



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC



Decentralization and Local Governance Network

SDC Guidelines and Toolkit for Local Governance Assessments

Results of the Learning Project

By Paul J. M. van Hoof and
Christoph Fuchs, Hanspeter Reiser, Kuno Schläfli, Corinne Huser
January 2012

Local Government Assessment is essential for

- *Assessing the performance of the Local Government (LG) institutions*
- *Understanding resource allocation processes at local level*
- *Identifying capacity development interventions for more responsive and accountable LG*
- *Describing impact of informal structures and hidden power relations on local governance*
- *Assisting (marginalised) citizens to hold their LG accountable and responsive to their needs*
- *Assessing the satisfaction of citizens regarding the performance of their LG in terms of service delivery and governance quality*
- *Analysing reconstruction of basic LG institutional infrastructure within complex settings in conflict and post-conflict situations*
- *Assessing good governance as an essential requirement for effective service delivery in sectoral applications.*

Table of Content

List of Acronyms	2
1. Why Local Governance Assessment (LGA) matters.....	3
2. What a Local Governance Assessment can produce	4
2.1 To promote domestic local governance processes in specific situations.....	4
2.2 Improve baselines and systemic views in SDC operations	4
3. The SDC Local Governance Assessment Toolkit.....	7
3.1 To what the LGA toolkit should respond – particular SDC concerns	7
3.2 Main features of the 5 proposed Local Governance Assessment tools.....	7
4. Selecting the optimal LGA tool regarding purpose and context	10
4.1 Purposes of doing a Local Governance Assessment.....	10
4.2 Selection criteria.....	10
4.3 Context factors influencing an LGA	17
5. How to conduct an LGA	18
5.1 Preparatory phase of an LGA.....	18
5.2 Design phase of an LGA: Methodology and indicators	19
5.3 Implementation phase of an LGA	19
5.4 Dissemination of results and follow up support.....	20
Annex 1: More detailed description of the 5 proposed LGA tools	21
Annex 2: References.....	26

A GUIDELINE FOR WHOM ?

This guideline is mainly intended for SDC staff and partners in the field who want to conduct a Local Governance Assessment for supporting a domestic decentralization and local governance (DLG) reform process and for assuring the relevance and quality of SDC operations. The guideline shall explain to SDC staff and partners the relevance of LGAs, when to conduct such exercise and what to consider beforehand. It shall inform about a set of recommended LGA tools (SDC LGA toolkit), provide guidance in choosing the most appropriate tool according to a specific LGA purpose and context and, last but not least, it shall explain how to conduct LGAs.

WHAT THE GUIDELINE OFFERS

- **Tells why LGAs are important and under what circumstances an LGA can be applied:** LGAs provide an analytical frame which facilitates a systematized analysis of a local governance situation. LGAs might be applied to a specific political context and domestic reform progress or used by SDC for its own internal operations. For example, a decentralization process has started and local institutions have been established but no information is available about their functioning nor is a system of downward or upward accountability in place. Or, a new SDC country cooperation strategy or a new DLG project is being defined which requires prior diagnostic of current local governance systems, processes and related shortcomings. For conducting a successful LGA, minimal favorable context conditions need to be in place. *(for more, chapter 1 & 2)*
- **Provides a short overview of 5 proposed LGA tools with their main features:** Out of more than 25 analyzed LGA tools, a selection of 5 reference LGA tools is presented. They are applicable in most settings and can easily be adjusted to a specific local context, but meet at the same time SDC's corporate quality standards and monitoring and evaluation requirements. *(for more, chapter 3)*
- **Supports the selection of the most appropriate for a specific purpose:** LGAs serve different purposes and have different objectives which need to be clarified from the outset as this influences the choice of a particular LGA tool. An important question to clarify is for example, if the primary objective is to focus our assessment on the performance of Local Government Institutions or if a more holistic, systemic view, shall be established, including multi-stakeholder interaction, informal structures and power relations? Other questions to clarify are for example: do we want to be informed by multi-stakeholder perspectives or by the assessment of a single actor only? Do we want to get a more standardized, nationally comparable picture or one that is reflecting particular localized features? And, last but not least, how much money and time are we ready to invest? *(for more, chapter 4)*
- **Guidance on how to conduct an LGA:** LGA should ideally follow different steps from the outset: i) a careful preparation and design phase, defining the scope, process and timing of an LGA, defining implementing agents, tools and methodologies applied; ii) an implementation phase with certain rules for interacting with stakeholders and adhering to quality standards; iii) are planned process for the dissemination and follow up of results. *(for more, chapter 5)*

List of Acronyms

CAF	Common Assessment Framework
CRC	Citizen Report Card
CSO	Civil Society Organisation
DLG	Decentralisation and Local Governance
DLGN	Decentralisation and Local Governance Network
EU	European Union
GOFORGOLD	Good Governance for Local Development
HIV&AIDS	Human Immune Virus & Acquired Infectious Decease Syndrome
IDASA	Institute for Democracy in Southern Africa
LG	Local Government
LGA	Local Governance Assessment
LGB	Local Governance Barometer
LGSA	Local Governance Self Assessment
M&E	Monitoring and Evaluation
NGO	Non Governmental Organisation
SDC	Swiss Agency for Development and Cooperation
SIRDEM	Sistema de Reconocimiento al Desempeño Municipal en Nicaragua
UGI	Urban Governance Index
UNDP	United Nations Development Programme
UNHABITAT	United Nations Human Settlements Programme

1. Why Local Governance Assessment (LGA) matters

LGAs provide an **analytical frame** which facilitates a systematized analysis of a local governance situation. in a given context – for analysing the **performance of local government institutions** or the **functioning of the wider local governance system and processes**. The analytical frame is based on the good governance principles (Accountability, Transparency, Participation, Equality & Non-Discrimination, Effectiveness & Efficiency) which are further specified in sub-criteria and performance benchmark indicators (for example: elected councils in place, municipal strategic plans of good quality available and targets achieved, formal publication of tenders and contracts etc.). Corresponding to the specific purpose of an LGA and the context in which it is conducted, a variety of LGA tools have been developed that can be utilized accordingly.

SDC has since long recognised the importance of local governance assessments for improving service delivery and deepening democratic processes, for identifying institutional capacity gaps and strategizing SDC operational activities. As an analytical frame, **LGA's can be useful i)** to get a picture of a local governance situation (**Diagnostic**: context and stakeholder analysis at sub-national level) which informs strategy and project planning; **ii)** for measuring Local Governance performance and progress over time (**Monitoring & Evaluation**); and it can serve the purpose **iii)** of engaging stakeholders in joint analysis and dialogue, for mutual learning, consensus building and interaction (**Dialogue**).

The development partner working group on DLG (DeLoG) on harmonisation, decentralisation and local governance stresses the importance of Local Governance Assessments for both downward and upward accountability:

“The assembly and dissemination of comparative data on local governance performance can be used to strengthen the downward accountability of local government to its citizens by seeking to influence the very basis on which citizens make their voting decisions. In many countries, a political culture rooted in populism, patronage and clientelism can be found, through which politicians are re-elected despite poor governance performance. Disseminating the results of local governance assessments in an index has the potential to change voting behaviour. When citizens start to recognise that their voting patterns do not match the rankings of the candidates, it is likely that their decision will be focused more on “programmatic” considerations in future elections. Thus, by strengthening the accountability of elected officials to the electorate, local elected officials are pushed to perform better.

