

triple-s

Capacity support to local governments

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POINTS FOR ACTION

→ For Governments

- Clarify decentralisation policy and related responsibilities
- Assess the capacity needs of local governments
- Establish a national strategy for providing capacity support to local government and identify funding required to implement it
- Ensure that existing and future capacity support programmes (including programmes of development partners) are coordinated and aligned to national policy and support priorities

→ For NGOs

- Work within national policy and sector frameworks
- Coordinate with government and other implementers at various levels (national and local) to avoid duplication

→ For Donors

- Align with national strategy and policy
- Provide technical and financial support to boost capacity of local government
- Make sure short-term funding is used strategically to develop long-term capacity, rather than to create temporary stopgaps that cannot be sustained

Many developing countries have devolved responsibility for water services to local government. But local governments need support to take on this responsibility. While this is understood in theory, in practice the support provided has been inadequate.

Unless national governments are willing to invest in training and on-going support for local governments, the sector will remain stuck in a cycle of low capacity and service delivery failure.



Photo: Ton Schouten, IRC

Capacity support as described here refers to activities that support local government (the service authority) to fulfil its responsibilities. Such support includes the provision of technical assistance, performance monitoring, and training of staff around key functions, such as planning, financing for life-cycle costs, and monitoring.

To be effective, support to local government requires a strong national sector strategy that: recognises diverse capacity needs, includes a dedicated budget for institutional support, and provides for capacity building and training.

THE ROLE OF LOCAL GOVERNMENT IN SUSTAINABLE SERVICE DELIVERY

Decentralisation has made local government the linchpin of service delivery. And in the Triple-S 13-country review of rural water sectors (Lockwood and Smits, 2011), capacity support to local government emerged as one of the key building blocks to enable delivery of sustainable services at scale.

Local governments in their role as the service authority (the institution responsible for guaranteeing service provision) need to be able to take on functions such as planning, financing, implementation, monitoring and support of rural water service providers. A recent study examining service levels and performance of service

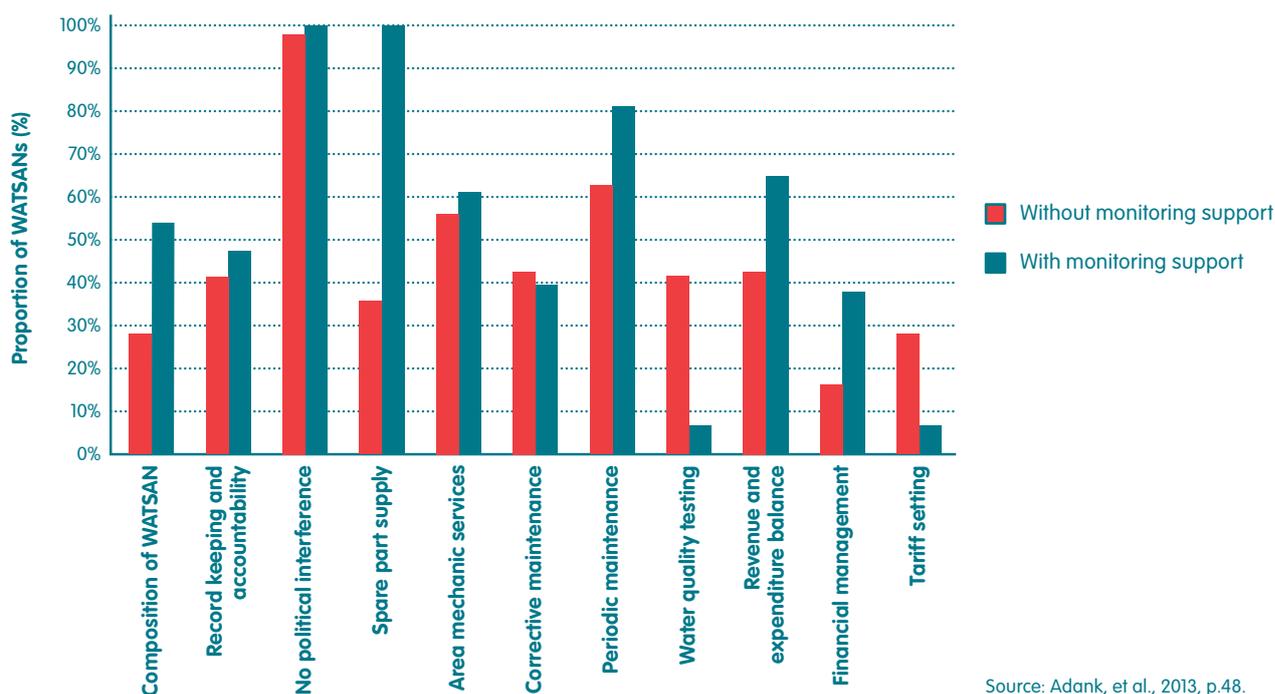
providers and service authorities in three districts in Ghana (Adank, et al., 2013) found that Water and Sanitation Committees (WATSANs) that received monitoring and support visits from local government, performed significantly better on spare parts supply, periodic maintenance, revenue and expenditure balance and financial management (see Figure 1). These four indicators were also found to have the strongest correlation to water point reliability.

