HOW-TO NOTE:
A Framework to Assess Administrative Decentralization

Local governments need to be endowed with administrative autonomy in order to be able to respond to local needs effectively. The purpose of this note is to clarify components of a well-designed administrative decentralization system and to assist task teams and stakeholders to assess administrative decentralization effort in any given country. There are two main components of an administrative decentralization system (a) discretion allowed to the local government to direct the business of the local government and (b) mechanisms to hold the local government accountable for appropriate use of this discretion.

Local governments need to be endowed with administrative autonomy in order to be able to respond to local needs effectively. The World Bank (2008) identifies three broad powers as being crucial for local governments to be administratively autonomous: (a) to make, change and enforce regulatory decisions, (b) to govern a procurement system and (c) to manage human resources including recruitment and performance management. The objective of this note is to present a framework that allows us to evaluate the components of an administrative decentralization system in order to ascertain if the design of the system is able to fulfil its goals. According to this framework, the discretion allowed to local governments to perform fundamental functions must be checked through various mechanisms of accountability.

Two types of accountability are essential features of an effective decentralization system: public accountability, where local officials are held accountable by other elected or non-elected public officials, and social accountability where, public officials are answerable directly to the citizens. Figure 1 provides a graphical representation of these relationships.

The objective of this note is to explain the importance of each of these components. The note also illustrates how these components should be put into practice. Challenges and good practices in implementations in various developing countries are highlighted. Detailed checklists (Tables A1, A2, A3 and A4 in the annex) are provided that can serve as tools in evaluating the decentralization reforms in any country. Uganda, Philippines, India (Kerala state) and Rwanda are used as examples to elucidate the use of the checklists. The note also includes a blank questionnaire which the reader can complete for any country under review (Tables A5, A6, A7 and A8 in the annex).

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1 In this note, local governments comprise local council, the local executive and other committees established by the council or executive. Local council refers to local legislative assembly while local executive refers to the administrative unit of the local government including the bureaucracy that performs the functions prescribed by the local government.
2 The framework is adapted from World Bank (2008).
3 This note is part of the series of notes on decentralization. Other notes in the series define the framework for fiscal and political decentralization.
4 The choice of countries is based on the variety of decentralization structures found in these countries.
1. Discretion
Administrative discretion has three components: ability to regulate, discretion over procurement of goods and services, and management of human resources.

1.1. Ability to regulate
As part of administrative autonomy, local governments need a minimum set of powers and capacities to initiate local laws and regulations on issues affecting their jurisdiction. In theory it is argued that the local governments are more effective regulators because they are better able to ascertain and aggregate their constituents’ preferences than regional or central governments. This improves allocative efficiency. In a well-designed administrative decentralized system, regulatory discretion of the local government extends to the following areas: local economic development, land use planning and management, zoning, and some aspects of public safety, public health, social protection, education, and environmental protection (World Bank, 2008). Our review of local governments in the case study countries suggests that local governments in Rwanda, Philippines and Kerala have regulatory discretion in most areas that were mentioned above. On the other hand, local governments in Uganda are more restricted in their ability to regulate. However, it should be noted that in certain sectors, for example health, greater regulatory authority should be maintained at the central level. See Box 1 for more explanation.

In addition to the ability to regulate, local governments also need the authority to sanction non-compliance to ensure enforcement of these regulations, for example through administrative penalty. Administrative penalty is applied through a locally issued ordinance and administered by a local governing body, such as a local council or a special committee. In the case study countries, however, we observe that none of the local governments have the authority to sanction non-compliance except Rwanda. In addition to the inability of the local government to ensure enforcement, the need for local governments to adhere to certain minimum
standards set by the national government can also indirectly restrict the discretion of the local government. Therefore, the benefits of prescribing minimum standards to ensure quality of the service provision should be weighed against the loss of local government’s discretion.