The assembly and dissemination of comparative data on local governance performance can also be used to strengthen the upward accountability of local government to central government by influencing the allocation of fiscal transfers from central to local government. General local governance performance may be used as a criterion for allocating fiscal transfers from central government to local government. The justification for linking fiscal transfers to this wider performance is simple: the better local governance performance is in general, the greater the probability that the transferred funds will be used effectively, irrespective of whether they are ear-marked” (DPWG-DLG, Training kit 2011, page 121).

SDC has over the last ten years supported the development and implementation of various LGA tools in order to gain insight in the quality of governance at local level and to define related support activities at local and national level. Respective experiences are reflected in the paper entitled: **“Local Governance Assessments: A Capitalisation of SDC Experience” (2011)**. Based on these experiences, the SDC Decentralisation and Local Governance Network (DLGN) decided to compare the existing tools with a wider range of other similar tools (more than 25 available) in order to select and adjust a limited number that would meet SDC's specific needs, priorities and implementation modalities.

2. What a Local Governance Assessment can produce

LGAs might be applied to a specific political context, political actualities or domestic reform progress within a framework of donor-partner cooperation. LGAs can however also be used for SDC own internal operations during particular moments of programme management.

2.1 To promote domestic local governance processes in specific situations

- **A decentralisation process has started** and local institutions have been established but there is no systematic information on their functioning or on the constraints they meet. In such a case a country wide implemented LGA can be useful to assess the functioning of the formal structures mainly from a supply side perspective. The government can be the initiator and owner of the LGA and information might be used to establish a local government management system.
- **Decentralisation policy reforms are underway or discussed** for in a setting where the local government infrastructure is in place and functional but not delivering, or operates too distant from the local population. In such a case an LGA can be implemented in a limited number of municipalities to analyse in-depth why the system is not able to deliver. In this case Civil Society or a local government association can be the initiator and use the information for policy influencing and advocacy purposes.
- **Local Government elections** are scheduled. If scheduled timely ahead (around 8-12 months) of polling day a performance assessment - mainly from a demand side perspective - can be implemented to assess the satisfaction of the electorate with the performance of the sitting council, and in case of limited performance demand for change through the ballot.
- **When participation and downward accountability are failing** and Local Government isn't responsive to the needs of citizens, a multi-stakeholder assessment might help to break through existing patterns of power and arrogance and reshape the relationship between Local Government and its citizens. An active civil society is required to be able to put enough (moral) pressure on the government to participate in the process.

2.2 Improve baselines and systemic views in SDC operations

Three particular situations can be distinguished where application of LGA can improve SDC operations:

- **Establish a baseline for sound impact monitoring in the domain of Decentralization and Local Governance:** The most usual strategic framework orienting SDC's cooperation with a particular partner country is the "Cooperation Strategy" (CS), stretching over a period of around four years and describing expected outcomes in up to three different domains ("sectors"). DLG can be one field of cooperation within a "governance domain", or can also be the domain as such. An analytical frame referring to fixed universal criteria (five governance principles) can serve as a baseline reference, against which impact of sector interventions can be measured (in CS monitoring systems and in Annual Reports) and inform new strategic orientations.
- **Enforce a systemic view for planning and monitoring of DLG projects:** In the past, many SDC Local Governance programs and projects focused on very specific issues, e.g. service delivery by municipalities, participation in municipalities, or promotion of

education to discriminated Roma communities. Applying a "LGA lens" right from the beginning of conceptual reflections, will impose a systemic focus: links and interdependencies between criteria like the participation of all groups of the local society, the accountability of elected officials and administrative staff, the effectiveness and efficiency of municipal services, and the transparency of budget management and investment priority setting become obvious. Deficits of institutions (not only of the local administration, but also of legislative councils, of NGOs that should supervise the authorities, or of the mayors in organizing transparent budgeting processes) are debated and lacking financial resources are discussed and constitute - alongside capacity measures or legal advice - entry points for support and interventions.

- **Mainstreaming local governance in service sector projects:** The "LGA lens" can also provide a basis upon which to assess how the quality of local governance affects service delivery in a given sector. In regard to DLG, a systemic view to planning and monitoring of service sector projects is enforced. It implies alignment and harmonization with local government planning, priorities and capacities in a given sector. At the same time, the LGA-perspective in service sectors promotes adherence to the principles of good governance: the participation/inclusion of all groups of the local society, the accountability of elected officials and administrative staff, the effectiveness and efficiency of respective municipal services, and the transparency of budget management and investment.
- **Increase sustainability of SDC contribution to DLG reform processes:** If conducted in a multi-stakeholder dialogue LGA has a good potential to establish benchmarks for good governance against which progress over years can be measured and the national reform agenda can be mirrored against. Institutionalizing LGA must be taken into consideration as of the beginning of conceptualization.

An LGA requires minimal contextual conditions being fulfilled:¹

- **Minimum favourable political context and support of the national government towards decentralisation and local governance:** In fully centralistic/autocratic states, where local governments are completely dependent on central governments without any downward accountability and democratic control mechanisms, a participatory LGA involving partners and stakeholders does not make much sense. If people do not feel free to speak and give their personal opinion, the results will in any case not reflect the reality.
- **Basic legal and institutional framework:** A basic legal and institutional framework must exist that defines a clear frame for the LGA. The main rights, duties and tasks of the local governance actors and the rules in terms of processes must be clear, against which actual performance can be benchmarked.
- **Commitment of political leadership:** The political leadership of the assessed local governments must be committed to the main objective and the results of the LGA and towards an improvement of the quality of governance in general. Local ownership and a serious follow up on agreed actions for improvement can only be achieved through their commitment. If an LGA is conducted in a broader region or even countrywide, the

¹ The preconditions presented in this chapter are based on the experiences from the SDC supported LGA as reflected in Pascal Arnold; Local Governance Assessments: A Capitalisation of SDC Experience, February 2011. For the critical steps in conducting a successful LGA, reference is made to UNDP: Planning a Governance Assessment: A Guide to Approaches, Costs and Benefits. UNDP 2009.

commitment of the regional or national authorities is also a pre-condition to reach the intended objectives in terms of vertical dialogue.

- **Shared understanding of good local governance:** All involved stakeholders must have a minimum shared understanding of the principles of good governance, setting the frame and standards for the assessment and the main questions and issues to be addressed.

For situations where time and resources are limited the use of LGAs may require creative adaptation (e.g. during annual reports, or in pre-assessments which should inform in principal strategic decisions). Cautious application is required to avoid situations where expectations are being generated which later might not be fulfilled. Combination with other analytical tools might be required (e.g. political economy analysis) for including the aspect national reform dimensions beyond a local situation analysis (e.g. during development of a new DLG sector strategy. (See more in chapter 4.2)

3. The SDC Local Governance Assessment Toolkit

3.1 To what the LGA toolkit should respond - Particular SDC concerns

- Assessing both, the supply side (local government) and demand side (citizens) of governance and involving all stakeholders in the assessment process:** Given the different settings and the different stages of decentralisation in the countries in which SDC is working, it would require on the one hand an LGA tool that is able to assess the performance of the local government institutions and that can potentially be handed over and institutionalised by its partners or integrated into the existing local government system. Ideally, such LGA tool should use indicators that are based on national performance standards (if available) and make a comparison between municipalities possible (both in space and over time). On the other hand, in order to enhance its own (and its partner's) understanding of the actual resources allocation processes at local level and to identify capacity development interventions that make the local government system more participatory, responsive and accountable to its citizens, SDC requires an LGA tool in its toolkit that assesses governance from a more holistic governance perspective and describes the impact of informal structures and hidden power relations on the actual local governance process.
- Supporting citizens empowerment processes:** In situations in which SDC is mainly working with non-governmental partners and/or its programme objective is to empower (marginalised) citizens it should have an LGA tool available that enhances the ability of citizens to hold their own (local) government accountable. In order to assess in a more systematic manner the satisfaction of citizens regarding the performance of their local government (in terms of service delivery as well as the quality of governance), the Citizen Report Card should be included in the SDC LGA toolkit.
- Responding to particular requirements of fragile and conflict affected settings:** Since SDC is working in many conflict or post-conflict situations in which it aims to support the reconstruction of the basic local government institutional infrastructure, it is logical to include an LGA tool that is specifically geared to assess such reconstruction processes within complex settings.
- Possible application in sectors other than DLG:** Within most of its major themes, like health, climate change, water and education, SDC stresses the importance of good governance as an essential requirement for effective service delivery. The toolkit therefore includes a tool that can be easily adjusted for sectoral applications.