Despite this evidence of positive impact, the study showed that on the whole local governments were not performing well as service authorities. In two of the three districts, the majority of WATSANs indicated they had not received monitoring support from local government in the course of the last year. The highest performing local government in the study (Akatsi District) met only two out of the five service authority performance benchmarks; the other two districts met none.

KEY FACTORS LEADING TO CAPACITY GAPS

There are a number of factors that have resulted in insufficient capacity at the local level, particularly within rural areas: incomplete decentralisation and associated budgetary constraints, functions not being properly established at the local authority level, lack of sufficient skills and expertise, and reliance on externally-funded and temporary programmes.

FIGURE 1 CORRELATION BETWEEN MONITORING SUPPORT FROM LOCAL GOVERNMENT AND PERFORMANCE OF SERVICE PROVIDERS, GHANA



Source: Adank, et al., 2013, p.48.

INCOMPLETE DECENTRALISATION PROCESS

In order to improve efficiency of service delivery and to bring decisions concerning basic services closer to the needs of communities, most developing countries introduced decentralisation reforms in the 1980s. These reforms transferred many service delivery functions, including water services within rural areas, to lower tiers of governments. However, many countries have faced challenges in achieving effective decentralisation (Lockwood and Smits, 2011). The GLAAS report showed that among surveyed countries committed to decentralisation of water and sanitation service delivery, only 41% had undertaken full operational and fiscal decentralisation (WHO, 2012). Poorly defined roles and responsibilities for different levels of government and central government agencies that have had a difficult time transitioning from being a direct implementer to a facilitator and technical advisor have resulted in local governments that are ill equipped to perform the functions necessary to ensure sustainable water services.

Major institutional and technical challenges

Capacity challenges at the local level broadly fall into three categories: technical skills required to fulfil the new set of responsibilities, structural human resource weaknesses facing public administration, and broader institutional limitations shaped by patchy and limited funding mechanisms.

Technical challenges: Over the past years, local governments have been tasked with a new set of service authority functions ranging from budgeting, planning and financing to regulation of service providers, construction oversight and monitoring. Without the historic experience to fulfil these functions, local governments require support in all these areas to become fully functional service authorities.

Human resource challenges: As a result of partial transfer of human resources, local governments suffer from severe human resource shortages and key technical positions are often not adequately filled. For example, as of April 2011, only 48% of the district local governments in Uganda had the right number of suitably qualified staff according to government standards (Ssozi and Danert, 2012). In addition, local governments often lack the autonomy to manage their own staff (hiring and incentivising) and rely heavily on central government to fill in key positions and decide on civil servants' posting around the country. Due to genuine budget constraints, pressure from partners to reduce public spending and bureaucratic procedures, human resource-related requests from local governments are often not satisfied.

Cost: Providing long-term support has a cost, which has not been calculated in most countries. In the life-cycle costs approach, capacity support costs fall under the much broader 'indirect support costs', which covers all expenditures related to the 'enabling environment'. Consolidated data from a 2011 WASH Cost survey indicates an average expenditure on indirect support per person per year of US\$ 0.37 in Ghana, US\$ 0.50 in India and US\$ 0.01 in Mozambique (Smits, et al., 2011).

