



PROMOTING RESULTS-ORIENTED MANAGEMENT FOR LOCAL TRANSFORMATION AND EFFICIENCY



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MANAGEMENT
FOR LOCAL TRANSFORMATION AND
EFFICIENCY**

LOCAL PUBLIC SECTOR ALLIANCE

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The Local Public Sector Alliance

In countries around the world, subnational governments and other local public sector entities are responsible for delivering the public services that people rely on day-to-day: schools for their children, public health services, access to clean water and sanitation, road infrastructure to get people to jobs and goods to markets, and so on. Although these public services align with global development objectives and national priorities, the provision of these public services are fundamentally local in nature. As a result, a country's subnational governance structure, its multi-level governance arrangements, its system of intergovernmental finance, the intergovernmental (vertical and horizontal) distribution of resources and the effectiveness of local governance institutions thus play a critical role in achieving inclusive and sustainable development.

Based on these insights, the Local Public Sector Alliance was established to promote inclusive, equitable societies and sustainable global development by enhancing the understanding of public sector decentralization and localization as complex, cross-cutting, and multi-stakeholder reforms. LPSA's three program areas include (1) advancing the state of knowledge on decentralization and localization; (2) ensuring a more informed, interconnected global Community of Practice, where knowledge sharing takes place across countries, disciplines, institutions and sectors; and (3) convening, outreach and field building to reach colleagues in adjacent practice communities to achieve a larger, more empowered global Community of Practice, with country-level champions well-positioned to elevate the debate on decentralization and localization.

In line with its mission, the Local Public Sector Alliance (LPSA) has developed a number of assessment tools to analyze the multilevel governance structure of a country, along with the subnational institutions and intergovernmental systems that contribute to inclusive governance, effective public service delivery and sustainable localized development.

The **Local Governance Institutions Comparative Assessment (LoGICA)** Framework considers a number of specific institutional dimensions of multilevel governance systems. LoGICA's Intergovernmental Profile (IGP) captures the subnational organization of the public sector; the nature of subnational governance institutions; and assignment of functional responsibilities. LoGICA's County Profile further considers the political aspects of the subnational public sector; the administrative aspects of the subnational public sector; the fiscal aspects of the subnational public sector; and the extent to which different sectoral services rely on mechanisms promoting inclusive and responsive localized services and development.

The **Intergovernmental Fiscal and Expenditure Review (InFER)** aims to review the public sector's fiscal patterns across all government levels, analyzing the vertical allocation of resources (i.e., the distribution of resources across different levels) as well as the horizontal allocation of resources (the distribution of resources among jurisdictions at each level). Intergovernmental fiscal reviews using the InFER methodology aim to cover general

government institutions at all levels of territorial administration, as well as extra-budgetary institutions, public corporations and other relevant stakeholders at each level.

LPSA's **Multilevel governance as an Opportunity or Obstacle to Development**, or MOOD Assessment, guides policy makers, sector specialists and/or policy advocates in a particular sector or area of development. A MOOD assessment starts from a specific development challenge, and then asks: (1) What is the current role of stakeholders at different levels of the public sector and civil society in addressing the development challenge? (2) What more can stakeholders at different government levels do to address the development challenge at hand? And (3) What opportunities exist to improve the effectiveness of the multilevel governance system to promote resilient, inclusive, sustainable and effective development?

Finally, LPSA's PROMOTE framework (**Promoting Results-Oriented Management for Local Transformation and Efficiency**) can help assess whether subnational governments are well-positioned to achieve their mission of creating value for its constituents (residents/voters/taxpayers) by serving as a platform for collective decision-making and by providing inclusive and efficient public services. As such, the PROMOTE framework provides a conceptual and practical framework for assessing the inclusiveness and results-orientation of subnational governance institutions in the context of multilevel public sector.

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Executive summary

The benefits of a multilevel public sector and decentralized local governance are not simply achieved by mandating decentralizing or devolving powers, functions and resources to subnational governments. Achieving inclusive, results-oriented, citizen-centric public sector governance and management requires deliberate and ongoing actions by stakeholders at all government levels to ensure that public sector institutions are results-driven and accountable to their constituents.

The PROMOTE framework. The PROMOTE framework (*Promoting Results-Oriented Management for Local Transformation and Efficiency*) provides a conceptual and practical framework for assessing the inclusiveness and results-orientation subnational governance institutions in the context of a multilevel public sector.¹

The PROMOTE framework builds on the Local Public Sector Alliance’s conceptualization and understanding of multilevel public sector arrangements, including LPSA’s *Local Governance Institutions Comparative Assessment (LoGICA)* framework, which provides a four-by-four assessment framework to analyze the multilevel political, administrative, sectoral and fiscal systems in a country (LPSA 2022; Boex, Williamson and Yilmaz 2022; 2024). The PROMOTE framework further draw extensively from a number of existing strands of thinking on organizational effectiveness, public sector reform, and service delivery effectiveness.²

The framework posits that an inclusive, response, and efficient high-performing local government organization—that operates in a results-oriented, evidence-informed manner to pursue the wants and needs of their constituents—should excel at the six core processes or display six core capabilities, each of which are inter-related (building on the previous stage or capability) and each of which should have a clear results-orientation. The core institutional capabilities, processes and procedures that (subnational) government organizations need in order to operate in a results-based manner include (i) the capability to consult and coordinate; (ii) the capability to vision and plan; (iii) the capability to decide and commit; (iv) the capability to act and administer; (v) the capability to monitor and report; and (vi) the capability to assess and adapt.

The PROMOTE framework reflects on these six institutional capabilities, systems, processes and procedures from the viewpoint of different stakeholders or actors within the subnational government organization, including (i) the subnational (political) executive (e.g., Mayor, Governor, District Chairman, etc.); (ii) the non-executive political leadership (e.g., local council or assembly; local council committees); (iii) subnational administrative departments, (including local/regional officers; local/regional treasury management; local/regional service delivery departments; and subnationally-owned utilities or authorities); (iv) ward-level administrators and/or offices (including ward committees, if any); (v) frontline service delivery units or facilities that are part of (or report to) different local/regional departments (potentially including public schools, public health facilities;

¹ Unless otherwise noted, the terms *subnational* government and *local* government (or *subnational* governance institution and *local* governance institution) are used interchangeably in this document.

² Publications that form the basis for the PROMOTE framework include—among others—ADB (2012), ECDPM (2011); Boex, Kimble and Kapitanova (2012); Buis and Boex (2015); World Bank (2012); and Barber (2011).

local water providers; and so on); and (vi) public participation, accountability/oversight, and transparency relationships (involving citizens; CSOs; and the local business community).

Results-orientation in the public sector: an analogy with private sector organizations. Results-based management doesn't happen by accident. Yet, as discussed later in this document, government organizations aren't necessarily very good at it. While not all private sector businesses are operated in an efficient or results-oriented manner either, the profit motive of businesses (and the need to avoid bankruptcy) provides a strong incentive for businesses to focus on efficiency and results. While the objectives of governments and business corporations are different (one is supposed to maximize value for its constituents, while the other maximizes profit for its owners), there is a lot to be learned by the private sector from well-functioning private sector entities who use quantitative metrics and evidence-based decision-making to pursue their corporate objectives.

To the extent that government organizations—at their core—should be understood as bodies for collective decision-making and action for the residents within a specific territorial jurisdiction, a number of parallels can be drawn between public sector organizations and private sector organizations. For instance, one could conceive of a local government as a business conglomerate that produce 8-12 key public services on behalf of its shareholders. The 'shareholders' of a local government are comprised of all local residents in an area, who (s)elect the company's Board of Directors (i.e., the local council). The corporation might be called "The United People of YY District" or "The United People of ZZ City".

The District Council or City Council (or similar organ) is the Board of Directors of the corporation, and the Mayor or Governor is the Chairman of the Board or the Executive Director. Below the Board (i.e., below the local political leadership), local department directors and unit managers are hired by the Board to be responsible for managing different product lines within the conglomerate: public education, local health services, solid waste management, water and sanitation services, and so on. In turn, most departments have branch offices or franchise locations (front line services delivery units) that need to be managed in a results-based manner in order to create the highest value-for-money as possible for the shareholders.

As a special circumstance, in the case of subnational governments organizations, the residents (i.e., the conglomerate's shareholders) also happen to be the company's clients. Each resident pays the conglomerate an annual compulsory membership fee (generally in the form of property taxes) along with other user fees and charges, and in return, is entitled access to the goods and services produced by the company.³

How should this local service delivery conglomerate (i.e., the local government) be operated to ensure the best results for its shareholders and customers? A well-trained business manager providing multiple services and operating multiple locations is going to start his or her business plans based on evidence regarding the performance and profitability (revenue; expenditure; staff

³ In addition, the central government may provide the company with additional (unconditional or conditional) financial contributions in order for the local conglomerate to provide additional public services on behalf of the central government (and/or to ensure that the local conglomerate to provides its services at a level that is agreeable to the central government).

costs; clients served; etc.) of each product line, and in turn, of each branch office or franchise location. In fact, the Board of Directors and the corporate shareholders would most likely insist that this information is provided to them as part of the conglomerate's annual financial report. Business decisions—where to invest more or less; which branch manager to promote or fire; and so on—would depend considerably on an analysis of the results achieved (or not achieved). As such, the conglomerate's results-orientation (such as its monitoring and reporting as well as its financial management efforts) are not just an added activity, but rather, they are a core part of the business operations. Because corporate managers know that their performance—both in terms of the number of clients served, as well as in terms of the quality of services provided and the value generated for their customers—is being tracked (and that the company will hold them accountable for their performance), they are likely to focus more time and attention on addressing customer concerns about service delivery access and quality, rather than merely following rules for rules' sake.

Local 'deliverology'. As the government level closest to the grassroots, local governments are uniquely positioned to act as “governments of the people, by the people, and for the people.” Achieving an inclusive, responsive, efficient high-performing local government organization requires all stakeholders within the organization—including elected leaders, department heads and administrators, as well as frontline service providers—to work together guided by common objectives in a citizen-centric and results-based manner.

One mechanism to ensure that evidence about results and public service delivery effectiveness begin to permeate the organizational mindset is for the Mayor's Office or Governor's Office to constitute a 'Local (or Regional) Performance Unit' that helps the local or regional leadership measure performance, and to inspire and support local departments to pursue service delivery results more efficiently do things differently. The introduction of a performance unit is itself not free from political economy constraints: their efforts may be opposed by the rank-and-file, as 'greater performance' invariably means more work—and greater transparency and accountability—for government managers and staff. To the extent that the performance unit cannot replace what the line departments do, care should be taken to make sure that the performance unit merely coordinates, monitors, and supports, while ensuring that the local government departments ultimately own the transformation of their production processes.

PROMOTING RESULTS-ORIENTED MANAGEMENT FOR LOCAL TRANSFORMATION AND EFFICIENCY

1. Obstacles to public sector performance and effectiveness are common

There is consensus in public sector management circles that traditional public sector organizations are typically not effectively geared towards delivering the services and results that their constituents demand—such as access to high-quality public education, access to quality health care service, or well-maintained roads and streets.

This is true for general-purpose governments at the national or central government level, as well as for subnational (regional or local) governments. Often, the organizational goals of general-purpose governments are too many and too diffuse for their leaders to allocate resources to the highest-value use among competing objectives in response to their constituents' priorities, and for services to be provided in an efficient and results-oriented manner.

In government organizations led by democratically elected officials, regardless of the level of government, there are typically numerous sources of tension and obstacles to public sector effectiveness. For instance, based on the political and electoral incentives that they face, elected political leaders may have different priorities from the constituents that they are elected to service. Similarly, there may be a divergence in priorities and interests between elected government leaders and the government administrators (bureaucrats) that are supposed to carry out government policies. In fact, political leaders may have difficulty ensuring that government officers and staff implement their policies and decisions in an effective manner, and may have a hard time holding administrative leaders and staff to account for their (lack of) performance.

Consistent, responsible use of data and evidence to inform and improve public service delivery and decision-making by government officials—at the national or subnational government level—is rare. For starters, it is frequently difficult to quantify the goals of a government organization. For performance goals that *can* be quantified, there is often very little real-time performance data to monitor progress towards the goals. In the absence of a strong evidence-based performance culture, it is difficult for government managers and staff to work towards the government's stated goals and objectives. Instead, government officials may focus on administrative compliance with rules—including process rules or other regulations that are about form rather than function—or try to maximize the size of their unit or the budget under their control as a measure of their success.