3.2 Main features of the 5 proposed Local Governance Assessment tools

The SDC toolkit of LGA tools consists of five tools, which, if properly adapted to the country setting in which they will be applied, should be able to cover most of the requirements.

	Local Government Performance Assessment	Governance Assessment	Governance assessment in (post)-conflict situation
Supply and Demand site	Urban Governance Index	Local Governance Barometer	Good Governance for Local Development
Demand site	Citizen Report Card	Local Governance Self Assessment	

THE URBAN GOVERNANCE INDEX (UGI)

Purpose: Local Government performance assessment from a supply side perspective:

The Urban Governance Index has been developed and tested by UNHABITAT and focuses on an assessment of local government performance using universal criteria addressing mainly the supply side of governance (i.e. government's ability to deliver service and good governance). It is a self-assessment tool that involves all major stakeholders in the assessment process and stimulates dialogue. It is especially useful in urban settings and requires in its standard format a relatively high level of performance data. Especially in countries that do not have a well developed local government performance management information system a "simplification" of the tool will be necessary however. Once contextualised and tested it can easily be institutionalised and applied on a country-wide scale. The UGI is similar to CAF (Common Assessment Framework) and SIRDEM (Sistema de Reconocimiento al Desempeño Municipal en Nicaragua) that have been developed with support from SDC. The UGI has however a wider applicability than CAF and SIRDEM that were designed for specific country circumstances. In addition the UGI includes more governance related indicators and can integrate citizen satisfaction data.

Methodology: The UGI uses 25 indicators grouped under four themes of effectiveness, equity, participation and accountability. Some indicators are more technical and require detailed objective data (like ratio mandated to actual tax collection) which might be difficult to obtain in some of the countries where SDC is working, while others are perception based and involve discussions between different stakeholders. Results are presented in the form of indexes to show areas of strength and weakness.

The CITIZEN'S REPORT CARD (CRC)

Purpose: Local Government performance assessment from demand side: The Citizen Report Card (sometimes called Citizen Score Card) also assesses the performance of Local Government but from a demand side perspective. It entails a systematic collection of citizen satisfaction data. Data can either be collected using a survey method and/or by using focus group discussions. It can either be used by local government to receive objective feedback on its performance or by Civil Society as an input into lobby and advocacy activities. The CRC is one of the oldest and widely used LGA tools.

Methodology: The CRC is a client satisfaction review, which could cover all or a selected number of services provided by government. Through focus group discussions issues are identified and a questionnaire is drafted. Respondents are selected through random or stratified sampling. They are interviewed individually and rate the quality of the services provided. The sample size should be big enough to be representative for the total population and to differentiate between different groups in society (poor and vulnerable, women, etc.).

THE LOCAL GOVERNANCE SELF ASSESSMENT (LGSA)

Purpose: Local Governance assessment mainly from a demand side perspective

A strong but simple LGA tool for community awareness raising and for initiating dialogue between a community and its local government is the Local Governance Self Assessment tool. Especially in settings with limited objective performance and governance data available, the LGSA is a useful social audit tool that requires little preparation. Comparisons between

municipalities are not really possible as the data are based on the subjective opinions of a small group of people.

Methodology: The LGSA is implemented at community level and at local government level. Through a facilitated focus group discussion of selected citizens, roles of various actors are clarified and services and local governance issues are discussed and prioritised. Conclusions from various groups are presented by representatives to the local government and are discussed in detail and if possible resolved.

THE LOCAL GOVERNANCE BAROMETER (LGB)

Purpose: Local Governance assessment from supply and demand side: The Local Governance Barometer assesses the quality of governance in a more holistic manner than the UGI using a multi-stakeholder approach and provides more robust results than the LGSA, but focuses less on actual performance of local government. It is a diagnostic tool that is able to identify weaknesses in local governance systems as well as capacity gaps of the various stakeholders. In addition it is a powerful tool to create awareness about the importance of good governance and to start a dialogue about governance issues at local level. Governance scores can be aggregated at higher level into an index making comparison over space or time possible. Given its character it is however more difficult to institutionalise and apply country wide but very useful for individual municipalities to assess the quality of governance or to enhance our understanding of the actual functioning of informal processes at local level. The LGB has been applied for sectoral assessments in the past as well (governance and education, governance and HIV&AIDS).

Methodology: Through a participatory process the LGB model is adjusted to the country situation using country specific indicators. Based on these indicators a questionnaire is designed. Selected stakeholder groups answer and discuss the questionnaire during separate workshops. The scores and issues raised from each of the groups are analysed and compared and in a plenary meeting discussed. Priority issues are selected that require collective action to resolve. Results are presented in indexes and a narrative report.

GOOD GOVERNANCE FOR LOCAL DEVELOPMENT (GOFORGOLD)

Purpose: Local Government performance assessment from supply and demand side in a post conflict situation: Lastly, the toolkit includes the Good Governance for Local Development tool that is specifically developed for (post)-conflict situation, which includes next to several governance indicators a few indicators related to security, safety and stability. As the other tools it uses a multi-stakeholder approach and is in its focus more performance oriented, assessing whether certain minimal decentralised institutions are in place and functional.

Methodology: GOFORGOLD uses a combination of objective and perception data related to the existence and functioning of local level institutions. Secondary data are collected on forehand and checked during a workshop with various stakeholders. Results are presented as index scores.

For more detailed description of each tool individually including its range of applicability, see Annex 1. The annex also includes a direct link for each tool to the DLGN shareweb where they can be downloaded, and it informs about contacts for further advice.

4. Selecting the optimal LGA tool regarding purpose and context

In this chapter we will compare the different LGA tools in the toolkit in more detail in order to assist the practitioner to make a well informed choice for the best fitting tool before starting an LGA process. By looking in more detail at the **purpose** of the assessment we will be able to select the ideal LGA. If we combine that information with an analysis of the **country context**, which determines what is practically possible and what not, we will be able to select and adjust the optimal tool.

4.1 Purposes of doing a Local Governance Assessment

The most important question that will help you making a choice for one of the five LGA tools in the toolkit is the why question; Why do you want to conduct an LGA, what is its purpose? Creating clarity and consensus on the purpose of the LGA will inform not only the choice of the LGA tool but also create clarity on the partners you will work with, the scope of the exercise and the indicators that will be applied.

While the overall aim of every LGA is to enhance our understanding of governance processes at local level, the actual reason to conduct an LGA can be informed by (a combination) of the following three objectives:

- **Diagnostic:** To provide information on local governance performance at local and national level and to identify systemic problems and/or capacity gaps related to the functioning of the local governance system;
- **Monitoring and Evaluation:** To monitor changes in performance, process and results in local governance;
- **Dialogue:** To allow for mutual learning on governance, to engage citizens in governance and to stimulate consensus building among actors at local level.

