DECENTRALISATION
IMPLEMENTATION PLAN (DIP)
2014 – 2017

Cabinet Office,
Decentralisation Secretariat,
7th Floor, New Government Complex,
LUSAKA.

DECEMBER 2014
FOREWORD

The empowerment of all Zambians to realise their social, economic, political and cultural aspirations is the foundational objective of the existence of our State. Empowerment of citizens is achieved when citizens are given adequate access to appropriate information, organisational facilitation, financial and other resources which they need in order to sustainably use the natural and other endowments at their disposal to realise these aspirations. Clearly, it is only when citizens are empowered that sustainable development can be expected. The principle of decentralisation has proved since time immemorial to provide one of the best opportunities of attaining this empowerment objective in all human societies.

In light of the foregoing reality, the Zambian State has since its formation in 1964, committed itself to the principle of decentralisation as a primary vehicle for attaining the vision of a democratic and developmental state that balances the requirements of democracy and popular participation with those of viability, efficiency and effective governance especially at the local level.

Today, the implementation of a decentralised system of governance remains a fundamental objective of the Patriotic Front (PF) administration. The commitment to the policy of decentralisation is clearly sustained and affirmed in the Manifesto of the Party with the objective of maximising the Zambian population’s involvement in the planning of development, decision-making and the running of the government affairs that affect their lives on a day-to-day basis. This objective is best achieved through decentralisation of appropriate power and resources either by the deconcentration or devolution to provinces and democratically elected councils respectively within the structure of our unitary state.

During the period up to 2012, the government has undertaken substantial preparatory work to facilitate the implementation of the decentralisation process. This work which has included establishing a clear policy position on decentralisation, sensitising the public and setting up of implementation structures at all levels, has laid a firm foundation for the rapid implementation of the policy during the years ahead. This revised plan aims to take stock of this progress and build upon it in key areas such as restructuring of councils and sector devolution, participatory planning, fiscal decentralisation and governance.

In conclusion, I wish to take this opportunity to thank all stakeholders including our Cooperating Partners for the commitment and dedication they have shown towards the realisation of the decentralisation process in our country. I have full confidence that given this level of commitment and the political will of the Patriotic Front (PF) to accelerate this reform, the various efforts and strategies put in place through this plan will result in positive and substantial progress at all levels within the timeframe set out in our overall national development process.

I hereby invite and encourage all stakeholders to take an active interest in this plan and use it as a roadmap towards the attainment of our cherished ideal of a fully decentralised society.

Dr Roland Msiska
Secretary to the Cabinet
Lusaka, December 2014.
ACKNOWLEDGEMENT

The review of the 2009 edition of the Decentralisation Implementation Plan (DIP 2009 – 2013) has been made necessary on two grounds. In the first place, the operating period for the plan came to its end and secondly, the country had just ushered in a new administration through the general elections of October 2011. The review therefore was important not only for starting a new planning period but also to accommodate the aspirations and policy directions of the newly elected Patriotic Front (PF) Government.

In light of the above, Government through the Decentralisation Secretariat (DS) took the initiative to review the Plan with the view to accommodate the revised position of government on this important subject. To this end, the Secretariat undertook an interactive consultative process with stakeholders to have the plan reviewed. Key institutions including the Office of Vice President and Cabinet Office as well as line ministries with functions earmarked for devolution and civil society organisations participated in the review.

I wish to take this opportunity to commend the Decentralisation Secretariat and all staff in the different Ministries who participated in this exercise. I also wish to commend Cabinet Office for providing leadership to this process and the sector ministries with functions to devolve for their demonstrated willingness and interest to attain devolution. A special acknowledgement goes to all the Civil Society Organisations (CSOs) and other stakeholders who participated directly or indirectly in the production of this Plan.

Special thanks also go to all the Cooperating Partners (CPs) who, in various ways are supporting government in the decentralisation process. The implementation of decentralisation in Zambia would not have reached this advanced stage without your generous and steadfast technical and financial support. In particular and in conclusion, I wish to pay a singular tribute to GIZ for directly supporting the review and production of this DIP through the provision of dedicated Technical Assistance under the Decentralisation for Development (D4D) programme.