Continuous, targeted efforts are therefore needed to promote and reinforce results-oriented public sector management—at all levels of government—to ensure that public sector organizations focus on their core mandate as platforms for collective decision-making and collection action in line with the priorities and needs of their constituents.

2. The lack of results-orientation and weak multilevel governance systems often go hand-in-hand

The concerns about the lack of the service-delivery orientation of government organizations—which are valid to a greater or lesser extent for government organizations around the world—are especially relevant in developing and transitioning countries. Public sector organizations in many of these countries tend to be rather hierarchical and rule-based, based on a traditional bureaucratic model, where compliance is more important than results.

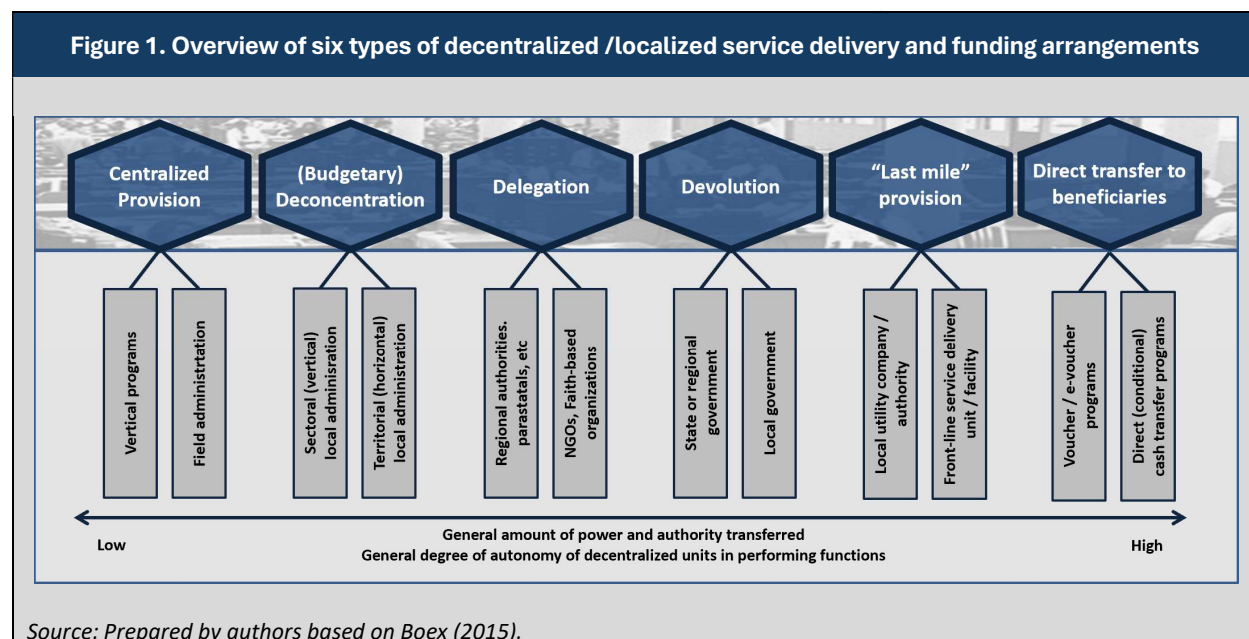
At the same time, multilevel governance systems in many developing and transition countries tend to be at an embryonic stage. This is especially true—with some exceptions—in Africa and Asia. In many of these countries, central government officials remain fully in charge with all decision-making and authority fully retained at the central government level. In other countries, where the public sector has started its gradual transformation from a centralized state to a more decentralized multilevel governance structure, local governments frequently remain reactive, low high-performing local government organizations that lack the autonomy, authority, or resources to respond in an inclusive and proactive manner to the wants, needs, and priorities of their constituents.

Instead, local governments in many developing and transition countries operate in a similar manner to the ineffective, non-results-oriented central public sector organizations that they aim to replace. In the early stages of devolution reforms, much of how local governments operate tends to be copied-and-pasted from the previous system. In most cases, local governments continue to deliver public services in a “one-size-fits-all” manner, since local governments tend to continue to be constrained by a non-permissive multilevel governance context, and are likely to maintain the status quo, as there is not catalyst for change that challenges their inertia and underperformance.⁴

⁴ Central governments in developing and transition countries themselves often lack the knowledge (and/or the incentive) to support or implement results-oriented public sector management at the subnational level. Given the limited attention paid to the multilevel governance aspects of service delivery in recent decades, the track record of development partners in this regard is almost equally unconvincing.

3. Localizing public services and development

A comprehensive analysis of the public sector should take into account that there are different approaches by which governments interact with—and deliver services to—the people, ranging from direct centralized provision of public services to devolving powers, functions and service delivery responsibilities to elected regional and/or local governments (Figure 1).⁵



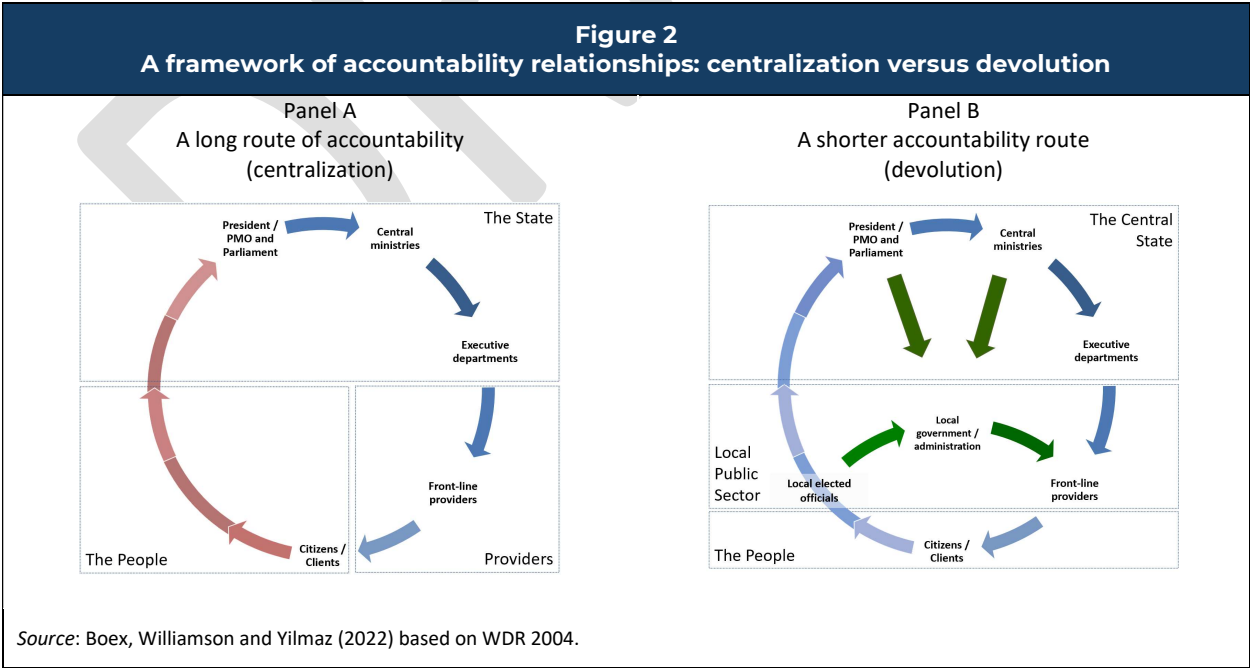
Although many OECD countries rely on elected local governments (i.e., devolution) to deliver the bulk of frontline public services—such as public education, local health services, and solid waste management—roughly half of the countries around the world deliver public services predominantly or exclusively through mechanisms other than devolution (Boex and Edwards 2014). For instance, many countries outside of the OECD rely on ‘deconcentrated’ administrative bodies (administrative units that are a hierarchical part of the state administration and do not have their own elected political leadership) for the delivery of public services. In other cases, central government may delegate the delivery of public services to para-statal organizations or NGOs, or may even deliver certain front-line public services directly through vertical programs managed by central government agencies themselves. In fact, in most countries, frontline services—even within a single sector—are often provided and funded through a combination of different ‘vertical’ or intergovernmental mechanisms at the same time.

Based on observations such as these, decentralization and localization are increasingly understood as part of a multilevel system of governance and service delivery, where the ability of local governments and other local public sector entities to contribute to the more effective delivery of public services is defined to a considerable extent by the intergovernmental institutional context

⁵ See Boex, Williamson and Yilmaz (2022) for definitions and details on different types of decentralization and localization.

within which they operate (Charbit 2011). In this perspective, the key underlying question is not ‘whether or not’ to decentralize, which falsely suggests that public services can be delivered effectively without having the public sector reach down to the local level. Nor is the key policy question which specific decentralization model to follow, since most countries rely on different funding streams and different vertical governance mechanisms at the same time. Instead, the key challenge is to look at ways to improve capacity and the (vertical and horizontal) co-ordination among public stakeholders at different levels of government, and to determine ways in which local governments and other local-level stakeholders are able to increase the efficiency, equity, and sustainability of public services and public spending.

That said, it appears to be the case that—under certain conditions—countries in which elected local governments play a more extensive role in the delivery of public services tend to achieve better development outcomes by shortening the “long” route of accountability between the central public sector and its constituents to the local level (Figure 2).⁶ This does not mean, however, that devolution is necessarily the *only* mechanism that can achieve effective services and development outcomes at the grassroots level. Furthermore, while devolving powers, functions, and service delivery responsibilities to elected subnational governments presents an *opportunity* to improve the efficiency of the public sector in a multilevel public sector context by moving public sector decision-making closer to the people, the reform in no way *guarantees* greater allocative and technical efficiency or greater accountability (Boex, Williamson and Yilmaz 2022). Capacity constraints, weak accountability relationships, and other public sector management challenges faced within the public sector are important factors that influence the outcome. At the same time, however, it is unlikely that the weak frontline performance of the public sector in any country, regardless of its public sector structure, can be resolved without acknowledging the important role of the country’s vertical or intergovernmental fiscal architecture and relations.

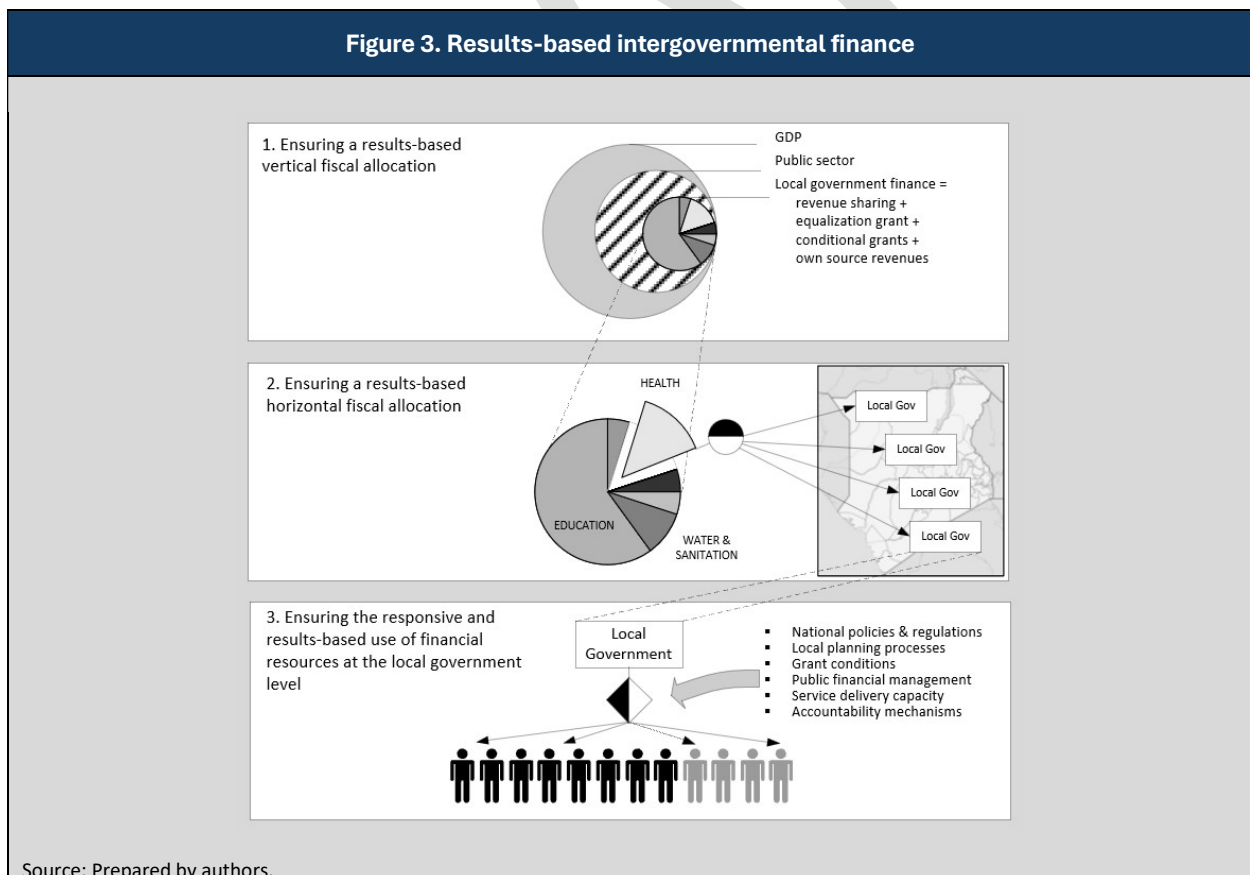


⁶ For a number of reasons, this argument is more likely to hold in higher-income countries above a certain income threshold. This argument is buttressed by a strong correlation between measures of (fiscal) decentralization and economic development.

