought to inculcate a sense of community as well as building a more inclusive organisation.

These included:

■ **Youth programmes:** an art competition for school students to draw scenes as to the Youth view of Chaguana: past present and future. On completion the students were invited to replicate their work as a mural in the town centre. This mural now stands as one with twelve scenes covering an area of over 500 square feet. The Corporation has also sponsored competitions and supplied schools in the Borough with sports equipment.

■ **Adult programmes:** the Corporation sought to engage in various activities including

- a Healthy Lifestyle campaign, developing properly lighted jogging tracks around the Borough
- aware of high levels of diabetes, the Borough has partnered with the National Diabetes Association to set up offices in Chaguana, and with the Lions Club to distribute wheelchairs.

Local government authorities, particularly in small developing countries, face challenges in establishing themselves as institutions in the promotion of good governance. From a Caribbean perspective, this is a real challenge to many of the local government authorities. Their mandate from central government makes them focus on more mundane activities, rather than governance and inclusiveness. Local governments have to create their own niche, in a manner that will raise awareness of the role of the authority, and create avenues for greater citizen participation, empowerment and inclusiveness in the key decisions that affect them.

3.5 Reinforcing accountability

It is often seen as a good practice to have procedures and practices that support the accountability loop by requesting or requiring local governments to consult. There are, for example, provisions for this in the design of local authority development plans in Kenya and Uganda. Similarly, in New Zealand the local government has a “duty to consult”. These processes often help prevent local government becoming too distant and can serve as a useful “reality check” for local government officers. There has been quite a long tradition of this in planning in the UK. Some of the difficulties in moving towards a greater process of working with local communities have been noted in the UK although there are still some positive developments (Churchill, 2008).

3.6 Mechanisms to increase accountability for excluded groups

There are various methods of ensuring and allowing the participation of excluded groups in local governance. They fall under two broad categories: 1) promoting the representation of excluded groups in local government, including in leadership positions and 2) Promoting the participation of excluded groups in local meetings to discuss planning, budgeting and development projects. Within these categories, a range of formal and informal mechanisms and strategies have been attempted in various countries (GSDRC, 2008, p.1).

- *Party list quota system to improve access:* This mechanism needs legislation to require political parties to allocate a percentage of their seats to members of excluded groups. The mechanism is not as popular at central government as it is at more local levels, especially within the Commonwealth. Namibia's parliament adopted an affirmative action provision in the Local Authorities Act of 1992 which stipulated that the first local authority elections were to use a party list system and that each party had to include at least two women for councils with 10 or fewer members, and at least three women for councils with 11 or more members. As a result, 37% of local councillors elected in 1992 were women. In 1997, amendments to the Local Authorities Act meant that the 1998 elections required an increased proportion of women to stand resulting in increased representation of women in local government of 41%. In 2004 the percentage of women in local government through by-elections in Namibia was 45% while 40% of mayors were women (UNDP, 2008, p.48).
- *Reserved seats for appointed and selected representatives for specific or minority groups:* Reserving elected and appointed seats through a quota system for minorities or disadvantaged groups is a common practice. It is a heavily criticised mechanism, as appointments often end up being accused of being a ‘mouthpiece’ for those who selected them. This is currently a concern in the Zimbabwean local government

system. Furthermore, in some systems, representatives are appointed after elections are held in which men usually win all the seats, after which bureaucrats appoint a number of women to the council. This method hinders openness and is an unreliable way of giving members of excluded groups voice, as those who are appointed owe their positions to the people who selected them (Manor, 2003).

The reserved seats mechanism for elected representatives has been more successful for engaging excluded groups:

- India has a successful record of formal inclusion of excluded groups in local government. There is Constitutional guarantee of seats (proportionate to the population) (73rd and 74th amendments to the constitution of India) being reserved at all levels of government for women and for scheduled castes and scheduled tribes (GSDRC, 2008, p.4). There is also a guarantee for women having leadership positions in village councils.
- Pakistan has a similar reservation system; women are either directly elected (to Union Parishad Councils) or indirectly elected by the entire electoral college of the upper-level local government unit in question (tehsil, town, district). Pakistan's local electoral system also ensures that minority religious groups are represented. Directly elected village or neighbourhood councils include one reserved seat for women and one for peasants. Directly elected UPs include four seats reserved for Muslim women, six seats (of which two are for women) reserved for workers and peasants and one seat for minority communities. For the indirectly elected councils, women must represent 33% of all members, and peasants and workers must represent 5% (Nickson, 2007).
- Uganda's local council system is designed to create opportunities for participatory decision making at all levels. Gender and minority interests are protected through reserved seats for women, youth and people with disabilities at each level (GSDRC, 2008, p8). Generally all members of the public have the opportunity to vote for reserved seats as opposed to segmented voting; this is because many experts suggest that segmented voting (e.g. only women voting for women) can be divisive whilst combined voting can give those elected more confidence that they are supported by a popular mandate. Furthermore, secret balloting is a tool that can give balloters the confidence to express difference of opinion to other family members (GSDRC, 2008, p2).

Manor (2003) argues that this method has done little to strengthen the influence of women. Studies of specific systems have shown that women often serve as proxies to express the decisions made by their male relatives. In many cases these are in societies where prejudices against women taking independent action still exist, sometimes

resulting in women being threatened and even facing violence from reactionaries when they try to carry out their assigned roles. However the involvement of women in the political system through such mechanisms increases their confidence, provides experience of leadership in the public sector, and breaks down ingrained taboos.

3.9 Separate institutions as a mechanism for involving excluded groups

Institutions that are independent of the established political system may allow members of excluded groups to run for office and to vote (GSDRC, 2008 p2).

There is evidence that these mechanisms have been successful in representing excluded groups, with most examples around the world being through the successful representation of women. However, further efforts are needed to ensure that excluded groups that are being engaged are aware and have the necessary skills and capacity to assume positions in local government and, most importantly, have influence. This means initiating an interest within excluded groups to participate in local democracy and equipping them with the necessary requirements to be active citizens and politicians.

Johnson et al (2003) found that the presence of women in local government in Uganda has helped to change attitudes about women's roles and increased acceptance of their participation in leadership roles and politics. However, women had not had any significant impact on local planning or budgeting because there are insufficient efforts to prepare them for their role in politics. They recommend that proper education and training must be provided for women in order for them to properly influence and participate in local government (p.313).

Narayana (2005) found that representation of excluded groups in Kerala, India was much higher than other groups in the *panchayat* (village, block and state level councils), and that they were much more involved in attending meetings, signing petitions and in communicating with elected representatives at all levels. This success was largely attributed to the political mobilisation and awareness in that state. Box 9 describes a project in Bangladesh aimed at strengthening officials and civil society.