Reliance on externally funded temporary programmes:

While strengthening the institutional capacity of local government requires properly structured support programmes with long-term budgets, in practice capacity support is often provided through a patchwork of programmes, often driven by development partners and NGOs rather than by national government policy and programmes. This piecemeal approach negatively impacts the quality of the capacity support provided.

BOX 1 MONITORING OPERATIONS AND MAINTENANCE (MOM) AND THE CHALLENGE OF SCALING UP APPROACHES TO IMPROVING CAPACITY

Under the Monitoring Operations and Maintenance (MOM) model instituted by Ghana's Community Water and Sanitation Agency, quarterly visits are expected to be undertaken to water user communities by each district's Environmental Health Assistants (EHAs). During these visits, the EHAs are expected to undertake technical audits to determine how well the facilities are functioning, review financial records and check payment practices. The visits also provide an opportunity for the EHAs to recommend improvements and provide technical assistance where needed. Records of the quarterly audits are supposed to be compiled at the district level, giving district-level officers a systematic picture of what is happening in the district. MOM reports are then supposed to be submitted to and aggregated by the regional CWSA MOM unit which, in turn, submits reports to national level.

The Danish aid agency, DANIDA, funded the first MOM in the Volta Region in 2002 and 2003, after which CWSA took it up in its guidelines as something that should be practiced by all districts in the country. However, in reality, few districts practice MOM. As found by Komives et al in 2006, even in the Volta Region, where MOM was initially piloted, only four districts have continued the MOM audits on a quarterly basis after the programme reverted from DANIDA back to the local governments. Other districts have, likewise, reduced the frequency of these EHA visits due to resource constraints.

Source: Adank, et al., 2013, p. 43.

Approaches to improving capacity

There is a range of models for providing capacity support. The most common model is for central government to provide support directly, often through deconcentrated offices. But there are also interesting examples of central government contracting out the support function to private sector organisations, training institutions or NGOs; and of service authorities banding together to share knowledge and pool resources to jointly contract expertise. The range of support arrangements found in the 13-country study conducted by Triple-S can be found in Table 1.

SUPPORT FROM CENTRAL GOVERNMENT

A number of central governments (for example, Ethiopia, Ghana, Thailand, Burkina Faso, Mozambique, Uganda, South Africa and USA) provide support to local government through a ministry (generally Ministries of Water) or parastatal agency—largely utilising deconcentrated offices.

This arrangement is often linked to a relatively well-established support programme, for example in Uganda,

where Technical Support Units (TSUs) have been set up by the Ministry of Water and Environment to provide professional support to district staff (see Box 2).

To overcome some of the human resource challenges, the Government of Ghana has recently created the Local Government Service Secretariat whose responsibility is to create a separate local civil service and support the shift from central to local management of Metropolitan and Municipal District Assemblies staff. This unit, located within the Ministry of Local Government and Rural Development, independently administers human resources in local government and supports District Assemblies in progressively taking over full responsibility for human resource functions such as recruitment, hiring and firing and salary administration. This is seen as a major step in the process of administrative and functional decentralisation in Ghana and is not specific to the WASH sector.

Support contracted out from central government

In order to provide quality support and avoid overstraining already limited human resources, a