4. The fiscal context for results-oriented multilevel governance: an overview of intergovernmental finances, expenditures and results

LPSA's Intergovernmental Fiscal and Expenditure Review (InFER) framework considers that an inclusive, result-based system of intergovernmental finance relies on three core elements, and that the ability of any public sector to deliver public services and promote localized development efficiently and equitably across its national territory depends on its ability to accomplish three basic tasks (Figure 3):

- First, the public sector has to achieve a vertical allocation of resources in line with the functional responsibilities of subnational governments or subnational administrations. This is known as vertical fiscal balance.
- Second, the public sector has to achieve a horizontal allocation of resources across the national territory to ensure that public sector resources are directed to the places where they are needed the most (horizontal fiscal balance).
- Third, once resources arrive at the provincial or local level (whether in the form of devolved, deconcentrated, or delegated funding flows), financial resources need to be transformed from financial inputs into service delivery outputs and developmental outcomes in an inclusive and efficient manner.



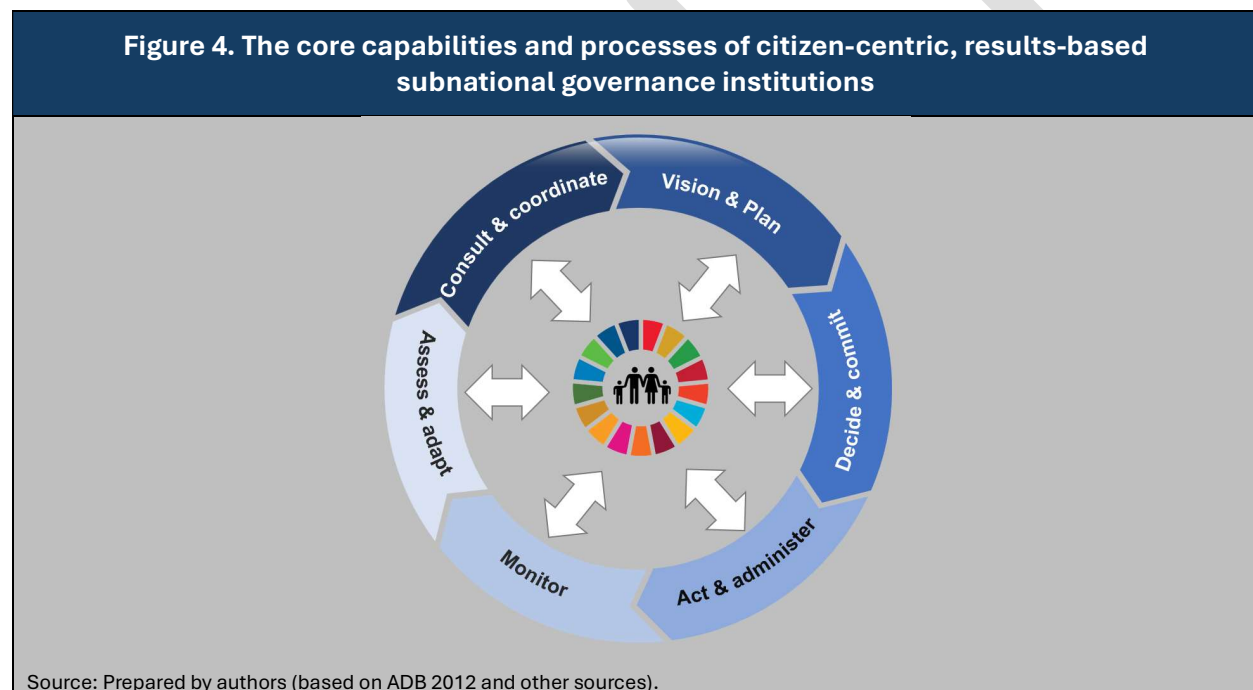
These three elements of result-based multilevel governance and finance hold true whether in the form of devolved, deconcentrated, or delegated funding flows, or any combination thereof. The InFER framework provides further guidance for the development of a quantitative review of intergovernmental finances, expenditures, and results, dealing largely with the vertical and horizontal allocation of resources within the public sector (represented largely by the first two stages of a results-based intergovernmental fiscal system in Figure 3). The PROMOTE framework largely deals with the third stage of the results-based intergovernmental fiscal system, as public sector resources are transformed from (financial) inputs into outputs and outcomes (results) once public sector finances arrive at the local (or regional) level.⁷

⁷ Note that public sector (fiscal) resources arrive at the local/regional level either in the form of intergovernmental fiscal transfers, or by way of (constitutional or statutory) permission from the higher-level government to collect own source revenues to fund subnational expenditure.

5. The core capabilities of inclusive and results-oriented subnational governance institutions

The benefits of a multilevel public sector and decentralized local governance are not simply achieved by mandating decentralizing or devolving powers, functions and resources to subnational governments. Achieving inclusive, results-oriented, citizen-centric public sector governance and management requires deliberate and ongoing actions by stakeholders at all government levels to ensure that public sector institutions are results-driven and accountable to their constituents.

The PROMOTE framework (*Promoting Results-Oriented Management for Local Transformation and Efficiency*) framework posits that an inclusive, response, and efficient high-performing local government organization—that operates in a results-oriented, evidence-informed manner to pursue the wants and needs of their constituents—should excel at the six core processes or display the six core capabilities, each of which are inter-related (building on the previous stage or capability) and each of which should have a clear results-orientation (Figure 4).



In line with Figure 4, in order for all citizens—the residents of regional or local governments—to reap the dividend of an effective, results-oriented multilevel or decentralized public sector (in terms of more inclusive governance, better service delivery, and more sustainable localized development), government units at each level should:

1. **Consult and coordinate.** Government entities should consult with their constituents (households and businesses) in a coherent manner, as well as consult with government entities at other levels and other external stakeholders. Efforts to consult and coordinate with others

should focus on the governance and service delivery objectives and results that each government unit seeks to achieve.

2. **Vision and plan.** Based on the consultations with its constituents and other government levels, each government should articulate its vision for the change that it wants to engender in its jurisdiction, and the (governance, service delivery, and development) objectives that it seeks to achieve as an organization. Informed by consultations with all stakeholders, it should prepare its strategic and operating plans accordingly. Its vision and plans should focus on achieving the objectives and results that the local government has set for itself to achieve.
3. **Decide and commit.** Next, there should be a link between the government organization's plans and its budget. Each government entity should make decisions and commit its resources in accordance with its vision and plans, and in line with the (governance and service delivery) objectives, priorities, and results that the government entity seeks to achieve.
4. **Act and administer.** Each government entity should act and administer its programs and activities efficiently and transparently, while ensuring the inclusive and efficient delivery of public services. Government departments, operating units and frontline service delivery facilities should act to implement and execute their programs and budgets as intended, in line with their results-based plans and budgets.⁸
5. **Monitor and report.** Each government should monitor the progress and results of its different departments, units, and facilities during and at the conclusion of each planning cycle and budget year.
6. **Assess and adapt.** The government organization should assess its own performance and adapt its organizational processes, procedures, and make other decisions (e.g., reallocate resources) necessary to improve its own performance within the constraints being faced by the government organization.

These six processes or capabilities outlined here will be explored in greater detail in Section 7 (further below). They involve different aspects of public sector governance or public sector management, including political or governance aspects; administrative aspects (e.g., human resource management; planning), sectoral aspects (i.e., sector-specific service delivery), and fiscal aspects (e.g., budget formulation and execution).

At the same time, each of the six processes or capabilities listed above and highlighted in Figure 3 involve—to varying degrees—different actors within subnational government organizations. For instance, within a city government, the Mayor, the City Council, the Municipal Secretary or CEO, the City Treasurer, Department Heads, and city-level bureaucrats and staff each have their own powers, interests, incentives, and ability to influence policies and service delivery outcomes. The ability of a subnational governance institution to function as a results-based whole depends on the ability of different local governance stakeholders to work together effectively in pursuit of common objectives. This is further explored in Section 6 (below).

It should also be noted that in practice, the capabilities, processes, and procedures followed by subnational governments are informed not only by citizen demands or technical parameters, but that strong political economy forces shape the planning (and implementation mechanisms) being done local leaders and administrators. For instance, the setting of local policy objectives, and the planning

⁸ To the extent that a government is pursuing its own goals in collaboration with other government levels, 'act and administer' may include the administration of intergovernmental transfer schemes to fund programs at other levels.

how those objectives are to be achieved, should not only be viewed as a technical process, but should also be viewed through different political economy lenses. In some cases, political economy forces may push toward greater responsiveness and efficiency, while in other cases, political economy forces may actually form obstacles to the responsiveness of a subnational government organization. For instance, the nature of political decentralization and the structure of local elections may make local political leaders more or less responsive to the priorities of their constituents. At the same time, local department heads or frontline staff may have an incentive to resist attempts to make service delivery more transparent and accountable if they have gotten used to operating in an inefficient and unaccountable manner.⁹

Results-oriented multilevel governance. Beyond the processes and capabilities internal to each results-oriented public sector organization, the ability of each government entity to achieve its objectives as an inclusive, responsive, and efficient platform for collective decision-making and service delivery does not only depend on capabilities and process internal to its own organization. For instance, the effectiveness of local government entities also depends on its ability to successfully coordinate with the higher-level governments (and the results-orientation of higher-level government and intergovernmental systems); its ability to manage with frontline service delivery providers, such as health facilities, water utilities, or water user committees; and its interactions with its constituents (voters / taxpayers / service delivery clients).