The importance of youth in the political process should also be noted. This low visibility is highly significant given their importance in terms of employment opportunities, (or lack of) and their potential for political mobilisation and violence. The Philippines has arguably the best pro-youth representational system. The Philippines Local Government Code provides for the organisation of youth councils in every village. Members are elected by those aged 15 to 21, and are present at every level of the Philippines local government system; this ensures that the local government decision making process is at least partly attuned to the needs of younger members of the electorate (UNDP, 2008, p.52). It is also significant that the youth issue remains an identified problem in the agreement which led to the 2008 Kenyan multi-party agreement.

3.10 Participatory budgeting: involving the poor in the budgeting process

Participatory budgeting is an effective way of directly involving citizens in allocation of public resources from a local government perspective. It was originally developed in the 1990s by the workers party in Brazil in Porto Alegre. It was an attempt to give the poor some inputs into how local budgets were made. The process involved a series of local meetings and the election of delegates to a series of meetings to then consider the process and agree the budget. The evidence of the Brazilian case has been that, in the highly unequal nature of Brazilian society, the poor (although not the poorest) have made an impact into budgetary decisions, mainly in favour of infrastructure provision for poor settlements. However it represents a relatively small fraction of the municipal budget. While achieving some success, in many cases local politicians felt threatened by the process, arguing that it undermined their legitimate democratic function and mandate. (Souza, C 2001, p151). In such policy transfers it is important to understand the specific context: in the case of Porto Alegre it is a prosperous city by Brazilian standards and the idea had very deep political roots.

Participatory budgeting has become a very fashionable and has been introduced in a wide range of countries.

- Manchester in the UK has experimented with such an arrangement.
- The Hunger Project in the Tagnail district of Bangladesh in 2005 allowed people to raise questions on tax proposals and development. The Union Parishad declared the budgets before some 500 people, and both men and women were given the opportunity to ask questions about expenditures and revenue within the budget. Local people appreciated this as an opportunity to promote accountability and transparency especially in such peripheral regions of Bangladesh (Rehman, 2005, p.19).

These initiatives are taken in order to:

- promote public learning and active citizenship
- achieve social justice through improved policies and resource allocation, and
- reform the administrative mechanism (Rehman, 2005, p.8).

The World Bank observes that increased participation in budgeting can lead to formulation and investment in pro-poor policies, greater social consensus, and support for difficult policy reforms. Experiences with participatory budgeting have shown positive links between participation, sound macroeconomic policies, and more effective government (Rehman, 2005, p.9). Local and national government bodies arrange participatory budgeting to use information by the public for revenue and expenditure decision-making. Forums are held throughout the year so that citizens may have the opportunity to prioritise broad social policies and monitor public spending.

Box 9 Strengthening local democracy: the BUILD project in Bangladesh

The Capacity BUILD project of CARE-Bangladesh promotes democratic principles and a heightened sense of civic duty to support a larger government goal of decentralising public decision-making. Capacity BUILD works throughout Bangladesh to instill an awareness of the roles and functions of locally elected bodies. The intervention supports capacity building activities both with the elected officials and *union parishad* (UP) secretaries (administrative officials) to improve their management skills. It also creates stakeholder groups in local communities that meet regularly with UP members in order to increase the transparency and accountability of local government. The program promotes the participation of excluded groups, especially the poor, in local level planning and emphasizes the public role of women in government. It has tried to enhance the capacity of local government to plan and coordinate effective initiatives with community participation to foster local level transparency and accountability. Ultimately, the programme looks to reform traditional attitudes and behaviour of local people that constrain the development of representative government. In the long term, it looks to pave the way for participation of excluded groups into local governance (Rehman, 2005, p.14).

- Exercises to tackle taboos and traditional prejudices about excluded groups should be incorporated in the implementation of any legislative mechanisms to ensure their participation.
- Awareness through media campaigns to increase awareness, functions and opportunities of participation to excluded groups.
- Engagement of citizens in democratic process should begin as early as the planning and design stages to ensure pro-poor priorities and a sense of public ownership.

3.11 Improving participation in democratic processes

Ideas to be considered at the conference on how local democracy and accountability at the local government level can be strengthened include:

- The electoral mandate of local government is important and local electoral processes need to be strengthened and maintained.
- The role of local councillors and officials in strengthening democratic processes and accountability is critical to improving service delivery; as is the ability of citizens to express their views – are there ways in which this can be improved?
- In some cases such as New Zealand, UK and Australia there are formal systems that encourage and support a consultation process.

Formal and legislative mechanisms to ensure representation must be accompanied with:

- Training packages and capacity building to help understand planning, budgeting and local government processes: training should include confidence-building and public speaking skills.

4 Improving performance

4.1 Improving performance through tracking funds and publishing central-local transfers

A recent innovation in local government finance is publishing central-local transfers in the local newspapers, as Uganda has done. As previously noted, the problem for many local government treasurers is managing cash flow. This often means being able to pay local government workers on time.

During the late 1990s the World Bank was concerned that despite nearly a decade of sustained economic growth in Uganda (around 5%) and increased government expenditure on health and education, the relevant social indicators (infant mortality, maternal mortality rates and literacy) did not appear to be showing any signs of improvement questioning whether the budget figures were telling the whole story or not; they commissioned an independent survey (*Do budgets matter?*) of schools and health clinics which showed that only 20/30 per cent of the funds were actually getting through to the frontline. This was publicised in the local press and media and set off a national debate. The result was the idea that the ministry of local government and other ministries would publicise central transfers in the press and in some cases post notes on the relevant local government offices and on the outside walls of schools, showing that the relevant central local transfer has taken place and that salaried staff could therefore be paid.

Such publicity enables and empowers local workers to demand their salaries and not to be fobbed off with suggestions that the money has not yet arrived or come from the centre. This is a brilliant but costless innovation that has now been adopted in a range of Commonwealth countries including Kenya, Tanzania, Malawi, Nigeria and Ghana.

4.2 Improving service delivery through community monitoring

Accountability and transparency are at the centre of any political system. It is the right of every citizen to know what decisions and actions are being implemented in their name and it is the means with which objections can be made internally and externally when governments abuse the rights of citizens (Shah, 2007, p.15). In addition, accountability has an instrumental role in improving the efficiency of the public sector.

Community monitoring is the systematic collection of information to assess the quality of public services. It aims to provide a stock of information/data which can be used to advocate for improved services and better align them towards the needs of local people.

Mechanisms for community monitoring of services can be ongoing but are usually one-off (or cyclical) exercises. They include:

- citizen report cards; survey-based quantitative assessments of services

Box 10 Reducing corruption through citizen feedback in Pakistan

In Jhang, Pakistan, the District Coordinating Officer (DCO) asked the Registration Branch in all *tehsils* (councils) to submit daily the list of all property transactions registered, with cell numbers of the seller and the buyer, the total amount of taxes due and other basic details of the transactions. The clerks of the branch were told that the DCO would call all these citizens himself and find out if they were asked to pay any bribe or commission above and beyond the taxes due, if any.