1.2. Discretion to Procure and Administer Services
In addition to the regulatory authority, local government also needs discretion to procure goods and services from the private sector or other entities to ensure efficient service delivery to citizens. Procurement contracts can take many forms including service or management contracts, leases, concessions, joint ventures, and full or partial ownership. The procurement process can be divided into the following phases: specifying goods and services to be procured, designing the contract, selecting suppliers, appraising technical and financial qualification of the bidders, managing the bid process, finalizing the bid process and contract management. Decentralization laws should provide clear guidance on the roles of different branches and levels of government in all of the above mentioned steps of procurement processes. In a well-designed administrative decentralization system, local governments should have discretion in all these stages.

The review of study countries shows that local governments in the Philippines and Kerala have the authority to engage in all kinds of procurement contracts. On the other hand, local governments in Uganda and Rwanda only have partial authority to enter into procurement contracts with private or other entities. Regarding the comparative participation of local councils, local executives and the central executive in the procurement process, we observe that in Kerala and the Philippines, local councils are fully empowered to carry out the procurement processes without the involvement of central or local executive. On the other hand, in Uganda, the local executive is completely in charge of the procurement process while the local council does not play a substantial role. One phase of procurement in which the central executive almost always participates is the appraisal of the technical and financial qualifications of the bidders. The rationale for government participation in this particular phase of the procurement, its challenges and possible ways of including citizens in the process are discussed in Box 2.

Box 1. Health: regulatory discretion to the local or the central government?

Some services, for example, public health, do not present a very good case for decentralization of regulatory and service provision authority to the local level. Specifically, the regulatory authority should be decentralized cautiously for services that have the following two characteristics. First are services for which the non-excludable externalities (or spill-over effects) are spread over a large area (larger than the local government jurisdiction). The theoretical argument of internalization of externalities through decentralization is weak. The local government would ignore the larger externality effects of these services while deciding the quantity of these services to be provided at the margin. Therefore, if service provision and policy making authority is left completely to the local government, the government will under-provide these services while over-providing the services that are excludable and more visible. In the health sector, for example, it is argued that decentralization leads to over-allocation of resources for curative health and under allocation for preventive health services (World Bank, 2009).

Second, if the provision of a service requires extensive technical expertise and knowledge, it should be regulated at the central level. For example, health case studies reviewed in ESW (2010) have argued that local preferences may not always conform to well-established and effective public health practices. Similarly, local governments may not have required expertise, for example skilled staff, to ensure adequate quality of health services.
1.3. Discretion to manage human resources

Human resources form a crucial link in bringing government closer to people by aligning public sector activities and decisions with popular preferences. Local government discretion over human resources and employment policies should ideally cover pay policy autonomy (setting overall wage rates as well as local hardship and remote allowances), budget transparency (paying staff from one’s own budget), budget and establishment control (controlling staff numbers and authority to remove surplus staff), recruitment autonomy (recognition as the formal employer), career management control (vertical and horizontal mobility, including transfers to other units within the local government system), and performance management (directing and supervising activities and tasks, conducting evaluations, and exercising the ability to discipline and fire).

However, decentralization of the human resource management is a complex process. Local governments rarely have discretion in management of personnel working within their purview. In some countries, such as Pakistan, a majority of the personnel that performs local government functions continues to be hired by the central or provincial government. Local governments, on the other hand, are allowed to hire additional staff on a contract basis. In other countries, such as Burkina Faso, functionaries are transferred to the local government but operational control is retained by the central government. These practices create different types of personnel working simultaneously under local government jurisdiction. Failure of the legal framework to clearly define the responsibilities and accountability channels of different types of personnel compounds confusion and reduces efficiency. Many countries, such as Guinea, also face the problem of insufficient staff. Box 3 explains the challenges of increasing the discretion of local government in managing human resources.
2. Accountability

Accountability is not an automatic outcome of increased discretion of local governments. Specific mechanisms should be designed to ensure that citizens and higher officials are able and willing to hold local governments accountable for their discretion. The notion of administrative accountability can be divided into public accountability and social accountability.

2.1. Public Accountability

The public sector generally relies on four mechanisms to improve administrative accountability. These mechanisms are accountability structures within bureaucratic hierarchies, specially designed independent bodies, administrative courts, and performance based financing.

Accountability structures in the bureaucratic hierarchy imply that the local government staff is accountable to higher administrative officers, public audit officers, supervisors, and legislative bodies. These entities may instigate investigations of the use of administrative discretion by lower level bureaucrats. These methods are important as a first step to uncover information about misadministration by local governments.