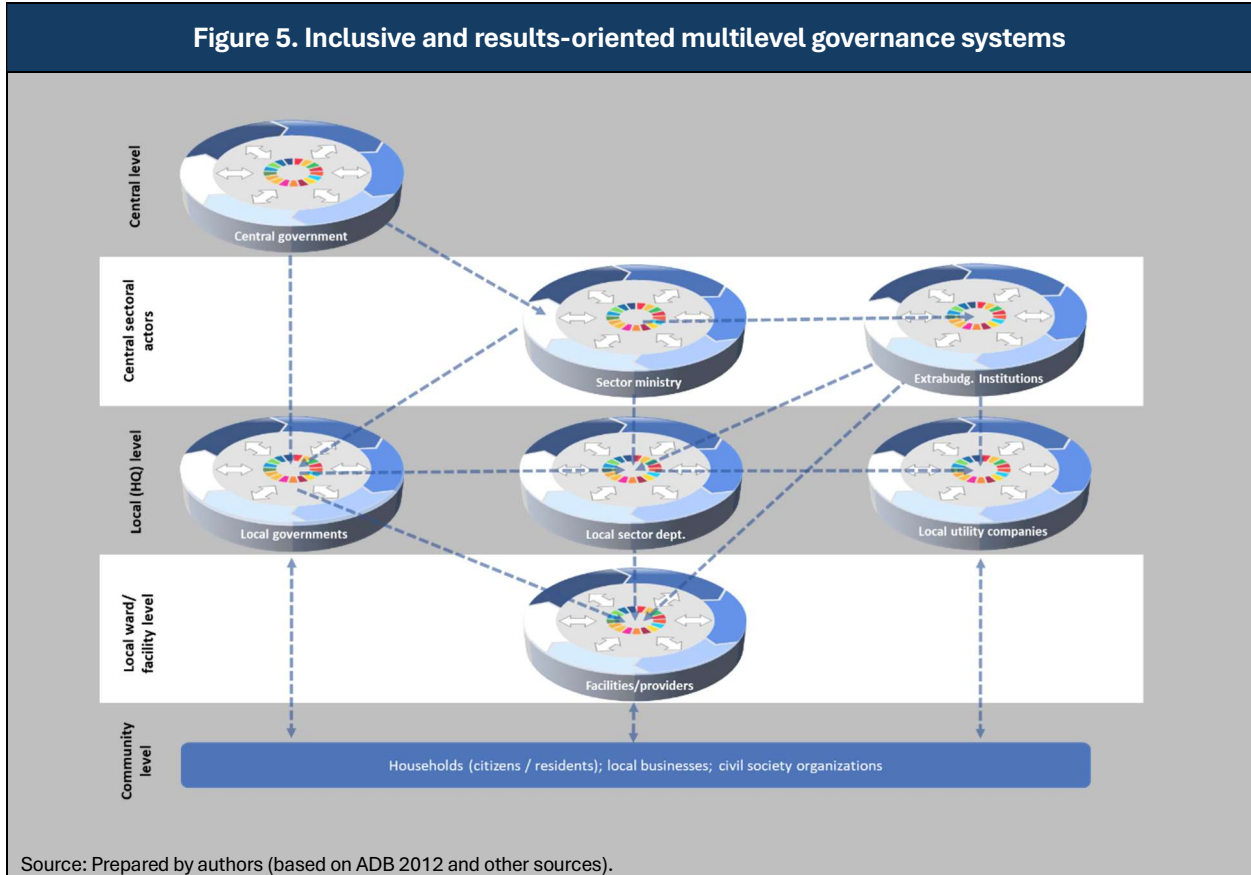
A results-oriented public sector requires the calibration of policy objectives and interventions between stakeholders at different government levels (Figure 5; next page). While we might like to believe that stakeholders at all government levels work together in a collaborative and cooperative manner, this is often not the case in practice: although stakeholders at all levels may work together, each stakeholder works to promote its own institutional mission and faces its own incentives and constraints. It is further important to recognize that in an inclusive and responsive multilevel governance system, higher-level governments should not simply impose the national government's priorities on lower-level governments. After all, to the extent that each government entity has its own elected leadership, and to the extent that we expect that elected leaders respond to the priorities and preferences of their constituents, the priorities of stakeholders and government entities at different government levels may in fact be different.

A high-performing central public sector as a precondition for effective local performance. Achieving an inclusive and responsive public sector does not only require high-performing, proactive and evidence-driven local government organizations, but also a high-performing *central* public sector. For a variety of reasons, however, it is not unusual for central government leaders to be satisfied with a multilevel governance framework in which strong local accountability mechanisms are absent and in which local governance institutions lack adequate discretion (whether political, administrative, and fiscal) in order to effectively respond to priorities and needs expressed from below.

Shaping an intergovernmental system in which local governments can be high-performing organizations requires that local governments are given the necessary political, administrative and fiscal space which will allow them to operate in a responsive and efficient manner. For instance, the design of subnational political institutions and electoral processes can contribute to a local political framework that is less driven by party clientelism and more focused on effective service delivery results. Similarly, in order for local government to responsibly manage local human and financial resources, central government officials must be willing to

⁹ This is especially the case if subnational governments are not fully empowered over their organization's officers and/or staff. In this case, even when faced with weak staff performance, locally elected leaders—acting through the organization's officers—are unable to discipline or terminate non-performing government employees.

yield control over local human resource management to their local counterparts, while line ministries have to give up some direct control over sectoral service delivery at the local level. At the same time, central financial authorities should be willing and able to provide local governments with financial resources through predictable, timely, and complete intergovernmental fiscal transfers.



6. The internal dynamics of subnational governance organizations

In order to elevate the practice of inclusive, efficient, evidence-informed, and responsive public sector governance and administration, and in order to promote efficient and sustainable management and delivery of devolved public services, subnational governments should be aware of their strengths and weaknesses, and the extent to which their subnational government organization possesses the capabilities, processes and procedures necessary to function as an inclusive, proactive, high-performing local government organization. This requires them to assess their own capabilities, processes, and procedures with respect to the six aforementioned areas of institutional capability.

Recognizing the internal dynamics of subnational government institutions. A comprehensive assessment or review of subnational government capabilities, processes, and procedures should consider that government entities are not a monolithic whole. Instead, central and subnational governments have numerous different organs, departments, and other organizational subdivisions (including frontline service delivery units or facilities) that face their own objectives, constraints and incentives.

As part of assessment that considers each of the six core capability areas, it is useful to reflect on the systems, processes and procedures from the viewpoint of different stakeholders or actors *within* the subnational government organization, including:

1. The subnational (political) executive (e.g., Mayor, Governor, District Chairman, etc.);
2. The non-executive political leadership (e.g., local council or assembly; local council committees);
3. Subnational administrative departments, (including local/regional officers; local/regional treasury management; local/regional service delivery departments; and subnationally-owned utilities or authorities);
4. Ward-level administrators and/or offices (including ward committees, if any);
5. Frontline service delivery units or facilities that are part of (or report to) different local/regional departments (potentially including public schools, public health facilities; local water providers; and so on); and
6. Public participation, accountability/oversight, and transparency (involving citizens; CSOs; and the local business community).

Naturally, the exact composition and nature of stakeholders or actors within the subnational government organization to be considered may vary between countries and contexts.

In order for the entity as a whole to function in a citizen-centric, results-oriented, evidence-informed manner, each of the actors within the subnational government organization has to play its role and work together effectively with the other stakeholders within the (subnational) government organization.

The role of different internal stakeholders or actors within the subnational government organization may be more or less prominent in each of the six different core capabilities or systems, processes, and procedures. For instance, the political leadership (both executive and non-executive) is likely to have a more prominent role in the first three phases of the results-based public management cycle (Consult and coordinate; Vision and plan; Decide and commit) whereas the administrative leadership (along with the administrative departments and frontline staff) are likely to play a more prominent role in other phases (e.g., Act and Administer). Similarly, the nature and extent of involvement of citizens and civil society and other (external) stakeholders may vary considerably between each of the six capability areas.

7. The PROMOTE framework

For a regional or local government (or for most non-devolved or hybrid local governance institutions), achieving its mission generally means creating value for its constituents (residents, voters, taxpayers) by serving as a platform for collective decision-making and by providing inclusive access to quality public services.

The PROMOTE assessment consists of two components: a quantitative component (that evaluates evidence-informed decision-making and resource allocation at the local level) and a detailed qualitative component (which assesses the institutional capabilities of inclusive, results-oriented local governments). It is important to complete both components, as the quantitative component informs the qualitative component.

7.1 Evidence-informed decision-making and allocation of local resources

A regional or local government organization cannot be inclusive, responsive, and results-oriented unless it has evidence-informed decision-making and resources allocation processes in place. This means—first and foremost—that the local government must be aware of its own performance in a disaggregated manner for each of the products that it produces.

As noted in the preface of this manual, one could conceive of a local government as a business conglomerate that produces 8-12 key public services on behalf of its shareholders. The ‘shareholders’ of a local government are comprised of all local residents in an area, who (s)elect the company’s Board of Directors (i.e., the local council). Below the Board (i.e., below the local political leadership), local department directors and unit managers are hired by the Board to be responsible for managing different product lines within the conglomerate: public education, local health services, solid waste management, water and sanitation services, and so on. In turn, most departments have branch offices or franchise locations (front line services delivery units) that need to be managed in a results-based manner in order to create the highest value-for-money possible for the shareholders.

An effective, results-oriented organization providing multiple services and operating multiple locations is going to start its plans—including its strategic plans; capital investment plans; as well as its operation and maintenance plans—based on evidence regarding the performance and value-for-money produced by each product line (revenue; expenditure; staff costs; clients served; etc.), and in turn, an analysis of the performance and value-for-money produced by each branch office or franchise location. In a private sector setting, the Board of Directors and the corporate shareholders would insist that this information is provided to them as part of the conglomerate’s annual financial report, and Product Managers would require this information to better allocate resources—and improve the performance and client-satisfaction of—individual branch locations or facilities. Because corporate managers know that their performance—both in terms of the number of clients served, as well as in terms of the quality of services provided and the value generated for their customers—is being tracked (and that the company will hold them accountable for their performance), they are likely to focus more time and attention on addressing customer concerns about service delivery access and quality, rather than merely following rules for rules’ sake. Other institutional decisions—whether (and if so, where) to invest more or less; whether service delivery facilities or branches need more or fewer staff; and so on—would depend considerably on an analysis of the results achieved (or not achieved) at the facility level. As such, infusing every aspect of institutional management with a results-orientation should not just be an ‘added activity’ in a results-oriented organization, but rather, should be a

integral part of ongoing institutional operations across all core capabilities. This should be no different within local government organizations.

Since many local government institutions claim to be results-oriented in their systems, processes and procedures, Annex 1 seeks to verify the extent to which a local government institution has relevant data available to make results-based decisions on a regular basis by asking the assessment team to collect basic service delivery data and value-for-money indicators in an Excel template.

In order to make results-oriented decisions or allocate resources in a results-based manner, local governments must collect and report disaggregated administrative data—**at the facility level and ward level**—for each of the services provided by the local government with respect to:

- The population to be served by the local government / service delivery department or unit (i.e., the number of potential clients), broken down by facility (i.e., catchment population);
- The number of clients actually served by facility (by main type of service, if relevant);
- The total number of service delivery facilities (by type, if relevant);
- The total number of (departmental and front-line) service delivery staff (by type and facility);
- Total expenditures on service delivery (broken down by facility/location and by the nature/classification of expenditures);
- Performance indicators and value-for money indicators (for local service delivery facilities and departments, by function) based on the data noted above, including indicators such as the share of the population served; the frequency or quality of service delivery; and the unit cost of local service provision.

Both for decision-making purposes, as well as given that the local government is ‘owned’ by its constituents, it is reasonable to expect that these data should be produced at least once per year (for each major local public service) and readily and publicly available.

The implication of the data collection exercise required by Annex 1 is straightforward: if the most basic performance indicators relating to the input and output or relevant local services and administrative processes is not readily available at a disaggregated (facility) level, it is simply not possible for local governments to make results-oriented decisions or allocate resources in a results-based manner.¹⁰

7.2 Institutional capabilities of inclusive, results-oriented local governments

As discussed in Section 5, achieving the creation of value-for-money for its constituents (residents, voters, taxpayers) by serving as a platform for collective decision-making and by providing inclusive access to quality public services requires that subnational governance institutions must possess and exercise core institutional capabilities in six areas: (1) the capability to consult and coordinate; (2) the capability to vision and plan; (3) the capability to decide and commit; (4) the capability to act and administer; (5) the capability to monitor and report; and (6) the capability to assess and adapt.

¹⁰ Note that availability of data is a necessary—but not sufficient—condition for performance-based management. If a local government produces the relevant data in a one-off manner ahead of the performance assessment (rather than using such data on a regular/annual basis to inform decisions), this suggests that decisions are most likely not being made in a responsive or results-based manner on regular basis. The unavailability of such data—or the inability of the local government to produce it on a routine basis—indicates a more structural lack of performance orientation.

These institutional capabilities do not emerge on their own. For subnational governance institutions to be able to determine and strengthen their own institutional capabilities—and for subnational actors to have the incentive to do so—higher-level governments must provide subnational governance institutions with meaningful (*de facto*) functional responsibilities; a sufficient degree of (political, administrative, and fiscal) authority and autonomy; as well as with sufficient access to financial resources. As a result, the details of the intergovernmental and subnational institutional (political, administrative, sectoral, and fiscal) arrangements should be well-understood, as the multilevel governance context informs the *de facto* powers, objectives and incentives of the stakeholder, as well as the constraints that they face in a multilevel public sector. If not already available for the country under consideration, it may be useful—before pursuing a PROMOTE assessment—to prepare a LoGICA Intergovernmental Profile (or a full LoGICA assessment) and/or an Intergovernmental Fiscal and Expenditure Review (InFER).