Ndashe Yumba
PERMANENT SECRETARY,
MANAGEMENT DEVELOPMENT DIVISION

Lusaka,
December 2014
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CHAPTER 1

1. INTRODUCTION AND BACKGROUND

The Decentralisation Implementation Plan (DIP) was first formulated in 2004, two years after the approval of the National Decentralisation Policy (NDP) in 2002. However, it was not until December 2009 that the DIP was finally approved by Cabinet for full implementation. Thereafter, Government proceeded with the implementation of scheduled activities under the various components of the plan. During this period, substantial progress was recorded under different components including Sensitisation, Legal Reforms, Human and Institutional Capacity Development as well as Sector Devolution. Due to various reasons, progress on most of these components was slower than scheduled. The DIP was subjected to a review in 2012 following the review of the National Decentralisation Policy.

1.1. The National Decentralisation Policy (NDP) was reviewed in 2012 on the following two grounds.

1.2. As a response to the changes in the policy environment, which required the Policy to be tailored to address the policy perspectives of the Patriotic Front (PF) administration which took office after the general elections of 2011.

1.3. To comply with the provision requiring the mandatory review of government policy documents after every 10 years.

1.4. In both instances, the old policy had been noted to be deficient in the articulation of some local governance and decentralisation issues, especially those related to the participation of traditional rulers in matters of local governance. The DIP, was therefore subjected to a review to take due consideration of the above matters and developments among other issues.

1.5. This revised DIP will now be implemented in full pursuit of the aspirations of the revised National Decentralisation Policy Vision, Goals and Objectives as well as Policy directives which are contained in the new Policy.

2. THE NEED FOR DECENTRALISATION (RATIONALE FOR THE DIP)

2.1. The objectives of Decentralisation in Zambia stems from the need for the citizenry to exercise control over its local affairs and foster meaningful development which requires that some degree of authority is decentralised to provincial, district and sub-district levels as well as Councils, in the background of centralisation of power, authority, resources and functions, which has in turn subjected institutions at provincial, district and sub-district levels to absolute control by the centre. In order to remove the absolute control by the centre, it is necessary to transfer a measure of authority and functions with matching resources to lower levels and thereby, to equip these levels with meaningful capacity to discharge public functions assigned to them under the provisions of the NDP.

2.2. There are four principal forms of decentralisation. namely: deconcentration, delegation, devolution and privatisation. While deconcentration and delegation transfers resources to lower level and subordinate authority, they have a tendency of concentrating authority in the hands of higher authorities and thus accountability is still left to the centre. Further, although deconcentration and delegation can pursue the technical efficiency leading to greater effectiveness, these forms decentralisation cannot effectively enhance the decentralised system of administration as popular participation may not be realised. Devolution on the other hand broadly refers to the legally backed transfer of functions and resources from central
government to sub national or parastatal bodies. In cases such as Zambia where functions and resources are transferred to democratically elected sub national authorities that are representative of and downwardly accountable to local populations, devolution takes a deeper form which is also referred to as political or democratic decentralisation. Privatisation is the divesting of public ownership in state owned enterprises to non state parties who are thereby empowered to fully or partially own and participate in the management of such enterprises. Privatisation is not strictly regarded as form of decentralisation in some schools of thought on account of the fact that it typically transfers benefits (powers and resources) to select individuals or organisations and not to sub national authorities or entire communities.

2.3. Decentralisation, if properly implemented, can lead to efficient and effective delivery of services. Decentralisation through devolution is perceived to be the most effective form of decentralisation as it ensures technical efficiency and effectiveness in service delivery while enhancing popular participation in development at the same time.

2.4. The fundamental reasons for adopting "devolution" as the primary form of decentralisation in a unitary state like Zambia are mainly twofold and stated hereunder.