Accountability through specially designed independent bodies emerged as a mechanism in response to increased complexities of administrative processes and new government challenges that require specific expertise. Examples of these bodies include independent auditors (external auditors) who scrutinize the use of public funds for signs of misuse, ombudsmen who hear citizens’ complaints about local governments’ regulatory decisions and actions, or theme-specific bodies (such as the anti-corruption commissions, environmental review boards, or commissions for sustainable development) that address compliance issues with sector-based standards set by the national government.

Administrative courts with local expertise address local conflicts that may arise between local government and citizens from the potential

Box 3. Challenges of decentralizing human resource management

One of the major arguments in favor of retaining the management of human resources at the central government is the need to enforce national minimum standards for the qualifications of staff which for some services, like health and education, are particularly important. The public choice literature elucidates additional reasons for the reluctance of central governments to devolve authority in the management of human resources. The literature identifies the potential redistribution of power that results from devolving human resource policies to the local government as a crucial reason. Granting administrative autonomy to local governments in recruitment and management of staff means reallocation of jobs and consequently power, geographically and institutionally. Therefore bureaucracies, the power holders in the status quo prior to decentralization, tend to resist reforms as they stand to lose prestige. This resistance is particularly marked in situations where bureaucracies maintain strong links with the central executive and possess political allegiances. In addition to these considerations, personnel that are being devolved to the local level are also usually concerned about their job security and prospects for career enhancement in a local government. Human resource management at the local level limits inter-regional mobility, sometimes reduces the pay scale, and can affect working conditions of the staff.

Other than resistance from bureaucracy, the central government may also want to retain control over financial flows and human resources to the local government for political reasons. Central authorities may see decentralization as an opportunity to appoint a dependable and proven individual who will “tow the party line” and design and implement reforms according to national political interests rather than local ones. This encourages devolution rather than decentralization in management of human resources. Moreover, jobs are an efficient medium for distribution of patronage. For example, the ruling party in Ethiopia plays a major role in the recruitment and management of local staff to the extent that local government cabinet members and administrators are selected from party lists (World Bank 2009).
misuse of local governments’ regulatory and administrative discretion. They ensure compliance with national laws, regulations, and standards. In order to be able to ensure accountability of the local government, a court system should also have the authority to issue binding decisions on legal compliance by local governments. In France, for example, administrative tribunals are the court of first instance with “full jurisdiction” over disputes related to local government actions. Administrative courts have been set up in Kerela and Rwanda. However, they are not accessible to the citizens.

Performance based financing is another mechanism by which central or regional government can hold local governments accountable. According to this mechanism, central or provincial governments make the financing of specific local government project dependent on fulfilment of certain pre-determined criteria. For example, in Chile, funding to local health systems is not automatic and is distributed by regional health services after their evaluation. Similarly, in Uganda, under the Local Development Grant program, only the local governments that meet certain minimum governance criteria (for example adequate financial management capacity) can access funds for capital development projects. The top twenty percent of the districts in terms of (administrative) performance receive a twenty percent increase in funds for the next budget year, while poor performers are penalized by twenty percent for the next year’s budget. There are indications that Uganda’s local development grant mechanism, and similar mechanisms like it around the world, have met with significant success and has improved planning, financial management, accountability and transparency in development projects (World Bank 2010).

2.2. Social Accountability
Social administrative accountability includes monitoring the quality of public services and procurement processes. Some mechanisms for instituting social accountability are as follows: information provision to citizens, citizen oversight councils, and user groups of local services.

Providing information to citizens: Making information available to the public is a prerequisite of any social accountability initiative. The decentralization laws of all the case study countries require local governments to disseminate information regarding service delivery processes. Uganda and Rwanda, for example, introduced report cards in selected districts. These report cards provide communities information about the status of service delivery in their own district relative to other districts and national government standards. Community meetings are also a common mechanism to publicize and disseminate information on local performance. Media have also become a significant channel for information dissemination. Complementary to the dissemination of information is the availability of formal structures for registering grievances and feedback. Kerala, Philippines and Rwanda provide formal structures for registering citizen grievances while no such provisions are present in Uganda.