Furthermore, as discussed in Section 6, PROMOTE assessment should recognize the role of different stakeholders or actors *within* a local government organization, as each of these stakeholders has the ability to determine or influence subnational policies and service delivery outcomes, while each of these stakeholders may have (somewhat) different powers, interests, incentives, and resource constraints. While the exact set of stakeholders within the subnational governance organization may vary from country to country (and even within a country), an assessment might separately consider (1) the local political executive; (2) the local political council or assembly (i.e., the non-executive local political leadership); (3) local administrative departments (e.g., local directors and staff at the local headquarters level); (4) ward-level administrators and/or offices; (5) facility-level service delivery providers, systems, and procedures; and (6) public participation, accountability; and transparency arrangements.

A comprehensive PROMOTE assessment thus needs to consider the intersection of each of the six core capabilities with each of the stakeholders internal to the subnational government organization. The resulting matrix is presented in Table 1.

Table 1. Promoting Results-Oriented Management for Local Transformation and Efficiency: An assessment framework of local government capabilities, systems, processes, and procedures						
Core capabilities Local government actors / stakeholders	1. Consult and coordinate	2. Vision and plan	3. Decide and commit	4. Act and administer	5. Monitor and report	6. Assess and adapt
1. Local (political) executive	1.1	2.1	3.1	4.1	5.1	6.1
2. Local (political) council or assembly	1.2	2.2	3.2	4.2	5.2	6.2
3. Local (HQ-level) administrative departments	1.3	2.3	3.3	4.3	5.3	6.3
4. Ward-level administrators / offices	1.4	2.4	3.4	4.4	5.4	6.4
5. Facility-level units, systems, process, and procedures	1.5	2.5	3.5	4.5	5.5	6.5
6. Public participation, accountability; and transparency	1.6	2.6	3.6	4.6	5.6	6.6
a. Coherence between internal stakeholders?	1.a	2.a	3.a	4.a	5.a	6.a
b. Results-based manner?	1.b	2.b	3.b	4.b	5.b	6.b
c. Consistency with other core capabilities?	1.c	2.c	3.c	4.c	5.c	6.c

In addition to assessing the role of each internal stakeholder or actor to ensure that they contribute appropriately the core capabilities, processes and procedures in each element of the local government

organization, it is equally important to make sure that (a) the actions of all actors within the local government organization are coherent within each capability; (b) each of the six core capabilities, processes and procedures are being pursued in a results-based manner (in line with the stated objectives of the organization); and (c) each institutional capability is exercised in a way that is consistent with—and ideally, builds on—the other core institutional capability, processes and procedures (e.g., plans are informed by consultations; budgets follow plans; expenditures are actually allocated as budgeted; and so on).¹¹

Informed by an initial understanding about the extent to which local stakeholders are in a position to make evidence-informed decisions (based on Annex 1), the PROMOTE framework provides an extensive series of indicators to arrive at a qualitative assessment of the extent of citizen-centric, results-oriented, evidence-informed public sector governance and management by the local government. Depending on the scope of the PROMOTE assessment, different local government departments (sectors and functions) may need to be highlighted in depth.

It should be noted that the questions or indicators contained in Annex 2 are indicative and may need to be adjusted based on the specific context of a given country or local government.

In addition, care should be taken not to interpret the qualitative assessment as a judgment on the local government authority itself. While local governments are often assumed to be corporate entities with full control (authority and autonomy) over their own organization and institutions processes, in many countries (especially outside the OECD and Latine American countries), this is often not the case. This means that—unlike central governments—local government leaders may be denied the autonomy and authority to adjust or improve their own institutional capabilities in favor or greater inclusion, responsiveness, and efficiency.

¹¹ Figure 4 presents public sector management processes and capabilities in a way that suggests that the activities of public sector organizations are a well-sequenced linear or circular or process. Reality is often less neat. For instance, whereas ‘consultation and coordination’ is placed as the first and distinct core institutional capability, in reality, consultation and coordination efforts are likely to intersect with other capabilities and processes throughout the public sector management cycle.

8. Conducting a PROMOTE Assessment

The PROMOTE framework (*Promoting Results-Oriented Management for Local Transformation and Efficiency*) provides a conceptual and practical framework for assessing the inclusiveness and results-orientation subnational governance institutions in the context of a multilevel public sector.

The PROMOTE framework is a free, “open source” assessment (or self- assessment) methodology developed by the Local Public Sector Alliance. The methodology is available for any local government or any other stakeholder to use to conduct an assessment of the inclusiveness and results-orientation of subnational governance institutions in any country around the world.

While the PROMOTE Assessment framework is particularly relevant to countries which have devolved subnational governments which are extensively empowered (as these devolved subnational governments have an above-average impact on the daily lives of their constituents), the framework is equally useful to diagnose whether (and if not, why) non-devolved or hybrid subnational governance institutions are performing their roles in an inclusive and results-oriented manner.

Using the PROMOTE Assessment as a local government self-assessment. A PROMOTE assessment can be initiated by local government leaders or officials as a way to self-assess its own institutional strengths and weaknesses. A periodic institutional self-assessment would be an important aspect of a local government institution’s capability to ‘assess and adapt’, particularly in countries where decentralization or federalization reforms are being implemented. In fact, local government institutional self-assessments are regularly practiced in some counties (e.g., Nepal).

In order to ensure an unbiased self-assessment, local governments might retain an external expert facilitator or peer facilitator to facilitate the self-assessment process. The role of the self-assessment facilitator would not be to act as an external evaluator. Instead, the role of the facilitator would merely be to ensure that the self-evaluation happens in an orderly, professional and unbiased manner.

Using the PROMOTE Assessment as an assessment of local government performance. Alternatively, the starting point for a PROMOTE review may be a policy dialogue or debate on the inclusiveness and effectiveness (i.e., results-orientation) of one or more local governments in a country. Such a dialogue may evolve from discussions on the need to improve the performance of subnational governments in the years leading up to, or the years after a broader decentralization reform process.

Given the important role that local governance institutions play in achieving inclusive governance and in the effective and responsive functioning of the public sector, there are typically numerous stakeholders with a strong interest in better understanding (and strengthening the effectiveness of) local governance institutions. These stakeholders typically include central government ministries (including the ministry responsible for local government or local development, but also the Ministry of Finance, as well as central sector ministries and other central stakeholder); local government themselves (including elected and non-elected local government officials and local government associations); public policy researchers at universities and research organizations; foundations, civil society organizations and other civil society stakeholders interested in promoting inclusive, community-led development. Global development organizations, international financial institutions, multilateral and bilateral development agencies, as well as a number of global foundations have an increasingly clear interest the inclusiveness and effectiveness of citizen-centric and results-oriented local public sector.

The institutions or officials participating in such a policy dialogue may consider conducting a PROMOTE assessment to achieve a common baseline understanding of the inclusiveness and results-orientation of one or more subnational governance institutions. Each of these stakeholders can benefit from a PROMOTE Assessment, as an active participant in the preparation of the assessment, as a peer reviewer, as a funder, or as part of the audience for the completed assessment.

Scope of the PROMOTE Assessment. The scope of a PROMOTE assessment could be tailored based on the reason for conducting the assessment. The methodology itself provides a framework for engaging in a general “360 degree” assessment of the inclusiveness and effectiveness of a local government. Alternatively, the assessment could also be focused on specific elements of public sector performance such as public financial management (i.e., focus on the intersection between local government performance, PFM and service delivery results) or by focusing the assessment on a specific public sector function or (sectoral) public service (e.g., the performance of local health services).

Process for a collaborative PROMOTE Assessment. The process of fact-finding, drafting, reviewing and publication of a PROMOTE assessment provides the basis for a dialogue among stakeholders across different government levels to examine the reasons for strong or weak performance of one or more local government institutions in the context of a country’s specific multilevel governance structure. The assessment process may highlight different aspects of local governance or multilevel governance where reforms may be appropriate. In this case, the PROMOTE assessment process itself forms an opportunity to start building consensus around prioritizing actions to address weaknesses that are identified. Other diagnostic tools—such as the Local Public Sector Alliance’s *Local Governance Institutions Comparative Assessment* (LoGICA) framework or LPSA’s *Intergovernmental Fiscal and Expenditure Review*—may be applied to gain further insight into the performance of the (local) public sector.

Naturally, there are different approaches describing how best to initiate and conduct a collaborative public sector review, including OECD’s *Public Governance Review* and the World Bank’s nascent *GovEnable* framework. For the purpose of conducting a PROMOTE Assessment, the assessment team may wish to draw from the ADB’s (2012) *Results-Based Public Sector Management: Rapid Assessment Guide* or features of the assessment process recommended by the *Public Expenditure and Fiscal Accountability* (PEFA 2018) Handbook in the process of preparing PEFA assessments.

Assessment team composition. Whenever possible, local or country-level assessment teams are encouraged to rely on a combination of experienced local government practitioners along with one or more appropriately qualified researchers or scholars to ensure an objective application of the PROMOTE assessment framework. It may further be beneficial to have combination of local, national, and international expertise and experience on the assessment team. While local and country-level experts and practitioners tend to have a deep understanding of how local systems, processes, and procedures work, they may lack first-hand knowledge of how similar systems may actually work more or less effectively in other (e.g., more or less devolved) country contexts.

Finally, it should be noted that the success of a PROMOTE assessment is likely to depend to a considerable extent on the buy-in of local government stakeholders of the local government(s) being assessed. A successful assessment is likely when local stakeholders see the assessment as an opportunity for collaborative and collective improvement of local government systems. By contrast, if the assessment is seen as being imposed by a single stakeholder (for instance, either by the local

political executive, or by an external party, such as a development partner), the assessment effort is less likely to provide a balanced picture of local government performance, and may fail to achieve its ultimate objective of contributing to a more inclusive and efficient local public sector.

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Annex 1: Evidence-Informed Decision-Making and Allocation of Local Resources (Example: Health)

	Service Delivery / Performance Indicator	Service-specific (primary health)	Local Department / Unit HQ	Ward or Facility 1	Ward or Facility 2	...	Ward or Facility n	Total
1	Population	Total population						
2	Service population	Total (catchment) population						
3	Clients served (outpatient)	Out-patient dept. attendances						
4	Clients served (in-patient)	In-patient dept. attendances						
5	Facilities	Number of PHFs	-					
6	Department admin staff	Total (admin.)						
7	Frontline SD staff	Total (non-admin.)						
8	HR (Staff)	Total number of employees						
9	Wage expenditures	Total department, wages						
10	Non-wage recurrent. exp.	Total department, non-wage						
11	Capital expenditures	Total department, capital						
12	Total expenditures	Total department, total exp.						
3								
13	Wage expenditures	Frontline facility only (PHC)						
14	Non-wage recurrent exp.	Frontline facility only (PHC)						
15	Capital expenditures	Frontline facility only (PHC)						
16	Total expenditures	Frontline facility only (PHC)						
	Performance metrics							
	$([3] / [2]) * 1000$	OPD per 1000 residents						
	$([12] / [2])$	Total unit cost (Total Exp. / OPD)						
	$([2] / [5])$	Avg. catchment pop (pop/facility)						
	$([8] / [1]) * 1000$	Health workers per 1000 residents						
	$([7] / [1]) * 1000$	PHF workers per 1000 residents						
	$([12] / [1])$	Total sector spending / resident						
	$([16] / [1])$	Frontline spending / resident						

Annex 2. Promoting Results-Oriented Management: Qualitative Assessment Indicators

A2.1 Consult and coordinate

Government entities should consult with their constituents (residents and businesses) in a coherent manner, as well as consult with government entities of other government levels and other external stakeholders. Efforts to consult and coordinate with others should focus on the governance and service delivery objectives and results that each government unit seeks to achieve.

In order for the local government organization as a whole to act in citizen-centric and results-oriented manner, each the stakeholders within a local government organization should consult and coordinate with their constituents as well as with external stakeholders in order to inform the organization's vision, plans, and actions.

A first group of questions to be asked as part of a PROMOTE assessment should assess whether consultation and coordination take place to ensure inclusive public participation and responsive and accountable local government processes. Table A2.1 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to consult and coordinate with constituents and external stakeholders in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 1.1 through 1.6 along with Indicators 1.a through 1.c).