4.2 Selection criteria

Six important questions relating to the purpose of an LGA:

Preference for measuring Local Government performance or the quality of Governance at local level?

The Local Government performance assessment tools aim to contribute to optimizing the functioning of the existing local government system by assessing actual performance of the Local Government against predefined standards and to identify capacity gaps at local and national level that can be tackled to strengthen institutional and organisational performance. For measuring they use a combination of the following type of indicators:

- The output and results achieved by local governments, like percentage of households with access to water within 200 meter of their dwelling;
- The existence and the actual functioning of formal institutions and structures, like the existence of a strategic plan, the functioning of the legislative council, etc.;
- Or the quality of internal processes to deliver these services, like the effectiveness of HR policies or the quality of financial control mechanisms, etc.

While a Local Government performance assessment can integrate the perceptions on the performance of the local government by other actors that are active at local level (like Civil

Society, the business sector, etc.), it doesn't assess the performance of these other actors in the governance process and is therefore rather unilateral in its focus.

Especially in a lot of countries where SDC is working, informal governance relations are more dominant in actual resource allocation than the functioning of the formal institutional systems. Loyalty-based informal systems determine who has access to which resources and private and public affairs are not (fully) separated. Understanding and explaining actual governance therefore has to go beyond a measurement of the performance of formal structures. A second group of LGAs therefore take a more political-economic perspective and aim to measure the quality of governance in a more holistic manner. They not only address the ability of the Local Government to deliver according to its mandate but also aim to address actual decision-making processes regarding resources allocation (do politicians and administrators adhere to the rule of law and are they transparent) and the interactive aspects of governance like (administrative, political and social) accountability, communication between stakeholders, citizen participation, etc. with the aim of gaining insight in the practices and processes that underpin and explain (lack of) performance and that contribute e.g. to elite capture of resources and 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.

In general, Local Government performance assessments mainly use objective "hard" indicators and data for the assessment of performance, which are often easier to collect and easier to translate into an index, while governance assessments mainly use perception indicators or a combination of objective and perception indicators. One should note that perception indicators are not necessarily of lower quality than objective hard data as the latter ones are in practice often very soft creating a false sense of reliability and validity.

Ideally, both types of assessments should take place in order to fully understand the dynamics of service delivery and governance at local level since the first type of LGAs describe the (lack of) local government performance while the second type of LGAs aim to measure and analyse the underlying causes. In practice this is however very difficult as budgets are limited and choices need to be made. In general, one could say that the LGA tools that address governance more holistically involve different stakeholder groups more actively in the assessment process and require therefore more preparation, facilitation and time to implement and are consequently more expensive.

If we look at the five tools included in the SDC toolkit, they together cover the full range between performance and governance assessment. The UGI and CRC stay closer to Local Government performance measurement, focussing more on the existence and the actual functioning of formal structures and on the effectiveness and efficiency of service delivery with the aim of identifying capacity gaps that can be tackled to strengthen institutional and organisational performance. The other three tools (GOFORGOLD, LGSA and the LGB) address also the underlying governance issues, and focus more on the interactive aspects of governance like social accountability, transparency, participation, etc. Even though the LGB comes close to assess the political economy of governance at local level, none of the LGAs presently available has integrated a mapping of power relations in its approach (yet).

Formal structures	Informal structures	Hidden power relations
CRC, UGI	GOFORGOLD, LGSA	LGB

Need for universal or preference for localised indicators?

Related to the above selection criteria is the question whether to select an LGA that uses fixed universal criteria or methodologies that require an adaptation and localisation of indicators at national or even local level.

The advantage of the first type of LGAs is that by using universal indicators it increases the comparability between municipalities across space and time as well as the ability to generate valuable data for policy development in a relatively short period using limited resources. In addition, using existing universal indicators can save a lot of time during the design stage and enhance the validity of the LGA because the indicators are tested over time regarding their reliability and validity. Caution is however required as certain indicators might not fit the country context. The disadvantage of using existing indicators is that they have a limited ability to address specific local issues or bottlenecks and therefore remain more superficial and are not very actionable within the local context. Most LGAs that use universal criteria only use quantitative data and usually require a data rich setting (i.e. well developed local government performance management system). In addition, they usually don't involve different stakeholders actively and therefore are of limited relevance to enhance dialogue.

Using LGAs that can be localised on the other hand will enhance local ownership and the likelihood that follow up activities do take place and are therefore better suitable for local level capacity development project identification and to define tailor made capacity development support interventions. The downside of localisation is of course that they are of limited use for comparing situations across space and time.

The LGB is unique in the sense that it uses universal criteria at the higher level of aggregation, which allow for comparisons across time and space but makes use of localised indicators that allow for contextualisation and local action on the other hand. The LGSA doesn't use a scoring system but uses a set of questions to identify local priorities to be tackled.

Universal indicators	Localized indicators	Universal & localized indicators
UGI	GOFORGOLD, LGSA, CRC	LGB

Do you want to institutionalise LGA in a country context?

A third important question influencing the choice of LGAs is the ability to institutionalise a certain LGA tool into the local governance system in a specific 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. LGAs that use universal criteria and an indexation of scores, that focus on performance assessment and use a single stakeholder (self-assessment) approach are obviously easier to institutionalise as they relate closely to the existing formal system and can be applied by government itself. But that also has its disadvantages in terms of a very limited scope of the assessment.

One option for institutionalisation within the country setting is to advocate for the integration of an LGA methodology into the existing or emerging local government performance management system of a Ministry of Local Government. This guarantees not only that LGAs will be applied country wide and on a regular base, but it could also contribute to increased political legitimacy and national level attention to issues of democratic governance at local level, while national standards for democratic governance will gradually 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. It also limits the autonomy of the local government sphere and might be misused by central government to centralise power.

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 that is institutionally and financially strong enough to offer it as one of its services. The ownership will thus remain with the local government institutions themselves and could be linked to a national local governance award system.

Besides being integrated in an integral way in a local government performance management system in a country, there are other ways in which results from the LGA can be institutionalized. If conducted via a multi stakeholder dialogue that implicates relevant institutions beyond municipalities - like their national associations, the administration in charge (e.g. Ministry of Local Governance), and all donors active in the sector – the LGA has a good potential to establish benchmarks for good local governance against which progress over years can be measured and the national reform agenda can be mirrored against. For the sake of sustainability, this medium term objective must be taken into consideration as of the beginning of conceptualization.

Regarding their ability to become institutionalised within the country’s Local Government system, we may conclude that LGAs like the UGI and the CRC that assess Local Government performance and use universal indicators can be institutionalised easier as an integral methodology. GOFORGOLD has the same ability also because it is applied in a nascent Local Government system that often lacks proper monitoring mechanisms which implies that it could be easier integrated in such emerging systems. The LGSA and LGB both focus more on accountability and citizen empowerment and are therefore more difficult to integrate successfully in a government monitoring system. The LGB is more difficult to institutionalise since it critically assesses governance and the local governance system and it requires that all stakeholders see it as an unbiased exercise not controlled by government. The LGSA as a citizen empowerment tool might be difficult to become institutionalised in a formal government system as well. These later tools are however better in informing possible national benchmarks for good governance at local level as they “dig deeper”.

High ability to institutionalized	Low ability to institutionalize	
UGI, CRC	GOFORGOLD	LGSA, LGB

Should the LGA address the supply or demand side of governance – or both?

