

Local Governance Assessment Learning Project
Workshop 2 Selecting the most appropriate LGA tools for SDC
Moderated by Paul van Hoof

Introduction

SDC has over the last five to ten years supported the development and implementation of various Local Governance Assessment (LGA) tools to gain insight in the quality of governance at local level and to define support activities at local and national level to further improve service delivery and governance in these local settings.

SDC's Decentralisation and Local Governance Network is at present evaluating five of the LGA tools that SDC has supported over time, capitalizing on the past experiences and comparing the existing tools with a wider range of similar tools available in order to select, and if necessary adjust a limited number of LGA tools that meet SDC's specific needs, its priorities and implementation modalities. The selected tools will be presented in a roster format, which will enable SDC staff to select the most appropriate tool for the context in which they operate.

In order to create shared ownership and to ensure that the selected LGA tools meet the requirements of SDC at all levels in the organisation, the SDC governance advisors will hold various consultation rounds with selected staff at SDC HQ and with members of the DLG network during the first few months of 2011. This short discussion paper presents a few discussion topics that will help the SDC governance advisors and the external consultant in defining the selection criteria for the LGAS tools to be included in the roster.

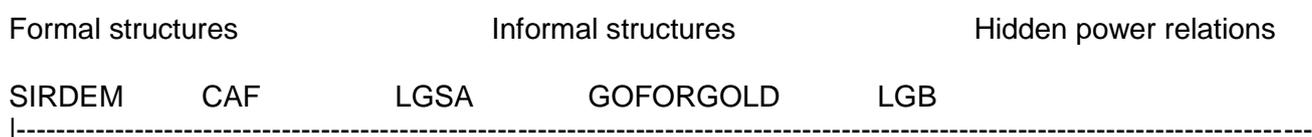
Although the actual selection of a certain LGA tool in the field will depend a lot on the local context (like the level of decentralisation and the quality of local democracy, the requirements and abilities of local partners, the capacity of local government institutions, etc.), the ultimate aim of this exercise is to provide SDC staff in the field with a selected number of preferential LGA tools that will cover most settings and that can easily be adjusted to the specific local context but that also meet SDC HQ's quality standards and M&E requirements. Ownership of SDC's partners and joint initiatives on governance assessments will be strengthened while the application of LGA tools contributes to SDC's own knowledge development.

Building on the LGA capitalization conclusions and looking at SDC's development objectives, it needs and operational modalities, several discussion points are presented below that will help in the formulation of selection criteria.

Discussion point 1:

In general, there is a distinction between tools that stay a bit closer to Local Government performance measurement, focussing more on the existence and in some cases the actual functioning of formal structures and on the effectiveness and efficiency of service delivery (like CAF and SIRDEM), with the aim of identifying capacity gaps that can be tackled to strengthen institutional and organisational performance. Other tools like the GOFORGOLD, LGSA and the LGB address more the underlying governance issues (why are the services not provided to the extent and standards as they should be?), and/or focusing more on the interactive aspects of governance like (administrative, political and social) accountability, transparency, rule of law, participation, etc. with the aim to gain insight in the informal processes and power relations that lead to elite capture of resources and to corruption. This increased understanding can then be used in practice to try and transform power relations, to empower marginalised groups and to enhance citizen agency and dialogue.

Looking at the five SDC supported LGA tools analysed, they can be placed as follows on an indicative spectrum:

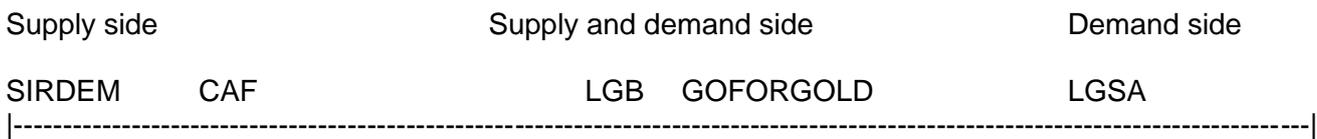


Discussion point 2:

Given SDC’s institutional commitment to a Human Rights Based Approach and its definition of governance, which aims to strengthen both the functioning of formal institutions (the supply side of governance) as well as citizen agency (the demand side of governance) its preferred LGA tools should have the ability to analyse both the supply and demand side of governance.

LGAs that address both the supply and demand side of democratic governance in a balanced manner have the ability to identify both practical bottlenecks in the formal system (like non effective financial control mechanisms) as well as the underlying governance issues (like lack of external accountability).

Looking at the five SDC supported LGA tools analyzed, they can be placed as follows on an indicative spectrum:



Discussion point 3:

Partly related to the above, there is a distinction between single stakeholder (usually government but LGAs can also be implemented from a citizen perspective only) and multi stakeholder LGAs. With the objective of improving the interactive aspects of governance, SDC should promote multi stakeholder LGAs that actively involve a wide range of stakeholders in the data collection process and enhance the dialogue about good governance between the various stakeholders. By involving marginalised groups actively in a multi stakeholder LGA it is more likely (with a good questionnaire and good facilitation) that the dimensions of social inclusion, poverty, gender and power relations are addressed actively.