Consult and coordinate with their constituents. To the extent that a local government aims to address or represent the views of its constituents (e.g., the organization's members or constituents), of course, the local government should have the legitimacy to do so. Apart from achieving legitimacy, the capability to relate to constituents and external stakeholders is required for achieving credibility, accountability, benefits from community support, networking and complementarity, ensuring resource mobilization, and for protecting space.

When the PROMOTE framework is applied to a local government organization that is a corporate body led by an elected representative democratic body such as a local council or assembly (and in some cases, co-led by a directly or indirectly elected local political executive), the elected leadership of a citizen-centric and results-oriented local government institutions should be expected to engage in consultation and coordination efforts with its constituents on a regular basis.¹²

The PROMOTE framework considers the capability to 'consult and coordinate' as separate from the capability to 'vision and plan' and from the capability to 'decide and commit'. In a representative democracy, *plans* and *decisions* (for instance, plan and decisions about which community infrastructure project should receive funding) should not be made directly by the community itself: as the elected representatives of the community, the local council (or equivalent body) should have

¹² Even when the leadership of a local governance institution is not directly elected by local constituents, we should expect the local political leadership (i.e., local authoritative decision-maker(s)) to consult and coordinate with local constituents.

the authoritative decision-making power to establish priorities and make decisions on the basis of its consultations and coordination efforts. The local government's consultations and coordination efforts should not only include consultations with its constituents, but also consultations with its own technical staff, facility heads, and other external stakeholders (including higher-level government officials) as inputs into the "vision and planning" and "decide and commit" processes.

While the local government's (executive and non-executive) political leadership—as the elected representatives of the people—has an important role in ensuring the local government's consultation and coordination efforts with constituents and external stakeholders, other actors within the local government organization should also engage in regular consultations and coordination efforts. For instance, in order to ensure efficient and responsive service delivery (both in terms of service delivery planning as well as implementation), it is important that local government department heads (i.e., local health director; local solid waste director; and so on) as well as the heads of service delivery facilities have open lines of communication with the constituents that they serve.

Not only is it important that each stakeholder within the local government apparatus engages in effective consultation and coordination, but that these efforts are effectively coordinated within the local government apparatus, for instance, to prevent citizens from being engaged in uncoordinated parallel consultation processes (e.g., citizens being asked to attend a consultation meeting by political leaders one week, and consultations by local department heads on specific services the following week).

A common trap that many local governments (or actors within the local government, such as service delivery departments) fall into is to have too much of an inward focus. In reality, the success of most organizations is driven to a considerable extent by its relationships with its constituents as well as with external stakeholders (funders, regulators, suppliers, its clients, or the community at large).

Because a local government organization's need to engage in consultations with its constituents is not a one-off event, but rather a requirement throughout the public sector management cycle, in addition to recognizing it as a core capability, the PROMOTE framework will further touch on the issue of public participation as part of each other core capability (for instance, Indicator 3.6 deals with public participation in Decide and Commit – e.g., public participation in budget formulation and adoption).

Consult and coordinate with external stakeholders. In addition to engaging regularly with constituents, local government actors must extensively coordinate their efforts with external stakeholders, including representatives from higher-level governments. This is true for the local political leadership (e.g., intergovernmental political engagement and/or engagement with the Ministry of Local Government), as well as for local planning and finance officials (e.g., vertical engagement with the Ministry of Planning, the Ministry of Finance and/or an Intergovernmental Fiscal Commission), and local sectoral departments (engagement with central or regional sector officials).

Unlike consultation and coordination with its own constituents, the extent and quality of consultation and coordination with higher-level governments is typically determined by the higher-level government. As such, the nature and outcome of such consultations is beyond the control of the local government. It is nonetheless important for the local government to engage in such consultations in a constructive manner, and it is important to identify the extent to which ineffective

intergovernmental coordination is a binding constraint to effective results-based management at the local level.¹³

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¹³ For instance, if grant allocations are not authoritatively decided by the central government until after the local budget must be approved (as is the case in many countries), then the local government's ability to *vision and plan* and *decide and commit* are seriously compromised.

Table A2.1 Consult and coordinate

Category/ subcategory	General assessment questions / indicator
1.1 Consult and coordinate: Local political executive	<p>Does the local government—led by the local political executive—have local government-wide (political) consultation processes in place to ensure inclusive public participation and responsive and accountable local government processes?</p> <p>Does the local government—led by the local political executive—participate in intergovernmental coordination fora? Does the intergovernmental system allow for appropriate and effective intergovernmental (vertical and horizontal) coordination?</p>
1.2 Consult and coordinate: Local political leadership (non-executive)	<p>Are local government-wide (political) consultation processes in place to ensure inclusive public participation and responsive and accountable local government processes? Does the elected (non-executive) local political leadership participate effectively in this process?</p>
1.3 Consult and coordinate: Local administrative departments (by function/service)	<p>Are local executive/administrative department consultation processes in place to ensure inclusive public participation and responsive and accountable local government processes?</p> <p>Do local administrative departments engage in regular consultations with external stakeholders (e.g., national civil society actors, business community, etc.) as partners in the promotion of better service delivery and other local government objectives?</p> <p>Do local administrative departments engage in regular consultations with external stakeholders (e.g., national civil society actors, business community, etc.) as partners in the promotion of better service delivery and other local government objectives?</p>
1.4 Consult and coordinate: Ward-level administration or units	<p>Are ward-level consultation processes in place to ensure inclusive public participation and responsive and accountable local government processes?</p>
1.5 Consult and coordinate: facility-level (by function/service)	<p>Are facility-level consultation processes in place to ensure inclusive public participation and responsive and accountable local government processes? What mechanisms are used?</p>
1.6 Consult and coordinate: public participation	<p>Do citizens, CSOs, local businesses, and other community stakeholders engage in public consultations by the local government in an inclusive manner?</p> <p>Is there any follow-up with the community to indicate how community consultations have informed planning and budget formulation? (also relevant to 2.6, 3.6)</p>
1.a Consult and coordinate: Coherence (internal) between local stakeholders?	<p>Does the local political leadership (both executive and non-executive) effectively coordinate its public consultations with each other (e.g., council committees), and with local administrative departments?</p> <p>Do local (ward) councillors and administrative heads coordinate their consultation efforts and play their appropriate roles in the consultation process?</p>

1.b Consult and coordinate: Results-orientation?	Are public/community consultations informed by appropriately disaggregated data about existing spending, service levels, and results (at local/ward/facility level)?
1.c Consult and coordinate: Consistency with other core capabilities?	Are public/community consultations effectively informed by evidence (e.g., by resource constraints and cost information) to prevent setting excessive expectations?

For each (sub)indicator: What mechanisms are used? Are current mechanisms effective? What else should the local government stakeholder(s) be doing?

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A2.2 Vision and plan

Based on the consultations with its constituents and other government levels, each government should articulate its vision for the change that it wants to engender in its jurisdiction, and the (governance, service delivery, and development) objectives that it seeks to achieve as an organization. Informed by consultations with all stakeholders, it should prepare its strategic and operating plans accordingly. Its vision and plans should focus on achieving the objectives and results that the local government has set for itself to achieve.

Table A2.2 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to vision and plan in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 2.1 through 2.6 along with Indicators 2.a through 2.c).

The result of a local government's efforts to *Vision and Plan* should be captured in a number of public planning documents. Intergovernmental legislation or regulations may prescribe specific local planning documents, such as a long-term Local Strategic Plan or a medium-term Capital Investment Plan. The exact number and nature of these required planning documents varies from country to country.

It should be noted that planning in many countries heavily focuses on capital infrastructure planning, and much less on planning required to ensure the successful delivery of recurrent public services. As a result, it is much less common for higher-level governments to require other critical local plans, such as spatial (land-use) plans, local human resource management plans, local asset management (and maintenance) plans, local service delivery plans (for each local government department or unit), local economic development (private sector engagement) plans, facility-level operational plans, and so on. Without these plans, however, local governments (and countries as a whole) are likely to fall into a vicious cycle of “build, neglect, rebuild.”

In some countries, higher-level governments may require local governments—as part of their planning and visioning efforts—to adopt local service delivery charters, or may impose a national service delivery charter on all local governments. In principle, such a charter can be a useful performance and accountability tool. In practice, however, such a charter is only meaningful if local governments have access to adequate (human and financial) resources, along with sufficient authority and autonomy (e.g., to fire under-performing officers or staff), to actually improve performance and achieve the service delivery standards set forth in such charters. In fact, if such charters are imposed without providing local governments with adequate authority, autonomy and resources, the top-down imposition of such charters may actually undermine the ability of local governments to serve as inclusive and results-oriented mechanisms for collective decision-making and action.

A common concern in many countries is that development planning continues to be seen as a top-down exercise, whereby the role of the local government is to implement the development plans and planning objectives set by the higher-level government. Unless national goal-setting is accompanied by the provision of a commensurate level of ring-fenced funding (e.g., conditional grants to pursue

these national priorities), such a top-down imposition of national plans undermines local democracy, as it fails to empower local government leaders from allocating resources in a responsive manner consistent with the priorities of their local constituents.

Another concern is that local government visioning and planning efforts in some countries are unnecessarily constrained by hierarchical, centralized planning and approval processes. In devolved countries, it makes sense for subnational governments to prepare and approve their own spatial plans, local economic development plans, and their own capital development plans (and so on), rather than requiring these plans to be prepared and/or approved at higher levels of government. In fact, the ability of local governments to meaningfully improve their own visioning and planning efforts will remain limited as long as they are not allowed to authoritatively prepare and approve their own plans for the functions within their mandate.

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A2.2 Vision and plan	
Category/ subcategory	General assessment questions / indicator
2.1 Vision and plan: Local political executive	<p>Is there a Local Strategic /Development Plan (LSDP) in place?</p> <p>As relevant, are other required visioning and planning documents in place?</p> <p>Does the local government (local executive) require the preparation of additional citizen-centric, results-oriented (capital and recurrent/operational) plans to ensure all local government departments operate in a citizen-centric, results-oriented manner (e.g., see Indicator 2.3)?</p>
2.2 Vision and plan: Local political leadership (non-executive)	<p>Do local council and local council committees play an appropriate role in the development of the Local Strategic /Development Plan (LSDP) and other local government-wide plans?</p> <p>Do local council and local council committees play an appropriate role in the development of sectoral / departmental plans?</p>
2.3 Vision and plan: Local administrative departments (by function/service)	<p>Are the following department-wide or unit-level visioning and planning documents (and processes) in place?</p> <ul style="list-style-type: none"> • Departmental public service delivery standards or charters • Departmental service delivery (operation and maintenance) plans • Departmental human resource plans • Departmental infrastructure development plans (linked to LSDP/MTEF/Annual Development Plan or Budget) • Departmental asset management plans <p>Are the above-mentioned plans results-oriented / citizen-focused / evidence-informed (e.g., by setting specific numerical targets; by covering both recurrent as well as capital objectives/results; and by setting realistic/achievable recurrent and capital resource requirements)?</p> <p>Is the quality / level of specificity of these plans adequate? Do local government departments have (and/or use) disaggregated administrative data (e.g., by ward / facility /provider) in their planning and decision-making to ensure inclusive access to services within the local and to make sure that resources are directed to the wards/facilities where they are needed the most?</p> <p>[Indicators should be applied to key local services / departments]</p>
2.4 Vision and plan: Ward-level administration or units	<p>Are local strategic / multi-year / departmental plans disaggregated by ward to enable results-oriented planning?</p> <p>Are ward-level planning processes in place, separate from local government-wide planning processes?</p> <p>If they exist, is there an appropriate interface between ward development committees and local department planning efforts at the ward level?</p>
2.5 Vision and plan: facility-level (by function/service)	<p>Are local strategic / multi-year / departmental plans disaggregated by facility to enable results-oriented planning?</p>

	<p>Are facility-level plans / planning processes in place? To what extent are frontline service delivery unit heads/staff involved in developing their facility-level plans?</p> <p>[Questions should be applied to key local services / departments]</p>
2.6 Vision and plan: public participation	<p>Are there opportunities for public / civil society engagement in visioning and planning processes at the local level with the local political executive? With the non-executive local political leadership (e.g., local council or assembly)? At the ward level? At the facility level?</p> <p>[Further see 1.6]</p>
2.a Vision and plan: Coherence (internal) between local stakeholders?	<p>Was/is the Local Strategic/Development Plan (LSDP) developed in a coordinated manner, including political, and administrative participation?</p> <p>Are the department-wide or unit-level plans (e.g., sectoral infrastructure plans; service delivery plans) coherent and consistent with the LSDP?</p> <p>Is there coherence between all other vision and planning documents and objectives? (E.g., adequate provision is made for recurrent inputs in sector plans in order to achieve service delivery standards included in local service delivery charter, etc.)</p> <p>If ward / ward committees have their own planning processes (separate from local government departments), how do these plans feed into the local government's (e.g., departmental) plans (and local government budget formulation)?</p> <p>If local service delivery facilities have their own planning processes (separate from their respective local government departments), how do these plans feed into the local government departmental plans?</p>
2.b Vision and plan: Results-orientation?	<p>Is the LSDP results-oriented / citizen-focused / evidence-informed, covering both recurrent as well as capital development resource requirements, and adequate to allow for the establishment of spending priorities?</p> <p>Were the development objectives defined in the LSDP developed in the context of a (rough) projected resource constraint over the period under consideration? Or does the 'plan' reflect an uncosted ambition or wishlist?</p> <p>Is the quality / level of specificity of the Local Strategic/Development Plan adequate to form the basis for results-based (capital and recurrent) plans?</p>
2.c Vision and plan: Consistency with other core capabilities?	<p>Does the LSDP reflect community inputs (and the inputs from other constituents) received during public consultation process?</p> <p>Is there a plan or mechanism (e.g., MTEF) that effectively connects the strategic plan (LSDP) with the annual budget process?</p>

A2.3 Decide and commit

There should be a link between the government organization's plans and its budget. Each government entity should make decisions and commit its resources in accordance with its vision and plans, and in line with the (governance and service delivery) objectives, priorities, and results that the government entity seeks to achieve.