Citizen oversight of procurement processes: Procurement processes provide a potent opportunity for corruption of local governments. Citizen involvement in the process, therefore, can be helpful in mitigating this risk. Citizen groups in many countries have devised different methods to oversee the procurement process. For example, in the Philippines, the Local Government Code requires the establishment of special bodies in which accredited nongovernmental and community-based organizations have a role in the pre-qualification, bid, and award of local contracts. In Argentina, the Municipality of Morón, assisted by the local chapter of Transparency International, introduced two mechanisms to monitor the contracting of the waste collection service which had been widely criticized for alleged corruption during the previous administration (Yilmaz, Beris and Serrano-Berthet 2008). Also see Box 2 which illustrates the citizen oversight mechanism for procurement in Kerala.
Citizens’ user groups: Community-managed user groups oversee the delivery of specific services in order to enable citizens to interact more effectively with the local government administration for service provision. Usually these are multi-stakeholder councils formed by different combinations of users, civil society organizations, government, and private sector representatives. Some examples of user group committees are school management committees, water user groups and health facility boards. Complementary to the user groups is the citizen charter -- a pact between the community and service providers that spells out expectations and roles, allowing the citizens to demand accountability. The charters specify the expected standards of the services, identify who is responsible, and outline the procedures for the redress of complaints. An example of a comprehensive charter is the Citizens’ Charter in the Municipality of Mumbai, India. Rwanda has also established an innovative accountability mechanism. It is outlined in Box 4.

3. Conclusion

Administrative decentralization entails that local government possesses the discretion to make, change and enforce laws that pertain to local goods and services, to enter into different kinds of contracts with the private sector and other entities to procure goods and services necessary for local governance, and finally, to manage human resources that are employed to perform the function of local governance. This discretion, however, should be matched with the accountability mechanisms to allow higher levels of government as well as the citizens to hold the local government responsible for its use of this discretion. Our review suggests that the local governments in all of our case study countries have reasonable discretion in procuring goods and services. However, they are severely restricted in other areas of governance.

Local governments in most of our case study countries have discretion to legislate in the areas pertaining to the provision of local goods and services but they lack sanction power. This diminishes their ability to enforce laws. Similarly, local governments do not have sufficient discretion to manage staff primarily because a majority of the staff working under local government jurisdiction continue to be

Box 4. An innovation in administrative social accountability

Rwanda has instituted a system of monitoring and evaluation based on the custom of Imihigo. Traditionally imihigo was a public pledge made in front of local leaders to perform a brave act or other public spirited accomplishment. Since 2006, all district mayors have entered into imihigos, which are formalized as a performance contract proclaimed publicly and signed between the district mayor and the President of Rwanda. In this contract, the former commits to carry out the measures outlined in his annual development plan, and the latter to support the district with the requisite financial, technical and human resources to facilitate the achievement of these goals. At the same time, the mayor signs another performance contract with lower levels of government with the same objective as a guarantee for downward accountability.

The government has also put in place a number of processes and mechanisms to ensure that targets outlined in Imihigo are achieved. First, on a monthly basis, the district leadership and their chief technicians hold Imihigo assessment meetings and agree on corrective actions for activities that are off track. Second, every three months, the district executive committee presents a progress report to the district council. After its approval, it is presented to the public on public accountability day. Third, provincial leadership, on a quarterly basis, assesses physical and documentary progress of district Imihigo and ranks the district according to performance criteria previously agreed upon. These are then made public in the presence of central government officials led by the Prime Minster. Finally, once a year, during a national forum called the National Dialogue Meeting, presided over by the President of the Republic of Rwanda, mayors present the Imihigo performance report to the nation. Generally speaking, Imihigo constitutes an efficient accountability mechanism and an incentive for local government leaders to implement the decentralization policies and to meet local and national development targets. It has also entrenched the spirit of competition in Rwandan communities where each local government seeks to perform better than its neighbors on targeted development activities, leading to better overall results.
hired at the central or provincial level. Decentralization leads to geographical and institutional redistribution of power which negatively affects the career enhancement opportunities of the staff that are to be devolved to the local level. Therefore, it is not surprising that bureaucracies tend to resist decentralization reforms.