Especially amongst the group of LGAs that address governance holistically, we can make a distinction between those that address mainly the supply side of governance, (e.g. the willingness and ability of the government to adhere to principles of good governance), while others tools focus more/or also on the demand side of governance (e.g. are citizens able to demand good governance and satisfied with the performance of their local government).

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) there was consensus that SDC's preferred LGA tools should have the ability to analyse both the supply and demand side of governance. In addition, everyone agreed that a good quality performance and governance assessment requires both the suppliers and clients of service delivery to be involved which means that multi-stakeholder assessments are preferred.

If we look at the five LGA tools, the UGI mainly assesses the performance of local government and does not address the demand side at all. The LGSA and CRC on the contrary take the demand side as a starting point for its assessment, but hardly address the ability of the local government to deliver in a systematic manner. The LGB and GOFORGOLD aim for a more balanced approach addressing both side of governance.

Supply side	Supply & Demand side	Demand side
UGI	LGB, GOFORGOLD	CRC, LGSA

Interested in the single perspective of one particular group (local authorities, or community group) or in multiple perspectives of different stakeholders?

Partly related to the above, there is a distinction between single stakeholder LGAs (usually government but also possible from a citizen perspective only) and multi stakeholder LGAs in which the perceptions of the performance of the local government or the quality of governance from different stakeholder groups is collected and compared with each other. Multi stakeholder LGAs 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.

Multi stakeholder analyses have disadvantages as well as they require high quality facilitation, they require more resources and they raise expectations of non-government stakeholders for a more “open” style of governance, which might not be realistic and could therefore lead to increased dissatisfaction in future. As a rule of thumb we could say that 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.

The CRC and LGSA mainly assess governance from a citizen perspective, involving government only to respond to the assessments done by the communities. UGI and GOFORGOLD involve groups of citizens in their analyses or integrate the outcomes of a citizen satisfaction review. Only the LGB has a true multi-stakeholder perspective, identifying and actively involving relevant stakeholder groups and facilitating a dialogue process on important governance issues between these groups (see figure below).

Single stakeholder	Multi stakeholder	
CRC, LGSA (citizen)	UGI, GOFORGOLD	LGB

Which LGA for monitoring and evaluation purposes?

It is also important to measure the changes in the quality of governance over time. All LGAs in the toolkit, if implemented on a regular base, can be used for monitoring and evaluation (M&E) purposes as they all present in one way or another a statement that qualifies the present state of performance and/or governance in a certain Local Governance setting against an ideal perspective of performance and/or governance. However, those LGAs that use some form of indexation or quantified scores can be easier used for M&E purposes especially at aggregated levels.

Regarding the usability of LGAs for monitoring and evaluation purposes it is important to make a distinction between top-down monitoring (like donor-partner or central government local government) and bottom-up monitoring (like citizens monitoring local government). If stakeholders in municipalities can use the LGA for self monitoring to assess on a regular base whether they are actually making improvements in performance or governance than an LGA could be an important tool to empower citizens and CSOs for holding their local government accountable. If LGAs are used by donors or (central) government to monitor municipal performance they could potentially contribute to disempowering the municipalities and therefore reinforcing top-down accountability structures.

While all tools can be used for M&E purposes, the UGI and to a lesser extent GOFORGOLD are more geared to top-down performance monitoring. The CRC can be used for both types of monitoring, while the LGB and LGSA are more suitable for bottom-up monitoring.

Top down M&E		Bottom up M&E	
UGI	GOFORGOLD	CRC	LGB, LGSA

How much time and financial resources do we have?

Another factor that is of critical importance in practice is the cost-benefit criteria. Cheap LGAs, like the LGSA and the UGI (in terms of operational and support costs and time allocation of participants), might not provide the same richness in information as other LGAs, but will be easier to institutionalise, to repeat and to scale up to include all local government institutions or municipalities. High cost assessments on the other hand might be justifiable if applied on a limited scale when the information is e.g. of critical value for proper project identification or training design.

Low costs / municipality & less detail	High costs / municipality & more detail	
LGSA, IGU	GOFORGOLD	CRC, LGB

Use of LGA for Sector programs?

LGA tools can also be used in a sector programs (e.g. health, education etc.) It can help to assess the performance of local government institutions in providing a specific service or to assess the quality of the wider local governance system in a specific sector and how this affects the provision of a service. The selection of a particular tool follows similar considerations as above whereas some sector specific adaptation of selected tools will be required. On conducting a systemic analysis of the quality of local governance in a sector, some experience exists with the Local Governance Barometer (LGB). For example in Southern Africa (Zambia, Malawi) SDC supports the development and application of a Local AIDS Governance Barometer (LAGB). First experience shows that there have been no major challenges in the re-modelling of the LGAB except that it addresses a different set and broader range of stakeholders. Though analytical questions required certain adaptation to the specific sector context, the tenets of good local governance converge with the principles of democratic governance in the field of HIV/AIDS. The structure of the LGB proved to be generic enough to remain useful in building governance responses in sector work but specific enough to ensure that all the conventional areas of governance are interrogated. Testing the LAGB resulted in positive response by all stakeholders. It raised general awareness of the need of good HIV/AIDS governance and for approaching HIV/AIDS governance in ways that promote consensus and dialogue between communities, civil society, local government and administration.

Need for adaptation of or combination with other tools?

As mentioned in chapter 2, the use **for SDC internal operational purposes** might require creative adaptation of the tools or combination with others. For example at the moment of annual reporting, neither room nor time will be available for extensive analysis and dialogue with involved domestic stakeholders. The analysis will have to be carried out as an SDC internal (self-) critical stocktaking with little resources and within a short period of time. Also, a multi-stakeholder analysis might not be indicated in the moment of preliminary strategic

- *How (in general terms) does the decentralised Local Government system function? What is the stage of political, administrative, fiscal decentralization, what is the legal framework?*
- *What is the reform agenda? What are the policies and strategies from the Ministry of Local Government regarding decentralisation, public sector reform and promoting good governance?*
- *What are political incentives and interests of the major stakeholders? Who What is the actual commitment and willingness of political leaders at various levels to the process of DLG?*
- *What about the institutional capacities of administration? What is the vibrancy and capacity of civil society (including the media) and the voice of citizens?*
- *How can an LGA contribute to achieving the strategic objectives from the government?*

reflections as it can create expectations with certain stakeholders which might eventually be discouraged. It goes without saying that for designing a new sector strategy a localized context analysis is not sufficient and needs to be complemented with other elements, providing a more comprehensive picture of the national DLG situation (for example for a political economy perspective). This includes the following questions:

4.3 Context factors influencing an LGA

While all of the above factors influence the initial choice for the most appropriate tool, the actual choice for a certain LGA tool, its scope and the main agent who will implement the LGA will be to a large extent be influenced by contextual conditions which therefore require a detailed analysis prior to conducting an LGA: *What is the current DLG situation and related reform agenda? Who are major stakeholders and what are their interests, capacities? Thus, how can an LGA best contribute to actual trends, which are the potential strategic partners and how to respond to their needs?*

In general, one can say that in countries characterised by recent decentralization efforts with emerging local government structures that are not yet functioning optimally, it is more relevant to start with a Local Governance performance assessment. What is functioning well in the Local Government system and what are the existing challenges. Understanding the actual (lack of) performance is a prerequisite for addressing respective causal aspects.

Another important contextual factor influencing the choice is the relative openness of the political process at national and local level within a certain country. The dilemma here is that in non-democratic societies or in societies with a strong neo-patrimonial system, the need to conduct a true governance assessment is of course much more apparent. But on the other hand the commitment of the political leadership to participate in such assessment is much smaller as well as the likelihood that the results will be used to inform a political reform process. Doing a performance assessment only might result in window dressing, not being able to address the real reasons for performance failure, but it might in such societies be the only option for which you can generate sufficient political support.