This threat of personal and intimate feedback communicated directly to the DCO and the possibility of anti-corruption of other PEEDAA action had an immediate deterrent effect on the behaviour of the government officials.

The features of this approach are:

- Immediate feedback from citizens who have interacted with the state avoids the complaint system because it speaks directly to ordinary citizens who have paid the routine fees and have gone back home – unhappy with the treatment meted out to them but unwilling to lodge a complaint because of the relatively smaller size of the petty corruption involved.
- In a phone based conversation citizens are happy to divulge details of the interaction that they went through. All names and all transactions are mentioned. This exposes any officials demanding money from citizens. It can also be expanded, with simple modifications, to monitor remotely the quality of various services offered by the state.
- This manner of speaking to the citizens is scalable, simple and effective.

This kind of feedback will not impact on collusive corruption, such as between the contractor and the engineer, or the revenue officer and the land scammer. But it can, backed by political and administrative will, reduce petty corruption involved in day to day interactions.

- community scorecards; quantitative surveys combined with qualitative meetings
- social audits; combination of the two, or
- participatory expenditure tracking; whereby the community check the flow of resources to a particular service.

Some hybrid approaches are also emerging which combine a number of monitoring components. Community Based Performance Monitoring (CBPM) in Gambia is one example of this. Methodological approaches to the collection of information include, but are not limited to, quantitative household surveys, gathering and analysing public records, key informant interviews, public hearings and focus groups.

Whilst the participation of local service users in the assessment and oversight of services is usually confined to focus groups, interviews and surveys, civil society organisations can play a more strategic role in analysing and presenting data and engaging in a policy dialogue to encourage reform measures. CSO-led activities can take place inside or outside of formal monitoring systems, in partnership with the state or independently. The emerging consensus is that they work best when closely aligned to national planning and information gathering processes (GSDRC, 2008c, p1).

Box 11 Citizens report cards in Bangalore

Citizen report cards (CRC) are quantitative questionnaires which assess citizen satisfaction levels with public service agencies and rank them in terms of their performance. This approach generates a stock of information on the problems citizens encounter. These can then be used to exert pressure for change (GSDRC, 2008c, p4). They first appeared in 1994 in Bangalore through the work of the Public Affairs Centre, an independent NGO.

The idea was inspired by the mechanisms used by the private sector in collecting consumer feedback. The CRC aggregates scores given by users for the quality and satisfaction of the public sector-provided services. Thus a quantitative measure is given of overall satisfaction and quality of services through the use of several indicators. According to the World Bank, this mechanism of feedback serves as surrogate competition for state-owned monopolies as dissatisfaction in terms of survey results initiate pressure on the state to change the quality of its services (World Bank, 2004, p1).

In an assessment of the impact of CRCs on the performance of public agencies in Bangalore, the lessons were:

- The timing must be right and time must be allowed for the results to impact on city policies.
- The CRC does not take into account the real and more specific constraints faced by certain agencies. These must be considered and their impact on the survey results taken into account.
- Senior government officials need to be involved in the process. Their leadership and commitment to improving services in response to the Report Cards is critical.

4.3 Improving service delivery through capacity building

Technical assistance and capacity building programmes for local governments have commonly been supply-driven – by central government and donors. This approach has been criticized for a number of reasons, including a lack of ownership by local authorities and a failure to address their genuine needs. This led to a more demand-driven approach. Local governments have varying capacity gaps and needs and it is increasingly recognised that it is they that are best placed to identify, articulate and address them. However, as this is still a fairly new approach, there are limited examples of demand-driven programmes that have been implemented.

The most common mechanism is the Capacity Building Grant (CBG) or Capacity Building Fund (CBF), a form of discretionary budget support which gives local authorities the flexibility to determine, finance, and manage training and technical assistance according to needs. Assistance has usually been connected to a larger capital/investment development fund that local governments can tap into once they meet certain performance benchmarks (based on core functional competencies identified by donors). Some sources argue that this system is beneficial as it promotes a coherent institutional development strategy and provides strong incentives for local governments to build up capacity to meet the benchmarks. However, other literature critiques this system as preventing genuine comprehensive training and assistance needs assessments, since local governments will be inclined to make assessments based solely on the performance benchmarks.

This type of system was adopted for the first time in Uganda under the District Development Project (DDP) which is considered the key test case for demand-driven assistance. The DDP had a capacity building fund for local councils, which allowed them to decide what training and assistance they wished to finance based on the needs assessment process. Most evaluations of Uganda's DDP have found that this innovative demand-driven approach has been beneficial in getting local authorities actively involved and in developing their skills and knowledge. (GSDRC, 2008b, p.1)

4.4 Capacity building at the centre

In discussion of local government there is a tendency, common amongst European donors¹¹, to ignore or indeed to actively ignore the role of the central ministry of local government. This is a mistake as a strong central government ministry is critical to argue the case for local government at the centre and to provide effective monitoring and evaluation and lesson learning between different spheres of government.

Central government ministries must have a supportive attitude to local government and not just see their role solely as one of policing or control. Building capacity for this both in terms of skill development and reorientation is critical.

4.5 Capacity building for local councillors

Local government is only as good as the skills and competences of those who work in the system. Capacity building is in the long run the most effective way of ensuring sustainable results and effective service delivery.

Capacity building and training is a critical activity to support the improvement of local government. Capacity building and training must therefore be taken seriously with appropriate funding. Thus, properly funded training organisations are important; and they should have a hands-on approach that is engaged and practical rather than academic.¹² UK local government is renowned for the professionalism

of its staff and some of its professional associations, such as the Chartered Institute of Public Finance and Accountancy (CIPFA), are seen as leaders in their field.

CLGF's experience in South Asia, the Pacific and Sub-Saharan Africa has shown that capacity building for local councillors and their officials is very important to improve their efficiency and effectiveness. This is most needed in systems where there is a very high level of turnover of councillors and a high number of new recruits who need training on the basic mechanics of how a local government system works, principles of good governance, and the respective roles of councillors and officers. All the evidence suggests that this is a very effective intervention.

Box 12 Community based waste management in Dhaka, Bangladesh

Waste generation in Dhaka is increasing with rapid population growth: only 40-50% of waste is collected. Though recycling of solid waste has long been an income earning enterprise, the predominantly organic residue causes leachate contamination and methane problems. Composting reduces adverse environmental impacts and generates employment.

In 1999 a partnership agreement was signed between Waste Concern (NGO), the Public Works Department, Dhaka City Corporation and a private company (Map Agro) to work together until at least 2005. The Ministry of Environment and Forests and UNDP (which provided seed funding) also participated. The project provides waste management services in five slum, low- and middle-income communities of Dhaka City with a combined population of about 30,000. It also promotes the use of solid waste for compost in rural areas to improve fast depleting topsoil fertility, creates employment for the urban poor and reduces environmental pollution and health risks caused by uncollected or unmanaged waste.