TABLE 1 CAPACITY SUPPORT ARRANGEMENTS

Country	Capacity support arrangements to service authorities (local government)
Benin	Deconcentrated offices of the Water Ministry at departmental level are responsible for capacity support. Under decentralisation a special programme was set up to develop local authority capacity in areas such as tendering, contracting, management and improved monitoring in three Communes within one Department.
Burkina Faso	Regional level deconcentrated offices are supposed to support Communes, but until very recently there has been no representation of the Water Department at this level. There is a new initiative to bring in engineers to fill gap at regional level to provide support to Communes on a range of issues. In addition, there is an institute dedicated to training of water technicians and professionals. Centre Régionale pour l'Eau et l'Assainissement à faible coût (CREPA), NGOs and universities provide ad hoc support through coaching and training.
Colombia	There is no clearly articulated national strategy for capacity support. Ad hoc and de facto support is provided at departmental level through some large departmental water supply programmes such as the Programa de Abastecimiento de Agua Rural (PAAR) (the Rural Water Supply Programme).
Ethiopia	Zonal and regional offices of the Ministry of Water are supposed to provide support to woreda staff, but in practice this is also very ad hoc, and sometimes support is provided directly to WASH Committees.
Ghana	The Community Water and Sanitation Agency (CWSA) had 10 regional offices, and staff is mandated to support District Water and Sanitation Teams with capacity building and training. In practice while well resourced in terms of human capacity, the regional CWSA offices only operate effectively when there are projects ongoing in their region to which they provide operational and logistical support. Also, universities and various national NGOs play a role in supporting districts.
Honduras	Capacity support to municipalities is largely done on an ad hoc or project basis, and not as part of a sector-wide, systematic programme. In addition, municipalities support each other and seek capacity through association in mancomunidades.
India	Capacity building (including exposure visits) is carried out for community groups on a range of issues. The best Gram Panchayat in each district is used as Key Resource Centres for other Gram Panchayats in the district for skills development and O&M training. There are also block-level 'mother Gram Panchayats' that are used to support Gram Panchayats in need (one each in 243 sub-district 'blocks').
USA	Both National Rural Water Association (NRWA) and Rural Community Assistance Partnership (RCAP) are supported by federal and state funding and also receive direct and indirect support through a number of academic and research centres. These various centres, agencies and programmes research and develop financial planning and asset management tools and training materials, and provide technical advice and support.

Source: Lockwood and Smits, 2011, p. 105.

number of central governments have contracted out capacity support activities to training institutes or the private sector. This modality is often adopted on a project basis, when funding is available to contract out specialised resource centres, such as the Water and Sanitation for Africa (formerly CREPA) in West Africa

Peer support or 'horizontal learning'

In Latin American countries such as Honduras, municipalities are arranging their own support: they've been joining forces in groupings called *mancomunidades* to support each other and jointly hire different types of technical expertise—thus spreading the costs across a number of municipalities and achieving economies of scale. This type of arrangement can help to address specific capacity needs in countries where a clearly articulated national strategy for capacity support is lacking.

LINKING PERFORMANCE MONITORING TO CAPACITY SUPPORT

Given the important role that local governments play in providing services, monitoring their performance in all dimensions (from human, technical and financial management aspects to the delivery of services) has become a critical role for central governments. The objective is to hold local governments to account,

identify areas for improvement, and, ultimately, improve service provision.

Ghana and Malawi have developed capacity building grants for local government where access is linked to the performance of districts in carrying out their functions. In both cases the capacity building grant provides for supply-driven and demand-driven training; however the conditions for accessing the grants differ. Ghana has an unconditional capacity building grant, which ensures equal access as a means to level capacities. Malawi, on the other hand, has tied the provision of support to the actual performance of districts, using a mechanism that relies on the districts' ability to assess and formulate their own needs.

South Africa uses a combination of a national training programme and on-demand support linked to performance targets set by the Water Service Authorities (WSAs) themselves.

Linking performance to capacity building in Ghana

The Government of Ghana established the District Development Facility (DDF) in 2008, with the twin objectives of providing incentives for complying with the regulatory framework and linking performance assessments to capacity support through the allocation of discretionary funding.

BOX 2 UGANDA'S TECHNICAL SUPPORT UNITS

As part of government's commitment towards deepening decentralisation, the Directorate of Water Development established regional TSUs in 2002 to build capacity and provide high-quality backstopping to District Local Governments to fulfil their roles in the provision of sustainable water supply and sanitation. The eight TSUs vary in size and geographical scope, with the smallest covering eight Districts to the largest covering 24 Districts.

Each TSU is staffed with at least one Water and Sanitation Specialist, Community Development Specialist and Public Health Specialist, headed by a Focal Point Officer—for a total of 41 staff, all hired as consultants on the open market.

The cost of running the TSUs is approximately US\$ 70,000 per month, including salaries, space, equipment and vehicles. Currently the bulk of these costs are covered by donors through the Sector Wide Approach (SWAp). However, the Government is committed to increasingly using its own resources; currently it covers 10% of the TSUs' costs.

Originally, TSUs were set up to provide temporary support in planning and management, quality assurance, capacity building and inter-district cooperation, and specialised technical assistance. However, their role has evolved over time to provide more of a support and monitoring and evaluation service to Districts. Currently, TSUs support Districts in developing their annual work plan in accordance with the national guidelines, in implementing it and monitoring its results.