2.4.1. Firstly, the 1996 Constitution of Zambia recognises the equal worth of men and women in their rights to participate and to freely determine and build political, economic and social systems of their own choice. The Constitution further resolves to uphold the values of democracy, transparency, accountability and good governance.

2.4.2. Secondly, the Government's approved Public Service Reform Programme (PSRP) and the National Capacity Building Programme for Good Governance emphasise the need for effective decentralisation of selected functions and responsibilities from the central government to the provinces and districts and ultimately the Councils to facilitate democratic governance and improve the delivery of quality and demand-driven services to local communities.

2.5. The Decentralisation Implementation Plan has therefore, been developed and is designed to address challenges at all levels of public administration so as to improve community involvement and participation in both urban and rural areas in the area of infrastructure and service provision and decision making.

2.6. The following are the expected benefits from the devolved system of decentralisation:

2.6.1. Political stability and legitimacy will be secured by the incentivised participation of the people in local development activities and in politics through voting and other practices such as civic education which will strengthen democratic accountability;

2.6.2. Lower level participation in development and politics will be enhanced as a consequence of deepening the governance system through the establishment and operationalisation of governance structures and systems such as Ward Development Committees (WDCs) and a Decentralised District Planning (DDP) system. In turn, this will provide an opportunity for training in leadership which will create a seedbed for prospective political and other local leaders to develop skills in policy-making, political party operations, planning and budgeting with the result that the quality of leadership will be enhanced;

2.6.3. Accountability will be enhanced because local representatives and public servants who will now be responsible for an expanded range of local mandates and resources will be more accessible to the local populace who, given adequate information, will have a renewed incentive to demand transparent governance from their leaders and officers and hold them more closely accountable for their policies and outcomes than they would with distant national
political leaders (or public servants). A vote at local elections and other monitoring and evaluation fora would now be a unique mechanism for the local community to register its satisfaction or dissatisfaction with the performance of its representatives and employees;

2.6.4. Responsiveness of government can be improved because local representatives will be best placed to know the exact nature of local needs (especially for marginalised groups) and how they can be met in a cost-effective way through participatory planning and budgeting processes;

2.6.5. Locally specified plans will be tailor-made for local area using detailed and up to date information; and

2.6.6. The Motivation of field-level personnel will be enhanced when they have greater responsibility and resources for the programmes they manage. Moreover, increased responsibility for local development will assist districts to use central government support to leverage more effective mobilization strategies for local resources.

2.6.7. The existence of overlapping administrative mandates and structures between central and local government at District level will be addressed;

2.6.8. The overall restructuring of the Public Service on account of decentralisation will result in structures of central government (including provinces) that will be strengthened to effectively manage the strategic political and developmental affairs of the country and thereby supervise districts which will be strengthened to improve the delivery of basic public goods and services directly to the citizens.

2.6.9. The integration of various functions in the district under single management in the council will result improved efficiency in decision-making and better co-ordination of development activities at the local level;

2.6.10. The allocation of financial resources to districts using fiscal decentralisation tools such as conditional and non-conditional grants as well as equalisation grants will result in greater equity and effectiveness in the allocation of resources;

3. **VISION, GOALS AND OBJECTIVES**

Under the revised National Decentralisation Policy (NDP), the Vision, Goals, Mission and Objectives of Government are as follows:

3.1. **Vision:** *A decentralised system of governance within a unitary State in Zambia.*

3.2. **Mission Statement:** *To promote a decentralised and democratically elected system of governance which enhances community participation in decision-making.*

3.3. **Goal:** To facilitate attainment of the vision, the following two goals shall be pursued:

   (1) *To have a fully autonomous local government with decision making authority on development priorities, collection and utilisation of revenue as well as on its human resource*

   (2) *To have an Intergovernmental Fiscal Arrangement that recognises Local Government as a primary service provider and contributes to improving its fiscal space to deliver on its mandate.*
3.4. **Policy Objectives:** In order to achieve the Government's vision, the following policy objectives will be pursued:

3.4.1. *To empower provinces, districts and communities in order to achieve effective social economic development;*

3.4.2. *To promote peoples’ participation in democratic governance at the local level to enhance local governance;*