Since 2002 the project has been replicated in a large number of cities and towns across Bangladesh. The project was set up following a pilot project in 1995 where households paid a monthly fee for collection of waste which was then composted at the neighbourhood plant run by Waste Concern. However, without public sector support it was very difficult to replicate this approach in other areas, mainly due to the scarcity and cost of land for the composting plant. Under the expanded project the Government makes land available free of charge for waste management.

Waste Concern undertakes surveys and community consultation in potential target areas. Once agreement has been reached it provides technical assistance to establish small scale composting units (1-5 tons per day capacity) and training their operation and management. After one year of training and demonstration

operations the plant is handed over to communities or to the public agency owning the land. However, Waste Concern continues to monitor the project for the next three to four years.

Map Agro and a sister company have agreed to purchase all the compost produced, enrich it with nutrients and market it through their countrywide distribution network in rural areas. The enriched compost is cheaper than chemical fertilisers and, following demonstration of appropriate usage is now popular with farmers.

Some lessons:

- A clear and supportive government policy framework is essential to overcome any doubts and uncertainties regarding the role of public agencies and possible legal implications.
- Significant resources are required for project facilitation and capacity building.
- Technologies must be appropriate to local circumstances and available expertise.
- It takes time to build trust among project partners and all partners must be able to see tangible benefits for their own interests (for example reduced costs for public agencies, improved environment and property values for communities, increased markets and profits for the private sector).
- Low-income communities are prepared to pay for services if prices are realistic and benefits clear.
- Community projects of this nature require "soft" loan financing and access to land at low-cost.
- Private sector commercial and marketing expertise can be crucial.

Box 13 Sri Lanka: community contracts

In response to a request by the community in Seevalipura (Wanathamulla in 1986) to the National Housing Development Authority (NHDA), a community contract system was set up. Since then, the system has been improved and been used successfully by several other organisations to provide infrastructure in urban under-served settlements. It has been an effective tool for participatory decision-making and community empowerment.

A community contract is a procurement system, which involves residents in the planning and implementation of infrastructure provision to their own community. It is a partnership arrangement where communities are promoter, engineer and contractor involved in the conventional contract system, as well as end user of the service provided. As well as being a procurement mechanism, it is also a tool to empower people to take control of the process of local development. The community contracts are awarded to Community Development Councils (CDCs) - a group of office bearers elected by households. Community contracting has lower overheads than work by private construction firms and is therefore cheaper. Community construction contracts are also simpler and faster to process. The savings that the community makes is deposited in a community fund, making communities less financially dependent on the government.

There are, however, some hidden costs in using community contracts, as they require more staff time for community training, auditing of financial records, and inspections of construction. However, the benefits of the community contract system clearly outweigh these. Both the NHDA and local communities have been satisfied with the achievements.

For the community contract system to be successful and sustainable the political environment must be favourable toward enabling, participatory local development processes that include a degree of decentralised decision-making power at the district, ward and community level. This means that politicians and officials need to change their attitude and facilitate the provision of services rather than act as a direct provider. This, it has been shown, can be achieved within a pro-poor political environment.

4.6 Partnerships to improve performance

There is increasing awareness that local government needs to work with other partners to deliver services. These partnerships can be broadly identified as: working with the private sector; working with community organisations; and working with other local authorities.

Working with the private sector Local government partnerships with

the private sector or sub-contracting arrangements have become relatively common. This is part of a general move to encourage market mechanisms to work with the public sector. This has been one of the main policy suggestions of the New Public Management approach. In theory, working with the private sector should provide cost savings and efficiency gains.

Working with the private sector has been most common in solid waste management. For such partnerships to be successful research suggests that both sides must gain real and lasting benefits, furthermore that they must be able to share the risks and the costs. The potential problems mainly relate to the process of contracting and whether the local government has the skills to negotiate such arrangements. This is not just a problem for weak local authorities, even a well resourced authority can suffer substantial losses from a failed public private arrangement, like Sydney in Australia (Sansom, 2006, p66).

Working with community organisations and/or civil society organisations The aim is to gain from the advantages that community organisations have in terms of their relationship with the community, their attitudes and motivations, and in some cases their reputation for honesty. Many of the same issues arise with the nature of the partnership arrangements. However in some cases the NGO or civil society organisation may have problems with the bureaucracy of the local authority.

Partnerships between different public sector agencies Public sector partnerships can produce economies of scale and other benefits. In Malta the capital costs of providing a one stop shop approach, with a strong ICT component, is covered by central government, whilst local governments ensure that public services are provided to citizens via ICT. Public sector partnerships have been particularly important in the UK as part of a general approach to "joined up" government. The aim is to increase economies of scale, reduce duplication and involve a series of stakeholders. Within the UK this has been formalised with Local Strategic Partnerships established between a set of public sector agencies with the local authority taking the lead role. Australia and New Zealand have similar arrangements.

Regional partnerships have been particularly significant in small and island states in particular in the Caribbean and the Pacific.

In summary, the main issues for partnership working are:

- Partnerships need time and effort to develop
- Partnerships work best based on trust
- Reciprocity is important in the development of partnerships
- Partners need to maintain their sovereignty and identity
- Competition is more important than the partnerships
- Multiple partners can be problematic
- Small management groups are more effective than larger steering groups.

4.7 International partnerships

Cross-border local government/community partnerships can also help build capacity. These partnerships are usually based on mutual needs and are thus, effectively demand-driven. They involve transfers of knowledge, skills and experiences through staff exchange, study and teaching, and on-the job training programmes. They can also be useful in providing training and technical assistance to local government (GSDRC, 2008b, p11).

The CLGF Commonwealth Local Government Good Practice Scheme (GPS) started in 2000. Funded by DFID, AusAID and NZAID, it has supported more than 60 partnerships (north south, but increasingly south south) across the Commonwealth, and achieved practical improvements in local government service delivery

and governance from job creation, to support for local economic development, better revenue collection and improved management of services such as solid waste and water. The partnership projects promote a participatory approach to development and help support the development of multi-stakeholder partnerships, including with the private sector. By also helping to build the capacity of local government associations, CLGF aims to ensure that learning from the projects can help to influence and improve the national policy debate, which has been evidenced in a number of projects.

Key lessons from evaluation of partnership programme such as the GPS highlight:

- The importance of the appropriateness of the exchange
- The importance of having people working technically side by side

Box 14 Partnerships for social cohesion in Birmingham

In September 2006, Birmingham City Council launched a strategy document on social cohesion that outlines everyone having a stake in society and being able to join in and influence the decisions that affect their lives.

Birmingham is a city of great diversity, both in terms of culture, art, faith, race and language. Yet it is a city that is cohesive, vibrant and innovative.

For Birmingham, real community cohesion means living together positively; so people feel secure that their different backgrounds and circumstances are appreciated and valued, and strong, positive relationships are forged. It is giving all citizens a stake in the city's success and opening up similar positive life opportunities, creating fairness and openness and encouraging enterprise, excellence and innovation – making people feel good about the city they live in.