Decentralization laws in most of our study countries also do not adequately incorporate accountability even for the functions for which local governments have discretion. Administrative courts, the most important instrument of accountability, are either absent or are not accessible to large portions of the population. Social accountability mechanisms such as information dissemination to the community and monitoring of public service delivery and procurement through user groups and other monitoring committees, while successful in Rwanda and Kerela, are not well-developed in other countries.

References:


Annex: Checklists for Administrative Discretion and Accountability

Table A1: Legislative jurisdiction and legislative authority – country examples

<table>
<thead>
<tr>
<th>Does local government have authority to legislate in the following areas?</th>
<th>India (Kerala)</th>
<th>Philippines</th>
<th>Rwanda</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>public safety</td>
<td>none</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>land zoning</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>land acquisition</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>land conservancy</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>land assignment and use</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>building permits</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>building and construction regulation</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>social protection</td>
<td>complete</td>
<td>none</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>environmental protection</td>
<td>partial</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>cultural and entertainment activities</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>local tourism</td>
<td>none</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>crime prevention</td>
<td>none</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>fire-fighting services</td>
<td>complete</td>
<td>partial</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>billboards and the display of advertisements in public places</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>cemeteries, funeral parlours and crematoria</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>cleaning</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>facilitates for the accommodation, care and burial of animals</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>local sport facilities</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>markets</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>traffic and parking</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>crisis management e.g. following flood, earthquake, storms</td>
<td>partial</td>
<td></td>
<td></td>
<td>partial</td>
</tr>
<tr>
<td>maintenance of public property</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>regulation of local businesses</td>
<td>none</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• barbers</td>
<td>none</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• local restaurants and other food consumption</td>
<td>complete</td>
<td>complete</td>
<td>none</td>
<td>complete</td>
</tr>
<tr>
<td>• retail</td>
<td>complete</td>
<td>none</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>• animal husbandry and livestock</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
</tr>
<tr>
<td>• agriculture</td>
<td>complete</td>
<td>partial</td>
<td>complete</td>
<td>complete</td>
</tr>
</tbody>
</table>

Note: Legislative authority is partial if there is an ex-ante involvement of executive or higher levels of government (for example, if local council cannot make laws without consultation with the bureaucracy). However, only if ex post intervention is observed (for example, the authority of the executive to over-ride local council’s decisions) then de jure legislative authority is totally in control of the local government.
Table A2: Discretion over procurement – country examples

<table>
<thead>
<tr>
<th>Types of Contracts</th>
<th>India (Kerala)</th>
<th>Philippines</th>
<th>Rwanda</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>service contracts</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>management contracts</td>
<td>complete</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>lease</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
<tr>
<td>concessions</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
<tr>
<td>joint venture leases</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
<tr>
<td>full or partial ownership</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
</tbody>
</table>

**Who participates in the following phases of procurement process?**

<table>
<thead>
<tr>
<th>Activity</th>
<th>India (Kerala)</th>
<th>Philippines</th>
<th>Rwanda</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>identifying needs, specification of the goods and services</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>appraising options of bidders</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>design and specification of the contract</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>supplier selection</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>technical and financial qualification of bidders</td>
<td>local council, community</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>bid process management, evaluation of bids</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>bid finalization process</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
<tr>
<td>contract management</td>
<td>local council</td>
<td>local council</td>
<td>local council, community</td>
<td>local executive</td>
</tr>
</tbody>
</table>
Table A3: Discretion for the management of human resources – country examples