3.4.3. *To promote a decentralised and democratically elected system of governance which enhances community participation in decision-making.*

3.4.4. *To promote co-operative governance with the national Government, provincial administration, provincial assembly, and local authority to support and enhance the developmental role of local government;*

3.4.5. *To promote the participation of chiefs’ and other traditional leaders in governance and preservation of culture and heritage whilst respecting cultural diversity;*

3.4.6. *To promote political and administrative authority in order to enhance delivery of services;*

3.4.7. *To coordinate gender mainstreaming programmes in the councils in order to promote gender equality and equity;*

3.4.8. *To develop and manage human resources in order to enhance individual and organisation performance.*

3.5. **DIP Objectives:** In order to achieve the Government's vision, the following objectives will be pursued:

3.5.1. *Empower local communities by devolving decision making functions and resources from the Centre to the lowest level with matching resources in order to improve efficiency and effectiveness in the delivery of services;*

3.5.2. *Design and implement a mechanism to ensure a "bottom up" flow of integrated development planning and budgeting from the District to the Central Government;*

3.5.3. *Enhance local political and administrative authority in order to effectively and efficiently deliver services;*

3.5.4. *Promote accountability and transparency in the management and utilisation of resources;*

3.5.5. *Develop the capacity of Local Authorities and communities in development planning, financing, co-ordinating and managing the delivery of services in their areas;*

3.5.6. *Build capacity for development and maintenance of infrastructure at local level;*

3.5.7. *Introduce an integrated budget for district development and management;*

3.5.8. *Provide a legal and institutional framework to promote autonomy in decision making at local level.*
4. **STRATEGIC FRAMEWORK FOR THE DIP**

In order to achieve the goals and objectives and meaningful implementation of the DIP the following strategies will be pursued:

4.1. Maintaining a strong national commitment and political will for decentralisation as a tool of human development;

4.2. Developing a culture of empowering and incorporating communities in the implementation of the decentralisation process;

4.3. Strengthening human and institutional capacity development for effective programme implementation;

4.4. Improvement of management information systems, monitoring and evaluation to gauge levels of programme implementation, success and failures;

4.5. Inter and intra institutional linkages which promote input and output systems and facilitate programme implementation;

4.6. Resource mobilisation to adequately finance the programme;

4.6.1. Maintaining an effective public awareness campaign on the subject of decentralisation

5. **MAIN COMPONENTS OF THE DECENTRALISATION IMPLEMENTATION PLAN (DIP)**

5.1. The purpose of the revised Decentralisation Implementation Plan (DIP) is to provide a roadmap that will guide the efforts of all stakeholders through the articulation of their roles in the implementation of the Decentralisation Policy. Specifically, this entails the following:

5.1.1. to clearly articulate components of the DIP;

5.1.2. to define the steps, prioritisation, and sequence of the components/activities;

5.1.3. to provide a guide for the preparation of detailed annual work plans for each component;

5.1.4. to provide the rationale for the proposed interventions, their timing and duration;

5.1.5. to indicate linkages between the major activities;

5.1.6. to estimate the DIP resource requirement for its effective implementation;

5.1.7. to outline the institutional framework for implementing the Policy; and

5.1.8. to indicate the financing mechanisms for the Plan.

5.2. The components of the DIP have been derived from an assessment of the vision and policy measures of the revised National Decentralisation Policy of 2013, the experiences from Zambia’s previous initiatives at decentralisation as well as a consultative national workshop including major stakeholders of the devolution process.
5.3. While the National Decentralisation Policy gives guidance with regard to the devolution process, it also highlights areas where reforms are needed to generally strengthen the local government system and thereby improve service delivery. On this understanding, the components in the DIP are structured in two major sections:

5.4. 1. Components including milestones and activities that lead directly to the implementation of the devolution process.

5.5. 2. Components that aim to strengthen the overall system of local governance in Zambia. While some of the reforms at local government level do not have a direct effect on the devolution of functions to the local level, others are a prerequisite for devolution and are thus highlighted.