To promote these principles Birmingham aims to strengthen a range of attitudes and behaviour, including:

- Valuing and respecting all people – their ideas, energy, skills and talents;
- Building trust between and across communities, so the council can work towards the greater good of the community and city as a whole;
- Empowering individuals and communities to generate and release individual capabilities and collective resources, so everyone can contribute to the growth of communities.

To meet these aspirations these attitudes and behaviours have to be embedded into the social ethos of society, and mediated through social institutions, including:

- The family, where the values of community cohesion begin,

yet with increasing pressures and demands can become fragmented and ignored;

- Young people need to be nurtured and encouraged: and as one of the most youthful cities in Europe, Birmingham gives young people special attention. They are future leaders and managers of the city, who will contribute to its social, cultural and economic development.
- Faith communities have a valuable contribution to make in building a sense of local community and renewing civil society, although also having distinctive characteristics and potential of their own. The new challenge for these communities, and in particular their leadership, is how, in a secular multi-faith society, theologies can transcend their boundaries to reach out for a mission which promotes cohesion between and across faiths;

More emphasis is being given to the voluntary and not for profit sector: Birmingham aims to use the sector's strengths to challenge and stimulate new ideas, complement shared objectives, and work with citizens and communities to respect, trust and value each other.

The political and democratic culture is an important influence. The Conservative-led Progressive Alliance in Birmingham City Council has been a champion and advocate of local democracy, and recently in partnership with Be Birmingham (the Cities local strategic partnership, bringing together partners from the business, community, voluntary, faith and public sectors to deliver a better quality of life in Birmingham) have established the Neighbourhood Boards, and the Neighbourhood Boards Strategic Partnership.

Community networks have been established to ensure that the voices of citizens in various local communities from across the city are heard.

- Political support from higher levels of government
- Consistent leadership
- Public awareness
- Demand-driven focus
- Cost-sharing and cost-effective projects
- Free information flows.

With regard to the demand-driven focus on which city-to-city cooperation programmes are generally based, there is a desire to

increase mutual understanding between both partners and therefore they are driven by mutual need and respect. Such demand-driven cooperation is integral to the success of the programme in promoting learning. (GSDRC, 2008b, P.11).

4.8 Measuring improvement

Performance management is a key aspect of the new public management approaches to improve local government efficiency. In the UK this has been accompanied, since new labour was elected in 1997, with an explicit and non-ideological approach which states the “what matters is what works”. To do this it is critical to be able to measure success; in many cases this has taken the form of specific

Box 15 International peer reviews: Local democracy enhancement programme, Zimbabwe

CLGF in partnership with Urban Councils Association of Zimbabwe (UCAZ) jointly implemented the Zimbabwe Local Democracy Enhancement Project (ZLDEP) in five cities in Zimbabwe (Bulawayo, Kadoma, Kwekwe, Gweru and Masvingo) from 2004-2008, with funding from the European Commission and the UK Government.

The primary objective was to strengthen local democracy and good governance in Zimbabwe through assessments of local democracy mechanisms, identifying weaknesses and strengths and developing strategies to address identified weaknesses. The project also sought to develop a methodology with which to measure local democracy that could be replicated in Zimbabwe and elsewhere. It sought to highlight and promote good practice in local government in Zimbabwe and promote gender mainstreaming in local governance processes. Empowerment of locally elected representatives and the provision of increased opportunity for citizen participation in local government in the selected municipalities were also priorities.

The participating municipalities' local democracy and governance systems were assessed using two methodologies: the International Peer Review Methodology (IPRM), which was developed and piloted, and the Urban Governance Index (UGI) a UN-Habitat tool promoting stakeholder assessment of governance and democracy. The findings were used to develop individual change or improvement plans. They were consolidated by UCAZ, the local government association, to produce a local government reform programme which is now being implemented. The project also resulted in the development of a *Toolkit on International Peer Reviews in Local Government*.

Operating in a rapidly changing political environment and being a pilot, meant the project was highly innovative with no precedence to draw lessons from, in terms of approach and the way it was structured.

The pilot phase yielded remarkable outcomes, with observable evidence of impact on the overall local governance situation in the municipalities involved including:

- Building a local consensus on the concrete and local meaning of 'governance' (beyond the negative connotations the concept used to evoke).
- Creation of 'social capital' by re-establishing relations of trust, facilitating bonding and joint action, as well as 'institutional capital' in the form of restoring the basic legitimacy and credibility of local governments in the eyes of organized civil society, the private sector and the population at large.
- A better understanding by communities of the constraints faced by local governments to deliver public services.
- A search for establishing 'smart partnerships' between public and private actors with a view to addressing pressing local development challenges through dialogue and a new division of labour (based on the comparative advantage of each participating actor).
- Participatory design of local governance agendas, agreed upon by the various stakeholders and translated in 'change plans' for each of the cities involved;
- Expansion of the notion of 'local governance' so as to include not only traditional public service delivery at local government level but also a much wider agenda of improving urban management and local democracy processes.
- Opportunities for national training activities coordinated by UCAZ eg on preparing newsletters and gender mainstreaming to build skills across the sector.

Following a regional dissemination workshop the partners are now looking to consolidate the project in Zimbabwe and roll out the model in other countries in Southern Africa.

indicators or targets. Within this there has been attempts to measure indicators along a continuum of inputs, outputs and outcomes (or impact). Measuring the latter has proved particularly challenging. Recent research from New Zealand highlights the difficulty in developing community indicators and suggest there are often institutional barriers (Memon, A and Johnston, K, 2008).

Evaluative studies are also used to measure success. While easy in theory, this has proved much more problematic than it might appear. A key issue is the attribution and the significance of the local context; thus the original question has been reposed as “what works where and in what context”. This approach seeks to focus attention on delivering and measuring results but it has had some noticeable side effects:

- A focus on what is measurable, sometimes at the expense of more relevant but difficult to measure aspects of a policy or programme;
- A danger of the proliferation of such indicators – many commentators would characterise the UK public sector as overwhelmed with an excessive number of targets or indicators;
- The service provider focuses excessively on achieving the target to the detriment of common-sense good practice and general service delivery.

Nevertheless measuring impacts, inputs and outputs can be an important mechanism in improving service delivery. Such indicators should be a) few and measurable b) robust and c) not distort the process of service provision in an adverse way. Box 15 describes CLGF’s work using a peer review mechanism to improve local authority performance in Zimbabwe.

CLGF has also pioneered an approach towards assessing a national system of local government against the Aberdeen Agenda (Box 16).

Box 16: Assessment of local governance and democracy in Uganda

Recognising the challenge of implementing the *Aberdeen Agenda*, CLGF developed a pilot project to use it as a tool to measure local governance and democracy in Uganda. The aim was for the process to be locally driven and owned, and for it to help a cross section of local government stakeholders to agree on the progress that had been made so far and make recommendations for further improvements which could help to support future reforms.