<table>
<thead>
<tr>
<th>Do local governments have discretion in the following aspects of management of human resources?</th>
<th>India (Kerala)</th>
<th>Philippines</th>
<th>Rwanda</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority to dismiss surplus staff</td>
<td>complete</td>
<td>complete</td>
<td></td>
<td>partial</td>
</tr>
<tr>
<td>Determine the wage envelop</td>
<td>partial</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
<tr>
<td>Establishment Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlling overall staff numbers</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
<tr>
<td>Controlling staff numbers in individual local offices and facilities</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
<td></td>
</tr>
<tr>
<td>Recruitment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognized as a formal employer</td>
<td>partial</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>Authority to hire</td>
<td>partial</td>
<td>complete</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>Independent merit-based recruitment mechanism</td>
<td>partial</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>Career Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td>partial</td>
<td>complete</td>
<td></td>
<td>partial</td>
</tr>
<tr>
<td>Horizontal mobility within the local government</td>
<td>partial</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
<tr>
<td>Transfers within local government</td>
<td>partial</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
<tr>
<td>Performance Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct and supervise activities and tasks</td>
<td>partial</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>Conduct evaluations</td>
<td>partial</td>
<td>partial</td>
<td></td>
<td>partial</td>
</tr>
<tr>
<td>Offer financial rewards</td>
<td>none</td>
<td>partial</td>
<td></td>
<td>partial</td>
</tr>
<tr>
<td>Discipline and fire underperforming staff</td>
<td>complete</td>
<td>partial</td>
<td>complete</td>
<td>partial</td>
</tr>
<tr>
<td>Pay policy</td>
<td>none</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
<tr>
<td>Set overall wage rates</td>
<td>none</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
<tr>
<td>Set local incentives, salary top-ups</td>
<td>none</td>
<td>partial</td>
<td></td>
<td>none</td>
</tr>
</tbody>
</table>
Table A4: Administrative accountability approaches – country examples

<table>
<thead>
<tr>
<th>Who performs the audit of the following?</th>
<th>India (Kerala)</th>
<th>Philippines</th>
<th>Rwanda</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex-post audit of accounts</td>
<td>provincial, national</td>
<td>local executive, independent</td>
<td>local, provincial, or</td>
<td></td>
</tr>
<tr>
<td>ex post audit of individual government projects</td>
<td>provincial, national</td>
<td>local executive, independent</td>
<td>local, provincial, or</td>
<td></td>
</tr>
<tr>
<td>ex ante audit and evaluation of the government’s budget proposal</td>
<td>local council</td>
<td>local council</td>
<td>local council</td>
<td>local council</td>
</tr>
<tr>
<td>ex ante audit and evaluation of individual government projects</td>
<td>local council</td>
<td>local council</td>
<td>local council</td>
<td>local council</td>
</tr>
<tr>
<td>right of the auditor to issue opinions and recommendations on government</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>right of the auditor to advocate alternative propositions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>At what level of the government are the following accountability bodies managed?</th>
<th>Anti-corruption</th>
<th>Environment</th>
<th>Sustainable development</th>
<th>Disciplinary committee for the oversight of the conduct of local officials</th>
<th>Service delivery oversight</th>
<th>Monitoring committee for day-to-day business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>regional, local</td>
<td>regional, local</td>
<td>local or central government</td>
<td>local or central government</td>
<td>local or central government</td>
<td>local or central government</td>
</tr>
<tr>
<td></td>
<td>not prescribed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Social accountability: information provision and citizen participation           | Are there provisions in the code for information availability? | Yes | Yes | Yes | Yes |
|                                                                                  | Is there any structured community participation in procurement monitoring? | No | No | No | Yes |
|                                                                                  | Is there any structured community participation in service provision | No | No | No | Yes |
|                                                                                  | Is there any formal structure for registering grievances and feedback? | Yes | Yes | Yes | No |
Table A5: Legislative jurisdiction and legislative authority