5.6. The Plan presents the rationale, objectives, strategies, expected outputs, and activities for the following ten components:

Section I. Components in preparation for Devolution
1. Legal and regulatory Reforms
2. Sector Devolution
3. Fiscal Decentralisation and Financial Management
4. Sensitisation and Civic Education
5. Monitoring and Evaluation of the Devolution process

Section II. Components to strengthen the Local Government System
6. Institutional and Human Resource Capacity Building
7. Governance
8. Local Development Planning and Budgeting
9. Infrastructure Development

5.7. With the exception of Component 2 (Sector Devolution) and its immediate supportive elements in components 1 and 3 (Legal and Regulatory Reforms/Fiscal Decentralisation and Financial Reforms respectively) which comprise the core of the decentralisation implementation process, the rest of the components comprise activities which are provided for and are ongoing through regular the mandates of different implementing agencies. Details of each component are as follows:

CHAPTER 2

6. THE DIP COMPONENTS AND PREPARATION FOR DEVOLUTION

6.1. Section I: Components in preparation for Devolution

6.1.1. Legal and Regulatory Reforms

6.1.1.1. Rationale

6.1.1.1.1. The Decentralisation Policy’s strategy (h) aims to provide a legal and institutional framework to promote autonomy in decision-making at the local level. Policy Measure 7.6 stipulates that “In order to address the issue related to legal framework, the Government will review existing legislation and establish a comprehensive legal framework on decentralisation.”
6.1.1.2. Many of the current policies and pieces of legislation governing the operations of the public service, in general, and sector Ministries/departments, in particular, were developed without devolution but with deconcentration in mind. Some of them are at variance with the requirements of devolution as enshrined in the revised Decentralisation Policy. The aim of this component is, therefore, to create an enabling legal environment for the implementation of the Decentralisation Policy in Zambia. The policies and sectoral laws conflicting with the Decentralisation policy must be identified and reformed accordingly to achieve a supportive legal framework for decentralisation.

6.1.1.2.**Objective**

6.1.1.2.1. The main objective of the component on Legal and Regulatory Framework is to review and where necessary develop legislation critical for facilitation of transfer of specified functions to the councils in order to enhance the legal and financial autonomy of councils.

6.1.1.3.**Outputs/Milestones**

6.1.1.3.1. The Local Government Act and the Public Finance Act are reviewed and amended to facilitate transfer of functions and matching resources to the Councils.

6.1.1.3.2. Sector legislation inconsistent with the decentralisation policy is reviewed and amended.

6.1.1.4.**Strategies**

Assessment of legal and regulatory framework for its compatibility with the decentralisation policy

6.1.1.5. **Activities**

**Lot 1.**

(1) Review specific provisions in the two pieces of legislation
(2) Amend the two pieces of legislation
(3) Review and amend subsidiary legislation under the two pieces of legislation
(4) Issue a statutory instrument with regard to the two pieces of legislation

**Lot 2.**

(1) Identify all pieces of legislation inconsistent with the decentralisation policy
(2) Review all the identified pieces of legislation
(3) Amend all the identified pieces of legislation
(4) Review and amend subsidiary legislation that is inconsistent with the decentralisation policy
(5) Issue statutory instrument with regard to (4) above.
Component Name: Legal and Regulatory Reforms

Objectives/Policy Measure: Review and where necessary develop, legislation critical for facilitation of transfer of functions to local government