Makerere University in Kampala, and the Uganda Management Institute (UMI) provided a background study which reported against each of the 12 principles and made a number of recommendations highlighting both strengths and weaknesses. A national verification workshop bringing together key stakeholders then debated the contents and made their own recommendations. The debate was robust, but resulted in a broad consensus for the future, including highlighting the need for continuous improvement in the sector.

The report was submitted to Commonwealth Heads of Government in 2007 and Heads called for the methodology to be rolled out to other member states. This process is just getting underway.

5 Towards a way forward

5.1 Local government is often invisible to central government policy makers

One of local government's most persistent problems is that it is often simply invisible to many central government policy makers and is not considered an appropriate stakeholder in general policy and governmental reform discussions. There is no clear reason nor is there a "conspiracy theory" in this, but the following seem relevant:

- Economics, which tends to dominate policy making especially at the ministry of finance, is fundamentally an aspatial discipline;
- This is reinforced as central policy making and donor interactions are often very capital city focused. Furthermore there are some elements of the new aid architecture (especially the emphasis on GBS) that are basically centralising and seek to strengthen the role of ministry of finance as the key agency in resource management and allocation;
- In many countries the ministry of local government is often a relatively weak ministry in terms of personnel and capacity; and
- In many countries ministry of local government finance figures and data are very poorly integrated into national accounts.

For these reasons there is a tendency for central government policy makers to simply ignore the role of ministries of local government and their concerns. This could be exacerbated as many new interventions seek to strengthen a "vertical" logic while ministry of local government and decentralisation aims to promote a more "horizontal" logic.

Nevertheless it is worth noting that local government not being recognised might reflect the relatively recent moves towards support for local government and decentralisation in many countries; as such it could be interpreted as a transitional problem until local government systems are more fully embedded. A central aim of the conference is to facilitate and encourage such a process.

5.2 Local government associations play an important role

Local government associations have a very important role in supporting local government systems and making local government visible. Successful associations play a critical role in advocacy and lobbying on behalf of local government and in discussion of reform, as recently in Australia (Sansom, 2008).

Local government associations are also important in training and capacity building; lesson learning from one authority to another, and can provide a very good vehicle for disseminating innovations and good practice. In some countries they have a role in providing finance for capital development through mutually owned funds. This is a relatively common phenomenon in European countries. In addition

to local government associations in some countries there are associations of officers, such as SOLACE in the UK and the Institute of Local Government Managers in South Africa, who provide a parallel function.

5.3 Debunking the myths on why local government should not be supported

Policy makers give many reasons to resist demands to support local government and channel more funds through local government.

Firstly it is often argued, with some justification, that local government is weak in terms of capacity. While this may be true, *surely* the response is to strengthen local government rather than to seek to bypass or ignore it. Furthermore there is good evidence that channeling funds through a system is a very good way of strengthening the system – especially in terms of PFM. This was one of the benefits of GBS that was identified in the recent GBS Evaluation (IDD, 2006).

Secondly it is often claimed that decentralisation programmes are likely to lead to "elite capture"¹³. There is no evidence that such capture is more likely at the local rather than the central level. Indeed the reverse can be argued in that local government politicians are often closer to the people. There is a paradox here in that in urban governance discussions "growth coalitions" are seen as positive in encouraging economic growth (Amis and Grant, 2001); it not clear why it is considered "elite capture" in rural areas and "growth coalitions" in urban areas.

The third claim is that local government is more corrupt than central government, yet there is no empirical evidence that supports this view. Given that more funds are present in central government, the reverse can be argued. In most countries local government often faces a far more robust and investigative media than central government. Indeed in many countries the local population often sees criticising local government as fair game! There is an issue here about respect for local government and how local government is presented in the media and in literature in general¹⁴.

The final argument for not supporting local government is "now is not the time, or we have more important policy agendas at the moment". There is clearly some validity in this in, for example, the rehabilitation of fragile states; where solving problems centrally may indeed demand more attention. This might represent the situation of Rwanda following its genocide in 1994; but in other situations such as Sierra Leone it makes more sense to start with local government and build from the bottom up. The conclusion is that local government support must be ascertained on a case-by-case basis.

6 Conclusion: issues for discussion and implementation

6.1 Context

The 2009 conference seeks to build on the outcomes and recommendations from earlier CLGF events and conferences. Significant work has been done across the Commonwealth to generate a sense of shared vision around local democracy and democratic governance at the local level. All CLGF members, and crucially all Commonwealth Heads of Government, have endorsed the principles enshrined in the Aberdeen Agenda, now recognised as part of the Commonwealth's commitment to fundamental political values.

The Aberdeen Agenda sets out 12 core principles that stakeholders agree should underpin local democracy and governance across the Commonwealth. Recent work by CLGF has sought to assess to what extent the Aberdeen Agenda has been implemented in Uganda (Kiyaga-Nsubuga, J and Olum, Y, 2009). This is an important initiative which hopefully can be carried out in other countries in the Commonwealth (see Box 17).

Subsequently, including at its last conference: *Delivering development through local leadership* held in Auckland in 2007, CLGF has set down commitments to the kind of local government it is seeking to achieve: local government that is an enabling body, that can act as a community leader and can forge alliances and partnerships with other organisations and partners to maximise resources in the interest of local development for all.

The discussions during the 2009 conference will consider more strategically what really needs to be done to achieve these goals and aspirations and ensure that we generate a culture of improvement in public services at the local level across the Commonwealth. It will do so taking into account the current severe economic crisis that will undoubtedly have an impact on local government and its work.

The discussions will also need to be cognisant of the diversity and complexity of local government systems and of communities, including the particular needs of small states. It is essential to recognise that countries are not all starting from the same point and that one-size does not fit all. Rather it is important that the Commonwealth coalesces around agreed common principles and aspirations that challenge members to improve and strengthen local government to improve the quality of life of the people they serve.

Here we list some of the issues that the conference will debate – it is by no means an exhaustive list, but highlights many of the key areas. Opportunities have been built into the programme to allow delegates to have a robust discussion and to really interrogate what is meant by improving local government and they will be encouraged to do so.

6.2 Improve the calibre of local councillors

There is a commitment to strengthen local democracy; within this the calibre of elected local councillors is crucial. This may involve being a visionary and playing a leadership role within the community; understanding the roles of councillors and officials; understanding financial management and planning in a complex environment. Capacity building for elected representatives is thus a key issue.

6.3 Improve the financial base of local government

If local government is to be effective it needs to have access to adequate resources to carry out its statutory functions. There are also huge pressures on local government to provide infrastructure of which the major challenge is the financing. This may be in the form of transfers from central to local government, which should be planned and timely, or finding access to local revenue sources. Innovative approaches to revenue-raising such as working in partnership or new financial instruments, including direct access to international aid, and access to capital markets should be encouraged. Effective financial management, a strong accountability framework transparency and probity are key issues to be addressed.