<table>
<thead>
<tr>
<th>Does local government have the discretion to legislate in the following areas?</th>
<th>Discretion of the local government</th>
</tr>
</thead>
<tbody>
<tr>
<td>public safety</td>
<td></td>
</tr>
<tr>
<td>land zoning</td>
<td></td>
</tr>
<tr>
<td>land acquisition</td>
<td></td>
</tr>
<tr>
<td>land conservancy</td>
<td></td>
</tr>
<tr>
<td>land assignment and use</td>
<td></td>
</tr>
<tr>
<td>building permits</td>
<td></td>
</tr>
<tr>
<td>building and construction regulation</td>
<td></td>
</tr>
<tr>
<td>social protection</td>
<td></td>
</tr>
<tr>
<td>environmental protection</td>
<td></td>
</tr>
<tr>
<td>cultural and entertainment activities</td>
<td></td>
</tr>
<tr>
<td>local tourism</td>
<td></td>
</tr>
<tr>
<td>crime prevention</td>
<td></td>
</tr>
<tr>
<td>fire-fighting services</td>
<td></td>
</tr>
<tr>
<td>billboards and display of advertisements in public places</td>
<td></td>
</tr>
<tr>
<td>cemeteries, funeral parlours and crematoria</td>
<td></td>
</tr>
<tr>
<td>cleaning</td>
<td></td>
</tr>
<tr>
<td>facilitates for the accommodation, care and burial of animals</td>
<td></td>
</tr>
<tr>
<td>local sport facilities</td>
<td></td>
</tr>
<tr>
<td>markets</td>
<td></td>
</tr>
<tr>
<td>traffic and parking</td>
<td></td>
</tr>
<tr>
<td>crisis management e.g. following flood, earthquake, storms</td>
<td></td>
</tr>
<tr>
<td>maintenance of public property</td>
<td></td>
</tr>
<tr>
<td>regulation of local businesses</td>
<td></td>
</tr>
<tr>
<td>• barbers</td>
<td></td>
</tr>
<tr>
<td>• local restaurants and other food consumption</td>
<td></td>
</tr>
<tr>
<td>• retail</td>
<td></td>
</tr>
<tr>
<td>• animal husbandry and livestock</td>
<td></td>
</tr>
<tr>
<td>• agriculture</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Legislative authority is partial if there is an ex-ante involvement of executive or higher levels of government (for example, if local council cannot make laws without consultation with the bureaucracy). However, only if ex post intervention is observed (for example, the authority of the executive to over-ride local council’s decisions) then de jure legislative authority is totally in control of the local government.
Table A6: Discretion over procurement

Does local government have discretion to enter into following procurement contracts?

<table>
<thead>
<tr>
<th>Types of Contracts</th>
<th>Discretion of the local government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Options: Complete, Partial, None</td>
</tr>
<tr>
<td>service contracts</td>
<td></td>
</tr>
<tr>
<td>management contracts</td>
<td></td>
</tr>
<tr>
<td>lease</td>
<td></td>
</tr>
<tr>
<td>concessions</td>
<td></td>
</tr>
<tr>
<td>joint venture leases</td>
<td></td>
</tr>
<tr>
<td>full or partial ownership</td>
<td></td>
</tr>
</tbody>
</table>

Who participates in the following phases of procurement process?

Options: Local council, community, local executive, central or provincial governments

<table>
<thead>
<tr>
<th>Phase of Procurement</th>
<th>Participation Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>identifying needs/ specification of the goods and services</td>
<td>Local council, community, local executive, central or provincial</td>
</tr>
<tr>
<td>appraising options of bidders</td>
<td>governments</td>
</tr>
<tr>
<td>design and specification of the contract</td>
<td>Local council, community, local executive, central or provincial</td>
</tr>
<tr>
<td>supplier selection</td>
<td>governments</td>
</tr>
<tr>
<td>technical and financial qualification of bidders</td>
<td>Local council, community, local executive, central or provincial</td>
</tr>
<tr>
<td>bid process management/evaluation of bids</td>
<td>governments</td>
</tr>
<tr>
<td>bid finalization process</td>
<td></td>
</tr>
<tr>
<td>contract management</td>
<td></td>
</tr>
</tbody>
</table>
A.7. Discretion over management of human resources