Through the broad range of skills they offer as support, the TSUs are generally seen as an efficient way of supporting the local governments, and also a useful channel for interactions between the Ministry and the local level. In order for this to be a sustainable arrangement, the Government of Uganda will have to take full ownership of its financing and streamline TSU staff into regularised positions.

¹ UGX 187 million (Uganda Shillings).

District Assemblies that comply with regulations and policies under their mandate and fulfil the Minimum Conditions under the Functional Organisation Assessment Tool (FOAT) are rewarded with additional resources. District Assemblies unable to fulfil these conditions are only allocated a capacity building grant to address the basic capacity needs identified during the assessment.

The capacity building grant is divided into two shares: a 40% envelope managed by the District Development Facility Secretariat to support its logistical needs and provide generic trainings to all District Assemblies; and a 60% envelope equally split amongst the Assemblies for on-demand training.

Generic training is coordinated by the Local Government Service Secretariat in collaboration with a parastatal institute, mandated to roll out the training on the basis of district annual plans. The content is tailored to on-going decentralisation reforms to help District Assemblies implement changes in a number of key areas such as composite budgeting, reporting, and monitoring and evaluation.

On-demand training: Regardless of their size, District Assemblies receive US\$26,000 annually to finance their logistics as well as specific training on weak areas.

The government and its partners have identified a number of shortcomings in the DDF, which they hope to address in future versions:

- With an average district population of 100,000 inhabitants, the demand-driven part of the capacity building grant amounts to an expenditure of US\$ 0.26 per district inhabitant to cover all capacity building needs, beyond just WASH.
- The capacity building grant is not linked to other initiatives in the sector. As a result, District Assemblies tend to benefit from more than one generic training whilst specific needs remain unaddressed.
- It has been observed that District Assemblies 'game the system' by using the grant to hire consultants to strengthen their own reporting prior to the FOAT assessment.

The local development fund in Malawi

The Local Development Fund (LDF) was set up in 2008, as a financing mechanism to support improved service delivery across a range of sectors through four funding 'windows'.

On the basis of an annual performance assessment carried out to determine how district councils score against Minimum Access Conditions (minimum capacity

requirements to manage the LDF) and Performance Assessment Measures (level of service delivery), councils that perform well are rewarded through grants, whilst those that perform below the thresholds are assisted with capacity building funds. This capacity building portion of the Fund is further divided into:

A supply sub-window used to centrally procure and provide technical support and training on the implementation of financial management, planning and service delivery systems.

A demand sub-window to cater for capacity gaps specific to each Local Council. To access these funds, the Local Council is required to develop an annual capacity development plan and apply for the funds through the performance window of the LDF.



Photo: Lydia Mirembe, IRC

However, despite the existence of a variety of capacity gaps, no district had submitted a capacity building proposal to the LDF in relation to water and sanitation as of 2011. Limited knowledge among district actors of what the performance window can support and the procedures for accessing such financing is the overriding explanation provided by most district councils (Lockwood and Kang, 2012). As the LDF is relatively new, the utility in this mechanism for improving district capacity remains unclear (Chiweza, 2011).

Combining supply- and demand-driven support in South Africa

South Africa has a comprehensive Sector Support Strategy for Water and Sanitation Services which focuses on the capacity support needs of local government and related water and sanitation institutions. It combines supply- and demand-driven support. As a result, all 167 Water Service Authorities (WSAs) can access support resources through a combination of mechanisms: the national support programme and the regional 'one-stop shop'.

Supply-driven support: After the adoption of its Constitution provided the basis for decentralisation of services to districts, the Government of South Africa developed a strong Sector Support Strategy (DWA, 2007) to address sector capacity issues including those of the water service authorities. On the basis of a comprehensive needs assessment carried out at national scale, the Department of Water Affairs and Forestry developed a training programme for the provincial level, focusing specifically on all transferred WASH functions. In turn, the provincial officers rolled out the training at the District level. This strong political

push for implementing a structured national programme was funded through the Masibambane programme with specific financial support from the European Union up to 2010 but is currently still running and is funded from the Department of Water Affairs (DWA) budget.