Table A2.3 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to decide and commit in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 3.1 through 3.6 along with Indicators 3.a through 3.c).

The capability to *decide and commit* deals with the basic ability of a local government organization's leadership to make decisions in line with its vision and plans and to operationalize the local government's plans by commit the organization to act in line with its planned objectives.

The capability to *decide and commit* also implies the ability of the local government to achieve a degree of coherence through the process of preparing its annual budget and the adoption of (related) annual operational plans. In other words, is the organization able to commit to a specific—citizen-centric and results-oriented—course of action as a coherent whole, or do different actors within the organization pull the organization in different directions? The capability to *decide and commit* in line with constituents' priorities requires a considerable granularity in planning, budgeting, and operationalization of local plans, and further requires the local government's leadership to overcome internal (e.g., electoral and administrative) as well as external political economy pressures.

For instance, if the local government's results-based plans specify a specific course of action (e.g., place more health workers in health facilities that serve the more rural or remote areas of the local government), the local government budget and the local health department's operational plans should be found to decide and commit the local government on this course of action. Local government system may not support such a decision or commitment if the local government budget structure is inadequate (for instance, if local facilities are not cost centers in their respective department's budget). Alternative, the capability to *decide and commit* in a citizen-centric and results-oriented manner may be undermined by political economy forces (e.g., local political leaders may—for political reasons—shy away from adopting a budget that places health staff at facilities where they are needed the most, and/or local administrative heads may prepare budgets and operational plans that fail to allocate additional health staff in underserved areas/facilities due to institutional/administrative pressures).

Table A2.3 Decide and commit

Category/ subcategory	General assessment questions / indicator
3.1 Decide and commit: Local political executive	<p>Do intergovernmental budget processes provide enough structure, time, and granularity for local governments to decide and commit local government resources in an inclusive, efficient, and timely manner?</p> <p>Do local PFM systems provide enough structure and granularity (e.g., with respect to functional classifications; facility-level cost centers; program-based budgeting; geo-coding; gender budgeting; etc.) to support results-oriented (budget) decisions and commitments.</p> <p>Do budget ceilings/allocations in the executive budget proposal conform to the local’s strategic priorities as defined in its LSDP/MTEF and as per the departmental budget proposals (or is there an insufficient evidence-informed link between plans and budgets)?</p>
3.2 Decide and commit: Local political leadership (non-executive)	<p>Does the annual budget formulation and approval process take place in an organized and timely manner?</p> <p>Are local department budgets, as ultimately approved by the local political leadership (including wage spending, non-wage recurrent spending, and capital spending), broken down at the facility-level? [Also relevant for Indicator 3.3]</p> <p>Do budget estimates/allocation in the final (approved) local budget conform to the local government’s strategic priorities as defined in its LSDP/MTEF (or is there an insufficient evidence-informed link between plans and budgets)?</p> <p>Does the Annual Development Plan conform to the local government’s strategic priorities as defined in its LSDP/MTEF and as per the departmental capital investment plans / proposals?</p> <p>Do local assembly committees play an appropriate / constructive role in sectoral budget development and adoption?</p>
3.3 Decide and commit: Local administrative departments (by function/service)	<p>Are local department budget proposals (including wage spending, non-wage recurrent spending, and capital spending) broken down to the ward/facility-level?</p> <p>Assuming they are (formally or informally) disaggregated by ward / facility, are local department budget proposals and approved budget committed to the wards/facilities where they are needed the most?</p> <p>[Questions should be applied to key local services / departments]</p>
3.4 Decide and commit: Ward-level administration or units	<p>What role, if any, do wards have in the local (budget) decision and commitment process? E.g., are there ward-level funds or ward cost centers in the local budget?</p>
3.5 Decide and commit: facility-level (by function/service)	<p>What role, if any, do facilities have in the local (budget) decision and commitment process?</p> <p>Do facilities or providers have their own budgets and/or budget approval processes, separate from the local government budget (e.g., WASSCO budget;</p>

	<p>health facility fees, etc.)? If so, what are they, and are they effective, responsive, and transparent?</p> <p>[Questions should be applied to key local services / departments]</p>
3.6 Decide and commit: public participation	<p>Is there appropriate transparency and opportunity for public participation in the budget formulation and approval process?</p> <p>[Also see Indicator 1.6]</p>
3.a Decide and commit: Coherence (internal) between local stakeholders?	<p>Is there coherence between the budget resources made available (as per the approved budget) and the projected outcomes / results (as included in the local departmental operational plans)? [Also Indicator 3.b]</p>
3.b Decide and commit: Results-orientation?	<p>Are program-based budget targets in the approved local budget for each local department specified for staffing (wage spending), non-wage recurrent spending, and capital (development) spending?</p> <p>Are program-based budget results specified in an appropriate (results-oriented) manner? For instance, PBB objective should be to achieve a specific program standard (e.g., student-classroom ratio), rather than providing funding for specific project (e.g., construct 4 classrooms).</p> <p>Are program-based budget allocations and targets for each department disaggregated at a facility level (either in the main budget, or in a budget annex)?</p>
3.c Decide and commit: Consistency with other core capabilities?	<p>Is there consistency between the priorities established in the local government's vision and planning documents on one hand, and the local government budgets and the approved operational plan on the other hand? (E.g., service delivery standards contained in local service delivery charter are funded, etc.)</p> <p>[Also see Indicator 2.c]</p>

A2.4 Act and administer

Each government entity should act and administer its programs and activities efficiently and transparently, while ensuring the inclusive and efficient delivery of public services. Government departments, operating units and frontline service delivery facilities should act to implement and execute their programs and budgets as intended, in line with their results-based plans and budgets.

Table A2.4 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to act and administer in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 4.1 through 4.6 along with Indicators 4.a through 4.c).

The capability to *act and administer* (or the capability to deliver on development objectives) asks whether the basic mechanisms and systems are in place within the organization to implement and execute the policies and strategies identified by the leadership to achieve the organization's objectives. The exact operational mechanisms required by a local government organization depend on the exact type and nature of the organization, but they tend to include local public financial management systems (including revenue administration and local expenditure/treasury management), human resource management systems, procurement mechanisms, mechanisms for the enforcement of local regulations, and so on.

A2.4 Act and administer	
Category/ subcategory	General assessment questions / indicator
4.1 Act and administer: Local political executive	<p>Are intergovernmental fiscal transfers (unconditional as well as conditional grants) disbursed in a complete, consistent, and timely manner?</p> <p>Does the local political executive provide adequate within-budget-year oversight over financial performance of local departments (e.g., through local executive committee meetings)?</p> <p>Does the local political executive provide adequate within-budget-year oversight over the physical progress / implementation of public works and departmental infrastructure projects?</p>
4.2 Act and administer: Local political leadership (non-executive)	<p>Does the local council (e.g., through the finance committee) provide adequate within-budget-year oversight over financial management?</p> <p>Does the local council (e.g., through the appropriate committee(s)) provide adequate within-budget-year oversight over implementation of public works and departmental infrastructure projects?</p>
4.3 Act and administer: Local administrative departments (by function/service)	<p>Does the approved local budget, along with departmental plans, regulations, and standard operating procedures, provide sufficient guidance in order for local operational units (departments) to administer programs and deliver services in an objective, efficient, and result-oriented manner?</p> <p>Are budgets implemented / executed as intended (in line with results-based plans and budgets)? Are there implementation bottlenecks with respect to:</p> <ul style="list-style-type: none"> o Cash-flow management issues? o HR Management issues?

	<p>o Procurement management issues?</p> <p>Is the CPSB functional and effective? What share of approved positions is filled?</p> <p>Are budget releases to households (e.g., bursaries, etc.) or allocations to off-budget entities or service delivery facilities (e.g., made in a systematic, complete, timely, consistent manner?</p> <p>[Questions should be applied to key local services / departments]</p>
4.4 Act and administer: Ward-level administration or units	Do ward-level stakeholders have any role in budget execution / the implementation of local infrastructure and/or local services?
4.5 Act and administer: facility-level (by function/service)	Does the approved local budget, along with departmental plans, regulations, and standard operating procedures, provide sufficient guidance in order for local facilities to administer programs and deliver services in an objective, efficient, and result-oriented manner?
	[Questions should be applied to key local services / departments]
4.6 Act and administer: public participation	Is there appropriate transparency and opportunity for public participation in the budget execution / oversight process? E.g., are quarterly budget reports made publicly available in a detailed and timely manner?
4.a Act and administer: Coherence (internal) between local stakeholders?	Is there appropriate coherence and coordination between different local stakeholders to ensure effective, coherent action and administration by the local government as a whole?
4.b Act and administer: Results-orientation?	Do the local government's actions (delivery of public services and infrastructure) and administration efforts (e.g., collection of revenues; enforcement of regulations) take place in a results-oriented manner?
4.c Act and administer: Consistency with other core capabilities?	Do the local government's actions (delivery of public services and infrastructure) and administration efforts (e.g., collection of revenues; enforcement of regulations) take place in a manner that reflects the decisions and commitments (i.e., the approved budget and operational plans)?

A2.5 Monitor and report

Each government should monitor and report on the progress and results of its different departments, units, and facilities during and at the conclusion of each planning cycle and budget year.

Table A2.5 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to monitor and report in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 5.1 through 5.6 along with Indicators 5.a through 5.c).

In the public sector (especially in developing countries), “monitoring and evaluation” (or M&E) is often considered to be a process in its own right.¹⁴ In traditional public sector systems, preparing monitoring reports is something that is done *in addition to* (rather than as part of) regular operational processes. Rarely is monitoring seen and understood as an integrated part of the public sector’s ongoing operational processes.

For instance, student registration and the preparation of enrolment reports for local schools is typically understood to be a paper-based process, as the administrative capacity of any individual school is inadequate to set up its own computerized/online registration system. The same is true for patient registration, appointment, and reporting on outpatient health services provided at most local health centers. In the absence of computerized business processes, the school principal, health center director, or the facility in-charge has to manually prepare paper-based monitoring reports on a weekly, monthly, or quarterly basis for upward reporting. Rather than adding value to facility-level administration and operations, monitoring and reporting is thus a drain on time and resources.

The increased availability and reliance on digital tools has the ability to sharply increase the ability of the local government to monitor its own processes, in a way that creates synergies with its ability to act and administer efficiently. This requires, however, to step out of the traditional public sector mindset, and think about the local government as a service delivery conglomerate, as described above. For instance, local government departments typically run dozens (if not more) local schools or health facilities. As a service delivery ‘company’ with dozens of branch offices, there are considerable efficiency gains to be had to have—for instance—a common IT-based school registration process managed at the local government level. In fact, the local government does not even have to build this registration platform from scratch, but rather, can procure the necessary support services from any IT provider, similar to the way any association or business enterprise would.