<table>
<thead>
<tr>
<th>Does local government have discretion in the following aspects of human resource management?</th>
<th>Discretion of the local government Options: Complete, Partial, None</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Payroll</strong></td>
<td></td>
</tr>
<tr>
<td>authority to dismiss surplus staff</td>
<td></td>
</tr>
<tr>
<td>determine the wage envelop</td>
<td></td>
</tr>
<tr>
<td>establishment control</td>
<td></td>
</tr>
<tr>
<td>controlling overall staff numbers</td>
<td></td>
</tr>
<tr>
<td>controlling staff numbers in individual local offices and facilities</td>
<td></td>
</tr>
<tr>
<td><strong>Recruitment</strong></td>
<td>Options: Complete, Partial, None</td>
</tr>
<tr>
<td>recognized as a formal employer</td>
<td></td>
</tr>
<tr>
<td>authority to hire</td>
<td></td>
</tr>
<tr>
<td>independent merit-based recruitment mechanism</td>
<td></td>
</tr>
<tr>
<td><strong>Career Management</strong></td>
<td>Options: Complete, Partial, None</td>
</tr>
<tr>
<td>promotion</td>
<td></td>
</tr>
<tr>
<td>horizontal mobility within the local government</td>
<td></td>
</tr>
<tr>
<td>transfers within local government</td>
<td></td>
</tr>
<tr>
<td><strong>Performance Management</strong></td>
<td>Options: Complete, Partial, None</td>
</tr>
<tr>
<td>direct and supervise activities and tasks</td>
<td></td>
</tr>
<tr>
<td>conduct evaluations</td>
<td></td>
</tr>
<tr>
<td>offer financial rewards</td>
<td></td>
</tr>
<tr>
<td>discipline and fire underperforming staff</td>
<td></td>
</tr>
<tr>
<td><strong>Pay Policy</strong></td>
<td>Options: Complete, Partial, None</td>
</tr>
<tr>
<td>set overall wage rates</td>
<td></td>
</tr>
<tr>
<td>set local incentives/salary top-ups</td>
<td></td>
</tr>
</tbody>
</table>
Table A8. Administrative accountability approaches

<table>
<thead>
<tr>
<th>Who performs the following audits?</th>
<th>Options: Local executive, local council, independent auditors, provincial/national executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex-post audit of accounts</td>
<td></td>
</tr>
<tr>
<td>ex post audit of individual government projects</td>
<td></td>
</tr>
<tr>
<td>ex ante audit and evaluation of the government’s budget proposal</td>
<td></td>
</tr>
<tr>
<td>ex ante audit and evaluation of individual government projects</td>
<td></td>
</tr>
<tr>
<td>right of the auditor to issue opinions and recommendations on government propositions (acceptance/rejection)</td>
<td></td>
</tr>
<tr>
<td>Right of the auditor to advocate alternative propositions</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>At what level of the government are the following accountability bodies managed?</th>
<th>Options: regional government, local government, central government or community</th>
</tr>
</thead>
<tbody>
<tr>
<td>anti-corruption (7)</td>
<td></td>
</tr>
<tr>
<td>environment (8)</td>
<td></td>
</tr>
<tr>
<td>sustainable development (9)</td>
<td></td>
</tr>
<tr>
<td>disciplinary committee for the oversight of the conduct of local officials (10)</td>
<td></td>
</tr>
<tr>
<td>service delivery oversight (11)</td>
<td></td>
</tr>
<tr>
<td>monitoring committee for day-to-day business (12)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social Accountability: Information provision and citizen participation</th>
<th>Options: Yes, No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are there provisions in the code for information dissemination to the citizens?</td>
<td></td>
</tr>
<tr>
<td>Is there any structured participation of the community in procurement monitoring?</td>
<td></td>
</tr>
<tr>
<td>Is there any structured participation of the community in service provision monitoring, e.g. through user groups?</td>
<td></td>
</tr>
<tr>
<td>Is there any formal structure for registering grievances and feedback?</td>
<td></td>
</tr>
</tbody>
</table>

This note by prepared by Ghazia Aslam, Serdar Yilmaz and Asli Gurkan, as part of How-to Notes and Case-study learning series, is derived from SDV’s Economic and Sector Work Report (2009) on local governance and accountability. Empirical examples in the note are from World Bank (2009). The series is an attempt by the Governance and Accountability Team of the Social Development Department (SDV) to provide guidance on select approaches to improve governance and accountability in World Bank operations. The authors would like to thank Jamie Boex and Helene Grandvoinnet for their valuable comments. For questions and comments please contact ESW team members: Ghazia Aslam at gaslam@worldbank.org, Serdar Yilmaz at syilmaz@worldbank.org and Asli Gurkan at agurkan@worldbank.org.