6.4 Community engagement

Local government needs to listen to and respond to local needs. This might be enshrined in legislation, or involve special mechanisms that the local authority can use to better understand the needs of the community and increase participation in planning, monitoring, budgeting, and service delivery. Particular attention has to be given to the needs of women, young people and the elderly, and people with disabilities. There is an increasing expectation that this is done and the role of civil society in promoting greater engagement and ensuring accountability is significant.

6.5 Improve central local relations

For local government to be effective there needs to be a strong and effective central/state/provincial government supporting local government. Central/state/provincial government's policy making, enabling legislation, and monitoring role is part of this. Indeed the capacity and visibility of ministries of local government must be built. However the relationship should be two-way and based on open dialogue and there are already a range of different models for this across the Commonwealth. Local government associations are key vehicles to mediate this relationship.

6.6 Improve local service delivery to meet the needs of the whole community

Local government is a critical player in delivering key basic services essential in the fight against poverty, for building community cohesion, and meeting the MDGs. Local economic development is emerging as a new priority for some local governments. Rapid urbanisation, increasingly complex governance, rising expectations and the current economic crisis are making sustainable local development increasingly challenging. Climate change is also impacting on local government and the services it provides. Democratic accountability to the public and the accountability of service providers to consumers are important issues. Solutions increasingly involve multiple stakeholders in different partnerships.

6.7 Improve the effectiveness of local government associations

Healthy local government requires an active and well-resourced local government association that can act as a partner in intergovernmental affairs, provide training and lesson learning and mentoring to its members, play a lobbying and advocacy role with central government and provide services such as bulk-procurement. Strategies for building the capacity of these institutions are essential to their effectiveness.

6.8 Improve monitoring and evaluation of the local government sector

Local government needs to know what works and what does not. Monitoring and evaluation plays an important role in fulfilling this function. There are a range of stakeholders who must be involved in this from central government, local government, the community, business and end-users. There remains a real challenge in effectively providing this function and in genuinely measuring the impact of services and governance.

6.9 The role of CLGF in taking this agenda forward

There is an increasing role for CLGF and other regional, Commonwealth and international partners to continue to support and strengthen local government. CLGF is owned by its members and offers a platform for the sector to come together and learn from each other. Policy-making, capacity building and providing a strong voice for local government at the Commonwealth level, means that members can work collaboratively towards achieving these objectives, and putting into practice the collective Commonwealth vision for improving local government.

References

- 1 Observation made by DFID Deputy Minister at Stakeholder workshop on the new White Paper at Birmingham in March 2009.
- 2 It was notable on a recent (February) CLGF mission to Zimbabwe how quickly the idea of a "stimulus" package has entered the local discourse.
- 3 A counter argument is possible to construct: namely that the crisis might make financial institutions in the medium term more inclined to somewhat "mainstream" investments in sectors such as infrastructure.
- 4 This was defined as having the following features (a) leadership by the host country or organisation; (b) a single comprehensive programme and budget framework; (c) a formalised process for donor co operation and harmonisation of donor procedures for reporting, budgeting, financial management and reporting; (d) Efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation.
- 5 This point was forcefully made by Professor Jeffrey Sachs at the CLGF conference in Auckland March 2007
- 6 The Zakaria expenditure norms for municipal services were established in 1963. They have lost their relevance but are still used as a reference point to illustrate the weakness of LG in India.
- 7 Teacher/Pupil ratios widely considered by educationalist are in fact the inverse of a measure of productivity: thus for an educational expert the lower the ratio the better or at least it should not be too high. For a conventional economist the productivity of a teacher would be measured by the highest possible teacher/pupil ratio. Clearly there is a trade off between productivity and quality.
- 8 These systems can be bewildering complex thus in the UK it is sometimes suggested that there are only four people who can understand this system in the UK (Rate Support Grant)
- 9 This section is based on a presentation given by Kumari Selja Ministry of Housing and Urban Poverty Alleviation. Government of India at the CLGF conference in Auckland 2007.
- 10 There is much in common here with the approaches that the Cities Alliance has been promoting but the JNNURM is broader in including a clear emphasis on institutional reform; as such it is a more holistic approach.
- 11 I have spent a lot of time having this argument with officials from Danida and GTZ amongst others.
- 12 At IDD we see this as one of our major contributions as are similar policy focused institutes The Brazilian IBAM, and Malaysian INTAN are exemplars of such an approach.
- 13 Elite capture is the argument that local elites will gain effective control in their own interests rather than pursue pro poor policies
- 14 With the exception of the Mayor of Casterbridge it is difficult to think of a LG hero in English (UK) literature; they are more often portrayed in more negative/corrupt terms. This in sharp contrast to a Francophone literature where sub national regional and/or urban government is treated with much more respect.