Monitoring WSA performance to develop demand-driven support: In order to gain a high-level picture of existing capacities and required support, the DWA has developed a checklist to monitor WSAs' performance against a set of indicators. Each WSA is required to fill in the indicator sheet and to develop an annual support plan. The support plan is designed to enable WSAs reach their performance targets, through identifying the type of support, resources and budget required. Validation of the plan by DWA triggers support from each of the nine regional offices through its 'one-stop shop' (usually three to four people covering three to four municipalities), which ensures access to specialised expertise.

Lessons learned from the strategy adopted in South Africa:

- Developed by the national water department and the local government association, the Sector Support Strategy represented a joint effort for the sector as a whole. It therefore received strong buy-in by all stakeholders and achieved its objectives.
- The support delivered to the WSAs was tailor-made and specific to WASH, as opposed to generic support on functions such as planning, budgeting and monitoring. As a result, WSAs saw and still see the support as very beneficial to their daily work.

Recommendations

Capacity support is a key element of delivering sustainable services at scale. Ensuring that local governments have the right capacities to perform their functions should be high on developing countries' agendas. Although there is no one-size-fits-all solution to the wide-spread issue of weak local capacities, lessons can be learnt from Uganda, Ghana and South Africa, and taken up in other contexts:

- Rolling out a sustainable support programme to local government requires time and funding and should be strongly driven by national leadership.
- Local governments should be incentivised to perform by means of a monitoring system that links performance to funding and technical support.
- Combining supply-driven and demand-driven support is the best way to cater for all the needs of local governments—both generic and specific.

The challenge of weak capacity goes well beyond the WASH sector and is linked to broader public sector capacity and the challenge of effectively supporting local governments in the performance of their functions.

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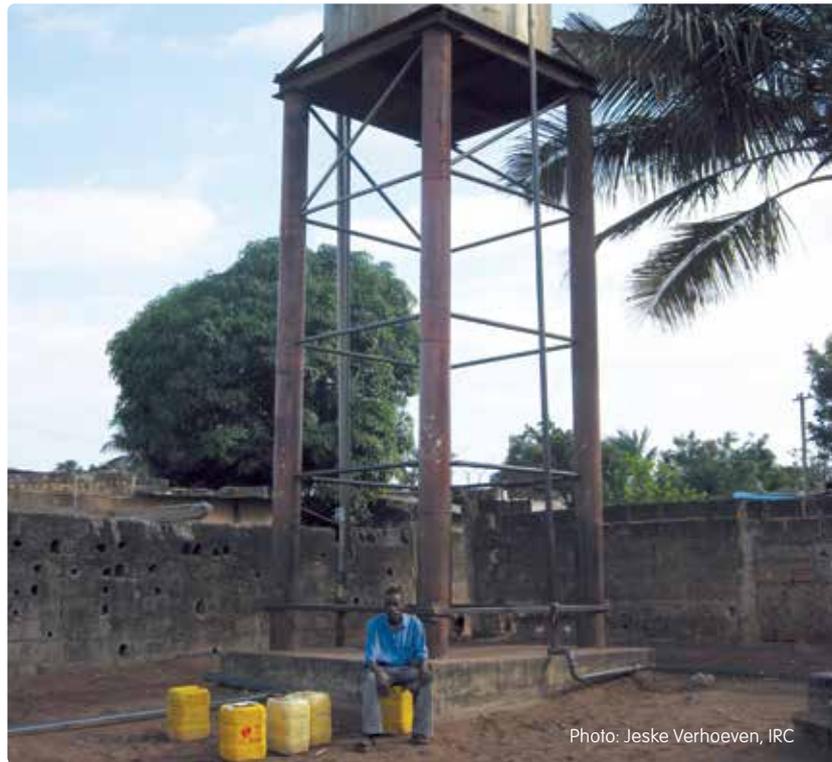


Photo: Jeske Verhoeven, IRC

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About this Brief

This brief was authored by Julia Boulenouar (Aguaconsult). It draws primarily on the studies of the rural water supply sector in 13 countries carried out under Triple-S (Lockwood and Smits, 2011) and experience in Ghana and Uganda.

For additional resources on capacity support to local government go to www.ircwash.org/topics/local-support

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