Enhancing democratic governance requires a government that is committed to constantly improving its performance and its relationship with citizens. Multi-stakeholder LGAs, whether more focussed on service delivery or on governance issues, stimulate dialogue and provoke government to adopt a more open attitude towards its citizens as it receives constructive feedback from all stakeholders and is compelled to justify and account for its decision taken. In addition, a multi-stakeholder process stresses the fact that democratic governance is not the responsibility of government alone but is the collective responsibility of all stakeholders in society.

Multi-stakeholder LGAs offer a better opportunity to combine valuable quantitative “hard” data with qualitative perception data from different stakeholder perspectives, which enables the facilitators to triangulate findings and increase the validity of their conclusions.

Placing the five SDC supported LGA tools on an indicative spectrum results in the following picture:



Multi-stakeholder governance analyses are however in general more costly and lengthy to implement than single stakeholder assessments like for example a Local Government performance self-assessments. In addition, multi stakeholder LGAs aimed at creating dialogue are less useful in settings characterized by emerging local government institutions that do not yet have basic operational systems in place and therefore do not even meet minimum performance requirements.

Given the costs and efforts involved in conducting a multi-stakeholder governance assessment, these type of LGAs are therefore less suitable for country wide applications and more for in-depth qualitative governance assessment involving a limited number of local governments.

Discussion point 4:

The fourth point of reflection that could become a selection criterion for SDC deals with the question of sustainability and institutionalisation of the LGA tool, which is related to the question of ownership of the LGA methodology. The most advanced LGA tools have moved from a testing phase to a stage in which they could be integrated and institutionalised in a local governance system of a country. In order to reach their full potential, LGAs should ideally be applied country wide, repeated on a regular base (3-5 years) and backed up by a stable and robust support system. It is therefore most appealing to integrate a LGA methodology in a local government performance management system of a Ministry of Local Government. This guarantees that democratic governance receives constant attention while increasingly national standards for democratic governance will emerge from best practices.

The major disadvantage however is that by making LGAs part of an LG performance management system, the self-assessment character of the LGA will be lost. If actual governance performance is linked to a bonus and sanctioning system, the objective will be for participating local government institutions to obtain the highest possible score and not a “true” score that identifies weaknesses.

In order to keep the ownership of LGAs closer to the local government institutions themselves, an alternative institutional setting could be the Local Government Association if institutionally strong enough (as is the case in Nicaragua).

While SDC has been very instrumental in supporting the development, testing and initial implementation of various LGAs over the years, it could play in future a more active role in the institutionalisation of these tools.

LGAs that use some type of quantification and indexation of scores are easier to institutionalise, especially if the use of country wide criteria and indicators can be combined with the use of localised sub-criteria that ensure comparability on the one hand and “actionability” and local ownership on the other hand, like the Local Governance Barometer.



Discussion point 5:

Related to the above point is the question whether to select LGAs that use fixed universal criteria (like the Urban Governance Index developed by UNHABITAT) or methodologies that go for adaptation and localisation of criteria. The advantage of the first type of LGAs is that it increases comparability across space and time and the ability to generate valuable data for policy development in a relatively short period using limited resources. The disadvantage is that they have a limited ability to address specific local issues or bottlenecks and therefore remain more superficial and are not actionable in the local context. Most LGAs that use universal criteria only use quantitative data and usually require a data rich setting (i.e. a setting with a well developed local government performance management system). Using LGAs that can be localised enhance local ownership and the likelihood that follow up activities do take place but of course have a limitation with regard to comparability. In practice, as is the case in the four LGAs supported by SDC, localisation at country level seems to be the best option that safeguards comparison within the country as well as actionability and ownership at individual local level.



Discussion point 6:

From an SDC perspective, the LGA tools can also serve several additional purposes; that of providing SDC itself with relevant information for:

- Policy and risk analysis
- Programme or project identification and planning
- Defining quality standards for impact
- Monitoring and Evaluating the effectiveness of the resulting interventions
- Defining support activities that could enhance the impact of sectoral projects or programmes
- Policy dialogue with partners
- Knowledge development in the field of governance

Multi stakeholder LGAs that address both the supply and demand aspects of governance and aim to unearth underlying power relations and political realities and contribute to change processes at the local level have a better potential to contribute to:

- Knowledge development in the field of governance as they are highly innovative
- Profiling of SDC
- Policy and risk analysis
- Programme or project identification and planning
- Defining quality standards for impact
- Defining support activities that could enhance the impact of sectoral projects or programmes

They mainly do so because they enhance our knowledge and insight in the reality of governance processes at the local level and they provide evidence on the link between the quality of governance and the quality of service delivery.

Single stakeholder performance measurement LGAs are on the other hand better suited for:

- Monitoring and Evaluating the effectiveness of the resulting interventions

Both types of LGAs have, from a different perspective, the ability to contribute to:

- Policy dialogue with partners

Not saying that CAF and SIRDEM have no potential for knowledge development and that the other three can't be used for monitoring and evaluation, we could say that the five tools differ in terms of their usefulness for a certain institutional objective.



Discussion point 7:

All tools presently applied by SDC aim to address governance from a more holistic or transversal perspective, including all aspects and institutions of governance at local level. There are however also LGA tools that are not used by SDC that have a more sectoral or thematic focus, like (anti-) corruption, grant allocation assessment, social well being, security/post conflict situation assessment, democracy assessment, governance and HIV/AIDS assessment. Is there a demand for more thematic tools within SDC (maybe from its sectoral programmes) or does it want to continue to assess Local Governance from a more holistic perspective?