The advantage of automating such processes are numerous, both in terms of more efficient service delivery, but also by integrating monitoring and reporting into the core operations of each local government department. For instance, parents of public school students would simply register their children on an online portal, whereas patients could be allowed to register for online appointments for local primary health facilities. Registrations for local business licenses, local building permits, payment of property rates, or payment of market fees could similarly be streamlined.

¹⁴ In the PROMOTE framework, the “evaluation” part of “M&E” is considered to be part of the capability to “assess and adapt”.

The software and platforms to perform such tasks are readily available, low cost, and can easily be customized to the needs of each local government. Administrative costs are reduced as users enter their own data, and—by making the services available online—makes it less burdensome for customers to access local services. Electronic payments are more secure with less opportunity for frontline staff to divert public funds. Perhaps more importantly, the digital processes automatically provide the monitoring role: all important data is automatically captured online, and monitoring reports can be generated instantly at any desired frequency. When business processes are automated, monitoring and reporting is no longer a drain on time and resources, but can be used as a precious resource to ensure effectiveness, responsiveness and accountability.

For instance, with little or no additional effort, local department managers as well as local elected leaders will have regular information on the performance of each service delivery 'branch': How many children are enrolled in each public school this month? How many patients were seen at each health facility this quarter? How many market traders used local markets this month to sell their wares? How many of those are women? How many business licenses were issued to women?

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Table A2.5 Monitor and report

Category/ subcategory	General assessment questions / indicator
<p>5.1 Monitor and report: Local political executive</p>	<p>Does national legislation impose adequate requirements with respect to monitoring and reporting of local budget execution and local program implementation, in a way that allows citizens to hold local governments responsible for their performance?</p> <p>Do local government executive ensure that local government departments adhere to (central or local) transparency requirements in the monitoring of—and reporting on—local government operations?</p> <p>Does the local government executive have a dedicated unit of official to track the performance of local government departments, separate from the local administration (e.g., through a Performance Monitoring Unit in the Mayor's Office).</p> <p>Does the local executive monitor the expenditure performance of local departments and/or operating units during the annual budget/program implementation cycle?</p> <p>Does the local executive monitor the recurrent service delivery performance of local departments and/or operating units during the annual budget/program implementation cycle (e.g., health attendances, ECD Centre enrolment, etc.)?</p> <p>Does the local executive monitor the physical progress of capital investment projects of local departments and/or operating units during the annual budget/program implementation cycle?</p>
<p>5.2 Monitor and report: Local political leadership (non-executive)</p>	<p>Does the local assembly (in whole, or thorough committees) monitor the expenditure performance of local departments and/or operating units during the annual budget/program implementation cycle?</p> <p>Does the local assembly (in whole, or thorough committees) monitor the recurrent service delivery performance of local departments and/or operating units during the annual budget/program implementation cycle (e.g., health attendances, public school enrolment, etc.)?</p> <p>Does the local assembly (in whole, or thorough committees) monitor the physical progress of capital investment projects of local departments and/or operating units during the annual budget/program implementation cycle?</p>
<p>5.3 Monitor and report: Local administrative departments (by function/service)</p>	<p>What metrics are available to monitor the service delivery performance of local service delivery departments (e.g., clients served, etc.) ? Is this data available in a timely manner? Is this data automatically generated as an integrated part of local operating processes, and/or as reports to be prepared manually by staff?</p> <p>Is local service delivery performance data (for each department or unit) available in a disaggregated manner at the ward and facility levels?</p> <p>Are local operating units and facilities included in the local treasury system as cost centers, so funding can be tracked and monitored to the facility level</p>

	<p>through the local treasury? If not, are alternative systems in place that allow the monitoring and reporting on fund flows to frontline facilities?</p> <p>During the budget/implementation cycle (within year), do local departments monitor the disbursements and/or budget execution performance of operating units and facilities?</p> <p>During the budget/implementation cycle (within year), do local departments monitor the service delivery metrics?</p> <p>Are there opportunities for civil society engagement, oversight and monitoring at the local department level?</p> <p>[Questions should be applied to key local services / departments]</p>
5.4 Monitor and report: Ward-level administration or units	<p>Are there opportunities for civil society engagement, oversight and monitoring at the ward level? What mechanisms are used?</p>
5.5 Monitor and report: facility-level (by function/service)	<p>During the budget/implementation cycle (within year), do local operating units and facilities prepare or generate monitorable service delivery and performance metrics (e.g., OPD attendance; OPD per health worker; OPD per 1000 resident; number of business permits issues; etc.) that can be monitored throughout the budget year?</p> <p>Are there opportunities for civil society engagement, oversight and monitoring at the facility level? What mechanisms are used?</p> <p>[Questions should be applied to key local services / departments]</p>
5.6 Monitor and report: public participation	<p>Is the (budget and service delivery / performance) information that local governments make publicly available sufficiently timely and detailed for meaningful public participation and oversight of local expenditures and operations?</p> <p>Is this data publicly available in disaggregated form (by ward and/or facility)?</p> <p>Are there opportunities for civil society engagement, oversight and monitoring at the local (political and/or administrative), ward, or facility level? What are they?</p>
5.a Monitor and report: Coherence (internal) between local stakeholders?	<p>Is there appropriate cooperation and collaboration between different local stakeholders to ensure effective, coherent monitoring and reporting of frontline service delivery results, service delivery performance, and indicators of the value-for-money provided to constituents by the local government as a whole?</p>
5.b Monitor and report: Results-orientation?	<p>Do the local government's monitoring and reporting efforts focus on the functions, tasks, and results that are of interest to constituents (e.g., access to recurrent services, number of clients served, compliance with meaningful service delivery standards (e.g., facilities properly staffed and open on time), timely performance of administrative/regulatory functions, value-for-money provided to residents, etc.), rather than (or in addition to) focus on process indicators or compliance indicators (e.g., wages or recurrent spending as share of total budget) ; project indicators (e.g., x facilities constructed); and</p>

	<p>infrastructure-focused indicators that are largely of interest to national government and/or local politicians?</p> <p>Do the local government's monitoring and reporting efforts allow for performance comparisons between different local facilities/wards and/or performance comparisons with other local governments?</p>
<p>5.c Monitor and report: Consistency with other core capabilities?</p>	<p>Do the local government's monitoring and reporting efforts allow for an assessment of its ability to act and administer by allowing comparisons of actual (within-year) outcomes and results against the goals set as part of the local government vision and plans and in the annual budget document(s) and operational plans.</p>

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A2.6 Assess and adapt

The government organization should assess its own performance and adapt its organizational processes, procedures, and make other decisions (e.g., reallocate resources) necessary to improve its own performance within the constraints being faced by the government organization.

Table A2.6 presents a series of indicators that will help assess the institutional capability (systems, processes, and procedures) that would enable local governments to assess and adapt in an inclusive, citizen-centric, efficient and results-oriented manner (Indicators 6.1 through 6.6 along with Indicators 6.a through 6.c).

The capability to *assess and adapt* (or self-renew) recognizes that local government organizations do not operate in a static environment. As such, an organization that fails to assess its own performance on a regular basis or fails to adapt its service delivery efforts when things aren't working is not likely to produce value for its constituents for long.

Effective local government organizations do not just monitor and report, but are capable of adapting and self-renewing in response to the evidence that monitoring and reporting processes provide. There is no sense for a local government to monitor and report on inputs, processes, outputs and other results unless local government stakeholders are willing to change approaches when things aren't working as expected. Unfortunately, even when local governments monitor their own results, most local governments continue to do "business as usual" even when they are failing to achieve the intended results, rather than adapting their business processes to achieve better outcomes.

The capability to assess, adapt and self-renew requires organizations to be "learning organizations" that have a cycle of strategizing, adaptation, repositioning, and managing change in which 'monitoring and evaluation' are not just used for reporting and accountability purposes, but more importantly, for adjustment, adaptation, improvement, and innovation.

Table A2.6 Assess and adapt

Category/ subcategory	General assessment questions / indicator
<p>6.1 Assess and adapt: Local political executive</p>	<p>Is there an effective annual performance review process, as part of the planning and budget cycle, that enables the local political executive to assess the local government’s overall budgetary performance, based on which local administrators may be held accountable for their performance, and inform change as needed?</p> <p>Is performance data collected and reported to the local’s elected leadership each year in a timely manner and sufficiently detailed to enable the local political executive to assess the local government’s overall performance (in terms of recurrent services and infrastructure development), based on which local administrators may be held accountable for their performance, and inform change as needed?</p> <p>Is there an effective annual performance review process, outside of the regular planning and budget cycle, that enables the local political executive to assess the local government’s overall (institutional/governance, service delivery, development) performance, based on which local administrators may be held local administrators accountable for their performance, and which may inform change as needed?</p>
<p>6.2 Assess and adapt: Local political leadership (non-executive)</p>	<p>Is there a performance review process, led but the local council and/or its committees, that enables the local government’s political leadership to assess the local’s overall (governance, service delivery, development) performance, based on which local administrators may be held local administrators accountable for their performance, and drive adaptive change as needed?</p>
<p>6.3 Assess and adapt: Local administrative departments (by function/service)</p>	<p>Does the local government have performance contracts with key local administration officials (officers / department heads)? If so, do these contracts focus on specific actions to be taken by local officials, or are they tied to quantifiable results? Are they effective and enforced?</p> <p>Do local departments prepare and publicly release annual reports (separate from budget-related reports) which report comprehensively on their achievements (in aggregate) for each function or service under their remit, including indicators such as (changes in) the number of facilities, the number of staff employed, the level of spending, and the number of clients served (broken down by gender, as relevant) along with other relevant results/ performance indicators?</p> <p>If so, where needed, does the annual local performance (self-) assessment by local departments contain recommendations for the adaptation of priorities, processes, or procedures, to improve its performance?</p> <p>If so, based on the recommendations for the adaptation of priorities, processes, or procedures, is there any follow up to implement the changes and/or review whether the changes have resulted in improved performance?</p> <p>[Questions should be applied to key local services / departments]</p>

<p>6.4 Assess and adapt: Ward-level administration or units</p>	<p>Do local departments (or the local government as a whole) prepare and publicly release an annual report which reports on service delivery and performance results by ward for each main local function, including the number of facilities by ward, the number of staff employed by ward, and so, along with other relevant results/performance indicators? (This may be part of a broader annual local government performance report).</p>
<p>6.5 Assess and adapt: facility-level (by function/service)</p>	<p>Do local departments (or the local government as a whole) prepare and publicly release an annual report which reports on service delivery and performance results by facility for each main local function, including the number of facilities, the number of staff employed by facility, the level of spending by facility, and the number of clients served by facility, and so on? (This may be part of a broader annual local government performance report).</p> <p>[Questions should be applied to key local services / departments]</p>
<p>6.6 Assess and adapt: public participation</p>	<p>What (if any) public performance assessment processes or mechanisms are used (e.g., citizen report cards)?</p> <p>Is an evidence-based performance and results assessment made publicly available by the local government each year in a manner and with sufficient detail to enable the local government’s population/ constituents to assess the local’s performance (recurrent services and infrastructure development), and hold local administrators and political leaders accountable for performance?</p>
<p>6.a Assess and adapt: Coherence (internal) between local stakeholders?</p>	<p>Is there appropriate cooperation and collaboration between different local stakeholders to ensure an effective, coherent assessment of frontline service delivery results, service delivery performance, and the value-for-money provided to constituents?</p>
<p>6.b Assess and adapt: Results-orientation?</p>	<p>Do the local government track key performance indicators or results indicators over time?</p> <p>Are there examples where the local government’s evidence-based efforts to assess and adapt have resulted in recommendations to do ‘act and administer’ differently? Have these reforms been successful?</p> <p>Are the local government’s efforts to assess and adapt informed by performance comparisons between different local facilities/wards within the local government and/or performance comparisons with other local governments?</p>
<p>6.c Assess and adapt: Consistency with other core capabilities?</p>	<p>Do the local government’s evidence-based assessments of local performance and results inform the local government’s public consultation efforts?</p> <p>Does the local government’s evidence-based assessments of local performance (or results) inform dialogues with higher-level governments and external stakeholders?</p>