Related to the above contextual factor is the important question of ownership of the LGA. Should it be government led, thus creating more legitimacy in the eyes of government and enhancing the changes of institutionalisation of results and methodology on the one hand but enhancing the risk of manipulation and lack of representativeness and independence on the other hand? Alternatively, it could also be civil society led, which might enhance validity and independence but might limit policy uptake of the results if these results are critical of government performance. Combining both parties in a management team of the LGA would be ideal from a legitimacy perspective but might result in political in fight or a stalemate situation during the implementation process.

5. How to conduct an LGA

5.1 Preparatory phase of an LGA

The bulk of the work for an SDC office takes place during the preparatory phase. An LGA is a political exercise, and therefore one that requires broad participation through all the stages of implementation. It is therefore useful to start the actual process with organizing an open meeting of all stakeholders interested in participating in a local governance assessment and to select a **Steering Committee** made up of government and non-government stakeholders (if possible). By including CSOs, the assessment process has the potential to move civil society to a new, more mature level. In addition, one should consider the involvement of private sector representatives as it is both driver and victim of bad governance. The Steering Committee should participate actively in each step of the process to ensure credibility and legitimacy, while the donor should delegate sufficient authority to the steering committee to ensure that it can actually steer and not only monitor the process.

Preparatory steps:

- **The selection of the implementing agent (government or non-government):** External experts are usually expensive; they lack contextual knowledge and do not fit well with efforts to increase local ownership. It is better to use them for backstopping and quality control only. Local research organizations or NGOs offer greater independence, but can also be expensive and the quality of their work can vary widely and require more hands on support. Academic researchers are worth considering, given that they often have lower overhead and have access to skilled assistants and field staff. National statistical offices likewise have the skills, staff and experience to carry out high-quality surveys.
 - **Decisions regarding the scope and timing of the initial LGA exercise:** It is better to start with a smaller high quality LGA that covers a limited number of municipalities only than to aim too high and sacrifice on quality. Ensuring that the results of the LGA are meaningful and are actually used in practice is the biggest selling point to interest government or other donors to step in for scaling up the efforts.
 - **Budgetary matters regarding the implementation of the LGA:** It is very difficult to give an indication of the costs involved in conducting a pilot LGA as it depends a lot on local circumstances and whether the project needs to recruit project staff or not. Nevertheless, as an indicative guideline we could say that a pilot conducted in 10 municipalities could be implemented in 2 years time with a small team of permanent staff and will cost between € 150,000 for the LGSA and UGI and € 250,000 for the CRC and LGB (from start to dissemination of results). With most costs going to salaries, the cost per municipality will go down if the number increases.
 - **The institutionalisation of the LGA:** This should receive ample attention from the start and not only after completion of the pilot project. The composition of the Steering Committee should be primarily based on the consideration of who plays an important role in the institutionalisation process (the Ministry of Local Government, the President's office, or the government institution responsible for performance monitoring, the Local Government Association, etc.).
 - **The choice of the LGA tool and the context analysis** (see chapter 3)
 - **The dissemination of the results:** Decisions regarding the dissemination of results (which is related to the purpose of the LGA: policy influencing, public awareness raising, direct action) should be part of the preparatory phase as this will have an impact on the methodology used and it requires a substantial budget; According to the DPWG-LGD training kit on harmonisation, decentralisation and local governance: "There is a growing recognition that the failure of research to influence policy formulation is often the result of the absence of a clear communication strategy targeted at policymakers. For this reason, right from the start of the initiative, the agent carrying out the assessment needs to develop a clear strategy for communicating the results, rather than leaving the design of such a strategy until after the results are available." (DPWG-LGD 2011, page 120).
- ➔ *Invest during the preparatory phase ample time in ensuring political buy in of the key players at local level (Mayors, Municipal Managers, Council Secretaries, etc.) as they will determine whether the results of an LGA will be implemented. It is important to convince local political leadership of the potential win-win situation that can be achieved: greater transparency for everyone and reduced corruption, better responsiveness etc. enhancing their legitimacy and therefore the likelihood of being re-elected.*

5.2 Design phase of an LGA: Methodology and indicators

Local Governance Assessment is a normative exercise that measures the actual performance of actors in local governance against an ideal level of “good” governance. What is “good” in one country is not necessary good in another country. **Defining the local standards of good governance** and translating them in **indicators** will therefore be an important prerequisite for designing a successfully contextualised LGA. The Steering Committee should play an important role in operationalising “good governance” standards, in the selection of indicators and related data sources.

When defining country specific indicators it is good to take the following suggestions into consideration (UNDP, 2009 page 41):

- Conduct a detailed mapping of relevant existing government and non-government data before deciding to collect primary data;
- Look for data sources that provide de jure (existence of laws, regulations, institutions) and de facto information (actual experiences of how well the laws/policies are enforced and implemented in terms of efficiency, fairness, transparency and/ or accountability);
- Examine the quality of the data sources;
- Mix qualitative and quantitative data when possible;
- Make sure to invest in new indicators to fill in gaps not covered by existing indicators. Then be sure to test these in terms of reliability and validity, but do not “re-invent the wheel” by developing new indicators, if good existing ones are available;
- Use proxy indicators when you cannot measure something directly or related cost is too high;

If possible, triangulate different methodologies to increase the validity of the results. Expensive surveys can be kept smaller if they are complemented by focus group discussions covering the same topics or by stakeholder group validation of the findings. Make ample resources available to pilot your LGA in a real life setting. Due to time pressure or budget limitations a pilot run of the LGA is often skipped or implemented only half-heartedly. A good pilot is however important since you can't change your methodology half way during the implementation phase even though it might contain mistakes as this will make part of your results invalid.

5.3 Implementation phase of an LGA

When we are dealing with Local Governance we need to be aware we are dealing with different stakeholders with different perspectives and different expectations. These expectations are often not explicit and sometimes not realistic. An assessment is therefore a capacity building process at the same time and a start of a dialogue process. This is why it is extremely important to make the assessment process as inclusive as possible.

If you do a survey type of assessment make sure that you stick to the basic rules of doing a good quality survey². In practice, results often indicate under-performance of politicians or administrators, and they will immediately question the validity of the survey as a first line of defence: “was the sample big enough and were the respondent selected randomly, where the questions suggestive and was the analysis done properly”, are questions you can expect. You therefore have to be able to prove that the survey was done correctly otherwise they will switch off and disregard any of the conclusions how valid they may be.

² See for the basic rules of doing a good Survey chapter 8 and 9 of UNDP: Planning a Governance Assessment: A Guide to Approaches, Costs and Benefits. UNDP 2009.

5.4 Dissemination of results and follow up support

Make sure that the whole process of the LGA is transparent and adheres to the principles you advocate for: accountability, participation and fairness. Raw data should be at all times available to the general public for scrutinizing as well as all project related documents, budgets, minutes of meetings, etc. But also consider that LGA are first of all a self-assessment, and the results are therefore owned by the municipality (all stakeholders). It is good practice to keep the LGA results confidential between the implementing agent and the participating municipality until they are endorsed by the municipal council. The Steering Committee should ensure that results are available in the public domain.

Adjust the way you present your findings to the audience you address and think of creative ways to disseminate findings. The table below provides some ideas that may help in communicating the results to various audiences³.