Bibliography

- Aiyar, M S and Tiwari, N** "Inclusive growth inclusive Governance in India's North East" in *Commonwealth Journal of Local Governance* Vol 2, 2009, pp 137-146
- Amis, P and Grant, U** "Urban economic growth, civic engagement and poverty reduction", in *Journal of International Development* Vol 13, 2001 pp 997-1002
- Amis, P** (2001a) "Rethinking UK Aid: lessons from an impact assessment study of DFIDs Slum Improvement projects in *Environment and Urbanization* Vol. 13, No 1, 2001 pp101-103
- Amis, P** "Municipal Government, Urban Economic Growth and Poverty Reduction -Identifying the transmission mechanisms between growth and poverty" in Rakodi, C with Lloyd-Jones, T (eds) (2002) *Urban Livelihoods: A people-centred approach to reducing poverty* Earthscan, London, 2002 pp 97-111
- Amis, P** "New aid modalities and local government: are they supporting or hindering processes of decentralization" in *Commonwealth Journal of Local Governance* Vol 1, 2008
- Behar, A and Kumar, Y**, *Decentralisation in Madhya Pradesh, India: From Panchayati Raj to Gram Swaraj (1995-2001)*, ODI Working Paper, no 170, Overseas Development Institute, 2002.
- Churchill, H** "Communities in Control? The challenges of neighbourhood governance with reference to local government reform in England" in *Commonwealth Journal of Local Governance* Vol 1, 2008 pp 49-69
- CLGF**, Submission to the Commission for Africa, CLGF, 2003
- PRSPs, Human Settlements and Urban Poverty*, Commonwealth Secretariat, 2005
- Crook, RC & Sverrisson, AS** (2001) "Decentralisation and poverty alleviation in developing countries, a comparative analysis" *IDS Working Paper 130*, Brighton Institute of Development Studies
- Davey, K.** (ed.), *Urban Challenge of Growth*, Avebury, 1996
- Davis, Mike** *Planet of Slums* Verso: London, 2008
- Devas et al** *Urban Governance, Voice and Poverty in the Developing world* London Earthscan, 2004
- IPCC Technical Report (2007)
www.ipcc.ch/ipccreports/tp/climate-change-water.htm
- Malawi: Final Evaluation of UNDP & UNCDF's Local Development Programme (Executive Summary), EcoAfrica 2008
- Participation of Excluded Groups in Local Governance*, Governance and Social Development Resource Centre, 2008
- Community Monitoring of Service Delivery*, Governance and Social Development Resource Centre, 2008c
- Demand Driven Technical Assistance, Governance and Social Development Resource Centre*, 2008(b)
- Decentralisation and Assistance to Sub-National Governments in Fragile Environments*, Governance and Social Development Resource Centre, 2008(d)
- Reviews of Decentralisation and/or Sub national Government Support Programmes, Governance and Social Development Resource Centre, 2008(e).
- Heymans, Chris** *Local Government Organization and Finance: South Africa* in Shah, A (ed) *Local Governance in Developing Countries* World Bank, 2006
- IDD and Associates (2006) *Evaluation of General Budget Support: Synthesis report* Birmingham: International Development Department, University of Birmingham
- Working Group III: Mitigation of Climate Change Intergovernmental Panel on Climate Change UNEP, IPCC* (2007)
- French, W**, *State of Commonwealth Cities Report*, a scoping study, 2009, pp5
- JAI *Concept note on Policy Workshop on Local Governance and Pro poor outcomes in Africa* Joint Africa Institute, 2006
- Johnson, D., Kabuchu, H. and Vusiya, S.** (2003) 'Women in Ugandan Local Government: The Impact of Affirmative Action', *Gender and Development*, Volume 11, No 3, pp.18-88
- Kiyaga-Nsubuga** (ed) *Local Democracy, Good Governance and Delivering the MDGs in Africa*, CLGF 2006
- Kiyaga-Nsubuga, J and Olum, Y** ("Local Governance and Local Democracy in Uganda" in *Commonwealth Journal of Local Governance* Vol 2, 2009, pp 26-43
- Hearfield, C and Dollery, B** "Representative Democracy in Australian Local Government" in *Commonwealth Journal of Local Governance* Vol 2, 2009, pp 61-75
- Holdsworth, L and Hartman, Y** "Indicators of Community Cohesion in Australian Country town" in *Commonwealth Journal of Local Governance* Vol 2, 2009, pp 76-97
- Lister et al** (*Joint Evaluation of General Budget Support: Uganda Country Report* Stephen Lister, Wilson Baryabanoha, Jesper Steffensen and Tim Williamson. Glasgow. DFID, 2006.
- Manor, J.** 'Local Governance', paper prepared for Swedish International Development Cooperation Agency, 2003
- Memon, A and Johnston, K** "Institutional barriers to Developing community indicators in New Zealand: A preliminary assessment" in *Commonwealth Journal of Local Governance* Vol 1, 2008, pp 69-91

- McKinlay, P** "Current developments in New Zealand local government" in *Commonwealth Journal of Local Governance* Vol 1, 2008
- Newsom, A.** 'DFID Contribution to Decentralisation and Local Governance (D/LG): A Stocktake'. Governance and Social Development Group, Department for International Development (DFID), London, 2009
- Nickson, A.** et al, 'Global Reports on Decentralisation and Local Democracy: Asia-Pacific', 2007
- Lessons learnt on Donor support to Decentralised and Local Governance* OECD: Paris
- Olowu, D.** Capacity Building for Policy Management Through Twinning: Lessons from a Dutch-Namibian Case. Public Administration and Development. Vol (22), 2002,, pp 275-288
- Om Prakash Mathur** "Local Government Organization and Finance: Urban India" (2006)
- Rehman, A.** 'Effective Participation: Community Engagement in Participation Budgeting in Bangladesh'. <http://www.engagingcommunities2005.org/abstracts/Rahman-Atiur-final.pdf>, 2005
- Renzio, Paulo de** (*Aid, Budgets and Accountability: A survey article* Development Policy Review 24 (6):2006, pp627-645
- Richardson, P** (2009) "Governing the Outer Islands: Decentralization in Kiribati and Tuvalu" in *Commonwealth Journal of Local Governance* Vol 2 pp120-127
- Sansom, G** (ed) (2006) *Better local services: improving local government delivery through innovation and partnerships*. CLGF/Commonwealth Secretariat Making Local Governance work series 3
- Sansom, G** "Challenging times for local government in Labour's new federation" in *Commonwealth Journal of Local Governance* Vol 1, 2008, pp146-150
- Shah, A and Shah, S** (2006) *The New Vision of Local Governance and the Evolving Roles of Local Governments* in Shah, A (ed) *Local Governance in Developing Countries* World Bank
- Shah, A** (ed) *Local Governance in Developing Countries* World Bank, 2006
- Shah, A.** (2007). Performance accountability and combating corruption, World Bank, Washington DC.
- Souza, C** (2001) "Participatory budgeting in Brazilian city limits and possibilities in building democratic institutions" in *Environment and Urbanization* Vol 13, No 1 pp159-184
- Stefferson, Jesper** (2006) *Local Government Organization and Finance: Uganda* in Shah, A (ed) *Local Governance in Developing Countries*
- Achieving Results: Performance Budgeting in the Least Developing Countries* UNCD, 2006
- UNCHS *The Challenge of Slums Global report on Human Settlements 2003* Earthscan, London, 2003
- 'Designing Inclusive and Accountable Local Democratic Institutions: A Practitioner's Guide', Regional Initiative – Local Democracy in Asia, UNDP, 2008.
- State of the World Population 2007: unleashing the Potential of Urban Growth* UNFPA 2007
- UN-Habitat, 'Urban Governance Index (UGI). A tool to measure progress in achieving good urban governance', United Nations Centre for Human Settlements, Nairobi
- World Bank, *World Development Report 2004: Making Services Work for Poor People*. Oxford University Press. 2004
- Decentralisation in Client Countries: An Evaluation of World Bank Support, 1990-2007*, World Bank, Washington, 2008.
- The Global Economic Crisis: Assessing Vulnerability with a Poverty lens*, World Bank, Washington, 2008

Antigua and Barbuda
Malawi Singapore Belize Malaysia Solomon Islands Botswana Maldives
Swaziland Canada Mozambique Tonga Cyprus Australia
New Zealand Uganda The Gambia Nigeria
Papua New Guinea Vanuatu Guyana
Grenada St. Lucia St. Kitts and Nevis United Kingdom
Zambia India Namibia South Africa
Tanzania Pakistan Ghana
Fiji Islands Nauru Tuvalu Brunei Darussalam
Mauritius Cameroon Sri Lanka Trinidad and Tobago
Sierra Leone Bangladesh Lesotho Maldives
Barbados Kiribati



clgf

Commonwealth Local Government Forum

CLGF, 16a Northumberland Avenue, London WC2N 5AP T: +44 (0)20 7389 1490 F: +44 (0)20 7389 1499 E: info@clgf.org.uk W: www.clgf.org.uk