Product	Cost	Content	Medium	Users
Full report, hard copy	Medium to high	Full assessment	Publication in local language & English	Govt officials, politicians, media, CSO, donors
Full report, electronic copy	Low	Full assessment and linkage to data archive	Webpage of the assessment	Elite internet users, researchers, opinion shapers
Executive summary/press release	Low	Summary with main conclusions & few data	Press conference	Govt officials, politicians, media, CSO, donors
Conference documents	Medium	Presentation & background paper	Conference package & link to website	Academics, policy makers, donors, journalists
Extracts by section	Low to medium	Executive summary on specific sections	Journals, magazines & newspapers	Interest specific specialists
Civic education summaries, and leaflets	Medium	Video or audio, cartoons, basic language leaflet	CSOs, churches, schools libraries	General public in municipality
Interviews and features	Low	Verbal and visual summaries	Radio and TV	General public

An LGA will identify a lot of weaknesses in the governance system that might be too overwhelming for the local government to deal with and achieve the opposite effect of what one aims to achieve. Professional facilitation is required to ensure that the right priorities are selected from a principle of “good enough governance”⁴. While the objective of the LGA is to assess the existing situation it certainly helps if the project has some resources available (or links to resources) in order to tackle some of the most apparent capacity gaps that are identified during the process.

³ Based on the table on page 33 in UNDP: Planning a Governance Assessment: A Guide to Approaches, Costs and Benefits. UNDP 2009.

⁴ See Meredith Grindle: Good Governance; The Inflation of an Idea. Harvard Kennedy School Faculty Research Working Paper Series, June 2010 and other articles by Meredith Grindle.

Annex 1: More detailed description of the 5 proposed LGA tools⁵

Urban Governance Index (UGI)	
Description	<ul style="list-style-type: none"> ▪ Multi-stakeholder Local Government performance assessment mainly from a supply side perspective
Purpose	<ul style="list-style-type: none"> ▪ <u>Partners</u> <ul style="list-style-type: none"> ➢ An easy to use self-assessment tool to monitor local governments' performance. ➢ Provides feedback on effectiveness of decentralization and LG system ➢ Allows for informed choices on priority policies and resources allocation ▪ <u>Project/SDC</u> <ul style="list-style-type: none"> ➢ Provides an overview of the governance situation at local level and an indication of capacity support requirement ➢ Baseline data for progress monitoring
Dimension covered	<ul style="list-style-type: none"> ▪ Poverty and gender disaggregated and specific questions included ▪ Informal structures and Power relations not covered
Applicability	<ul style="list-style-type: none"> ▪ Useful in settings where there is a demand for assessing the performance of formal LG institutions against national standards ▪ Can be easily integrated in an existing or newly developed Local Government performance management system ▪ Needs to be applied on a wider (preferably country wide) scale to reach its full potential of being able to compare municipalities
Requirements	<ul style="list-style-type: none"> ▪ Commitment and support from central government and preferably the intention to integrate it into LG management system ▪ Commitment from Local Government to assess its performance objectively ▪ LG Staff that will implement the UGI need basic training to ensure minimum quality
Inputs required	<ul style="list-style-type: none"> ▪ Mainly self assessment requiring relative limited time from outsiders ▪ Uses party existing data so relatively cheap to implement
Advantages	<ul style="list-style-type: none"> ▪ Relatively easy to institutionalise as it stays close to standard LG performance monitoring ▪ It can integrate citizen satisfaction data if available ▪ If data on indicators are ready available it is a relatively cheap and easy to implement
Disadvantages	<ul style="list-style-type: none"> ▪ In its standard format it requires high quality objective data ▪ Not very strong for creating dialogue and awareness raising ▪ It has a few governance indicators but the depth of governance assessment is limited ▪ Limited involvement of citizens in analysis (data often too technical)
Link to Tools and Manuals on Shareweb	<ul style="list-style-type: none"> ▪ Urban Governance Index UN-Habitat (Annex 1.1)
Further Info and contact	<ul style="list-style-type: none"> ▪ Global campaign on urban governance governance@unhabitat.org www.unhabitat.org/campaigns/governance

⁵ The descriptions of the 3 existing SDC tools selected for the roster are based on the factsheets used in: Pascal Arnold; Local Governance Assessments: A Capitalisation of SDC Experience, February 2011.

Citizen Report Card (CRC)	
Description	<ul style="list-style-type: none"> ▪ Local Government performance assessment from a demand side perspective
Purpose	<ul style="list-style-type: none"> ▪ <u>Partners</u> <ul style="list-style-type: none"> ➤ Provides reliable and systematic data regarding citizen perception of local government performance (satisfaction survey). ➤ Can be used to monitor the effectiveness of privatised services ➤ Provides feedback on the effectiveness of decentralization and LG system ➤ Allows for informed choices on priority policies and resources allocation by local government ➤ Can be used by CSOs for lobby and advocacy purposes and enhances downward accountability ▪ <u>Project/SDC</u> <ul style="list-style-type: none"> ➤ Identifies strength and weaknesses in LG service provision ➤ Provides baseline data for progress monitoring
Dimensions covered	<ul style="list-style-type: none"> ▪ Poverty and gender data should be collected and presented in a disaggregated manner and specific questions on poverty and gender can be included ▪ Informal structures and Power relations can to a limited extent be covered
Applicability	<ul style="list-style-type: none"> ▪ Mainly used to assess LG performance on service delivery but can include assessment of governance aspects as well ▪ Can be applied in a wide range of settings like individual municipalities or covering all municipalities across a country ▪ Usually initiated by Civil Society Organisations but can be initiated by Government as well ▪ Useful as an input into the development of a service charter
Requirements	<ul style="list-style-type: none"> ▪ Local Government leadership open for feedback ▪ Adequate sampling framework available to ensure a representative sample. Stratified sampling might be useful ▪ Works better in settings where services standards are defined and known to the public
Inputs required	<ul style="list-style-type: none"> ▪ Requires extensive interviews of a large population (depending on the reliability levels required) and involves extensive data analysis which makes it time consuming and expensive
Advantages	<ul style="list-style-type: none"> ▪ Provides an quantitative, simple and unambiguous measure of satisfaction with public services ▪ Can easily be institutionalised in a Local Government Performance Management system ▪ Engages ordinary unorganised citizens in local governance (instead of CSO or group representation that might be biased) ▪ Can be focused on specific interest groups (e.g. poor, business sector, etc.)
Disadvantages	<ul style="list-style-type: none"> ▪ Difficult to implement in settings without an active civil society ▪ Perceptions can be based on actual experiences or lack of adequate information supply which is difficult to distinguish
Link to Tools and Manuals on Shareweb	<ul style="list-style-type: none"> ▪ Citizen report card Manual (Annex 1.2)
Further Info and contact	<ul style="list-style-type: none"> ▪ www.citizenreportcard.com ▪ Public Affairs Centre India www.pacindia.org ▪ Paul van Hoof at Idasa pvanhoof@idasa.org.za

Local Governance Self Assessment (LGSA)	
Description	<ul style="list-style-type: none"> ▪ Multi-stakeholder Local Governance assessment mainly from a demand side perspective
Purpose	<ul style="list-style-type: none"> ▪ <u>Partners</u> <ul style="list-style-type: none"> ➢ Awareness raising of citizens and LG on tasks, special reference to transparency, downward accountability, pro-poor service delivery and the inclusion of women and poor; ➢ Identification of LG gaps and needs and monitoring of progress ➢ Promotion of dialogue between citizens and local authorities in rural areas ➢ Policy advice to central government on decentralization ▪ <u>Project/SDC</u> <ul style="list-style-type: none"> ➢ Baseline information on LG in a broad area ➢ Input for programme and/or projects planning, monitoring and evaluation
Dimensions covered	<ul style="list-style-type: none"> ▪ Has a strong poverty and gender dimension. ▪ Informal structures and Power relations can to a limited extent be covered depending on the quality of facilitation
Applicability	<ul style="list-style-type: none"> ▪ Awareness raising on the importance of good governance/service delivery at community level ▪ Assess the status of local governance at grass roots level ▪ Creating dialogue between LG and community and initiating downward accountability
Requirements	<ul style="list-style-type: none"> ▪ Supportive Local Government ▪ Well trained facilitators
Inputs required	<ul style="list-style-type: none"> ▪ Requires limited inputs in term of funding for workshops and time of skilled facilitators
Advantages	<ul style="list-style-type: none"> ▪ Simple and cheap, can easily be replicated ▪ Can be implemented as a Civil Society initiative in individual municipalities where there is a demand for an LG assessment (doesn't require full backing from central government) ▪ Special attention is paid to social inclusion aspects ▪ Action oriented focused on LG and communities own abilities to resolve identified issues
Disadvantages	<ul style="list-style-type: none"> ▪ Superficial assessment of local governance ▪ No indexation. Comparison of scores across municipalities difficult
Link to Tools and Manuals on Shareweb	<ul style="list-style-type: none"> ▪ Local Governance Self-Assessment - Sharique Bangladesh (Annex 1.3)
Further Info and contact	Tirtha Sikder, Jens Engeli at: info@intercooperation-bd.org

Local Governance Barometer (LGB)	
Description	<ul style="list-style-type: none"> ▪ Multi-stakeholder local governance assessment from a demand and supply side perspective
Purpose	<ul style="list-style-type: none"> ▪ <u>For partners</u> <ul style="list-style-type: none"> ➢ Facilitated governance self-assessment tool ➢ Instrument for dialogue between stakeholders at local level ➢ Identification of local governance and related capacity gaps of all stakeholders ➢ Awareness raising and capacity development on local governance standards ➢ Horizontal and vertical dialogue promotion ▪ <u>For projects/SDC</u> <ul style="list-style-type: none"> ➢ Baseline information + monitoring tool ➢ Input for planning of programmes and/or capacity building activities ➢ Knowledge development on local governance processes in practice
Dimension covered	<ul style="list-style-type: none"> ▪ Poverty and gender disaggregated and specific questions are included in the questionnaires ▪ An analysis of informal structures is explicitly included and an analysis of Power relations is to a limited extent covered
Applicability	<ul style="list-style-type: none"> ▪ Especially suitable for in-depth case studies of local governance processes to identify capacity needs and structural flaws in a local government system ▪ Can be used in data rich and data poor settings and integrate both objective and perception data ▪ Uses indexation to make comparisons over time & space possible
Requirements	<ul style="list-style-type: none"> ▪ Commitment of leadership (at local and national level) to address structural flaws in the decentralised local government system ▪ Basic local government infrastructure should be in place and functional
Inputs required	<ul style="list-style-type: none"> ▪ Trained local facilitators are required and exercises are time consuming ▪ Due to extensive involvement of various stakeholders the LGB is relatively expensive to implement
Advantages	<ul style="list-style-type: none"> ▪ Governance assessment, awareness raising and empowering stakeholders at the same time ▪ Is contextualised at indicator level but makes comparison at universal criteria level possible as well ▪ Truly multi-stakeholder involving all stakeholders on an equal base and facilitates their full participation ▪ Can also be used for governance assessment within sectors (like the governance dimension of HIV&AIDS)
Disadvantages	<ul style="list-style-type: none"> ▪ Comparatively rather costly and time consuming ▪ Requires trained external facilitators ▪ Requires technical backstopping to computerise the specific country model ▪ Difficult to institutionalise in an integral manner ▪ No mapping of power relations included yet
Link to Tools and Manuals on Shareweb	<ul style="list-style-type: none"> ▪ Local Governance Barometer Übersicht (Annex 1.4)
Further Info and contact	<p>Ephrem Tadesse: ephrem.tadesse@sdc.net Paul van Hoof: pvanhoof@idasa.org.za Website: http://www.pact.mg/lgb/lgb/interface/</p>

Good Governance for Development (GOFORGOLD)	
Description	<ul style="list-style-type: none"> ▪ Multi stakeholder local government performance assessment from a supply and demand side perspective in a (post) conflict situation
Purpose	<ul style="list-style-type: none"> ▪ <u>Partners</u> <ul style="list-style-type: none"> ➤ An easy to use tool to monitor regional and local governments' performance. ➤ Awareness raising on decentralization and good governance principles at all levels ➤ Allows for informed choices on priority policies and resources allocation ▪ <u>Project/SDC</u> <ul style="list-style-type: none"> ➤ Provides an overview of the governance situation at sub-national level ➤ Baseline data for progress monitoring
Dimension covered	<ul style="list-style-type: none"> ▪ Poverty and gender disaggregated and specific questions are included ▪ Informal structures and Power relations analyses not covered
Applicability	<ul style="list-style-type: none"> ▪ Applicable in countries emerging from conflict situations, rebuilding LG infrastructure ▪ Identifies systemic weaknesses in Local Government system (like financial management system) and provides a good baseline for a decentralization support programme ▪ Can be used in data poor settings ▪ Uses as much as possible existing objective data but needs to be adjusted to the local setting ▪ Can be used for horizontal and vertical information sharing (no practical experience yet)
Requirements	<ul style="list-style-type: none"> ▪ Safety and security situation needs to be stable enough to ensure that reconstruction of LG institutions is sustainable ▪ Central level government commitment to support the process and use the results ▪ Proper training of data collection teams on "governance" especially in settings where conflict have disturbed the "normal" functioning of society over a long period
Inputs required	<ul style="list-style-type: none"> ▪ Facilitators are required but not too extensively ▪ In terms of costs involved in between UGI (relative cheap) and LGB (relative expensive)
Advantages	<ul style="list-style-type: none"> ▪ Specifically addresses issues of security ▪ Has a gender and poverty dimension ▪ User friendly format of reporting ▪ Methodology is simple and therefore easily replicable at low costs
Disadvantages	<ul style="list-style-type: none"> ▪ Gives an indication of the quality of governance by assessing whether relevant institutions are in place not how they function or are appreciated ▪ not detailed enough to identify capacity gaps and capacity development interventions ▪ Only applied in one country
Link to Tools and Manuals on Shareweb	<ul style="list-style-type: none"> ▪ GOFORGOLD PMT Handbook_Version 2 (Annex 1.5) ▪ GOFORGOLD handbook-Dari (Annex 1.6)
Further Info and contact	<p>Abdul Bari: abdul.bari@sdc.net Website: IDLG: http://www.idlg.gov.af/IDLG</p>

Annex 2: References

Arnold, Pascal 2011: Local Governance Assessments: A Capitalisation of SDC Experience. SDC 2011

Development Partners Working Group on Local Governance and Decentralization (DeLoG) 2011: Trainer's kit; Harmonisation, Decentralization and Local Governance. <http://www.train4dev.net/index.php?id=109>

Grindle, Meredith 2010: Good Governance; The Inflation of an Idea. Harvard Kennedy School Faculty Research Working Paper Series, June 2010

UNDP Oslo Governance Centre 2009: Planning a Governance Assessment; A Guide to Approaches, Costs and Benefits. http://www.gaportal.org/view/undp_pub

UNDP Oslo Governance Centre 2009: A users' Guide to Measuring Local Governance. http://www.gaportal.org/view/undp_pub