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<td>a) The Local Government and Public Finance Acts reviewed and amended to facilitate transfer of functions and matching resources to the Councils</td>
<td>1) Review Specific provisions in the two pieces of legislation</td>
<td>320,000</td>
<td>DS/MLGH/MoJ/MoF</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) Amend the two pieces of legislation</td>
<td>100,000</td>
<td>MoJ/Parliament</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Review and amend subsidiary legislation under the two pieces of legislation</td>
<td>1,300,000</td>
<td>DS/MLGH/MoJ/MoF</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Issue a statutory instrument with regard to the two pieces of legislation</td>
<td>10,000</td>
<td>DS/MLGH/MoJ/MoF</td>
<td></td>
</tr>
<tr>
<td>b) Sector legislation inconsistent with the Decentralisation Policy reviewed and amended</td>
<td>1) Identify all pieces of legislation inconsistent with the Decentralisation Policy</td>
<td>1,000</td>
<td>DS/Cabinet Office/MoF/Sector Ministries/MoJ</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) Review all the identified pieces of legislation</td>
<td>4,000,000</td>
<td>Cabinet Office/MoF/Sector Ministries/MoJ</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Amend all the identified pieces of legislation</td>
<td>6,000,000</td>
<td>MoJ/OVP/Parliament</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Review and amend subsidiary legislation that are inconsistent with the Decentralisation Policy</td>
<td>3,750,000</td>
<td>Sector Ministries/MoJ</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5) Issue Statutory Instrument with regard to (4) above</td>
<td></td>
<td>Sector Ministries/MoJ</td>
<td></td>
</tr>
</tbody>
</table>

13,751,000
6.1.1.6. **Sector Devolution**

6.1.1.7. **Rationale**

6.1.1.7.1. Strategy (b) of the Revised National Decentralisation Policy aims to *devolve decision making authority, functions and resources from the Centre to the lowest level with matching resources*. This process of devolution forms the core of the decentralisation process. Zambia has opted for devolution as its preferred form of effective service delivery at the local level while at the same time maintaining sufficient linkages between the centre and the districts.

6.1.1.7.2. The revised National Decentralisation Policy stipulates the functions to be performed at the central government level, at provincial level, at district council level, and at the sub-district level.

6.1.1.8. **Objective**

The main objective of the component on Sector Devolution is to achieve timely and effective devolution of designated functions from sector Ministries to Councils for effective service delivery.

6.1.1.9. **Outputs/Milestones**

a) Sector devolution plans are reviewed and completed.
b) Selected Central Government functions and resources are transferred to local authorities.

6.1.1.10. **Strategies**

Work towards the right-sizing of the central government and the empowerment of Councils through effective devolution of power and responsibilities from central ministries.

6.1.1.11. **Activities**

**Lot 1.**

(1) Sector, provincial and district Task forces complete preparation of devolution plans.
(2) Conduct orientation workshops on sector devolution for stakeholders (Ministries, Civil Society, Councils and communities)
(3) Conduct reviews to assess progress

**Lot 2.**

(1) Undertake consultations amongst ministries, councils, Trade Unions and other stakeholders to ensure smooth transfer functions and resources.
(2) Classify sector ministries into those that already have a presence at district level as phase one and the rest as phase two for devolution
(3) Place staff according to establishment at both central Govt. and local Authorities
(4) Set deadline for staff movement.
**Component Name:** Sector Devolution  
**Components Objective(s):** To achieve timely and effective devolution of designated functions from Sector Ministries to Councils for effective Service Delivery  

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Sector devolution plans are reviewed and completed</td>
<td>1) Sector, Provincial and District Task Forces complete preparation of devolution plans</td>
<td>670,000</td>
<td>Line Ministries/MLGH</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>2) Conduct orientation workshops on sector devolution for stakeholders (Ministries, Civil Society, Councils and Communities)</td>
<td>2,850,000</td>
<td>Line Ministries/MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Conduct reviews to assess progress</td>
<td>100,000</td>
<td>DS</td>
<td></td>
</tr>
<tr>
<td>b) Selected Central Government functions and resources are transferred to Local Authorities</td>
<td>1) Undertake consultations with Ministries, Councils, Trade Unions and other stakeholders to ensure smooth transfer of functions and resources</td>
<td>2,500,000</td>
<td>DS/Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) Classify Sector Ministries into those that already have a presence at district level as phase one and the rest as phase two for devolution</td>
<td>1,000</td>
<td>DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Place staff according to establishment at both Central Government and Local Authorities</td>
<td>1,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Set deadline for staff movement</td>
<td>1,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
</tbody>
</table>

**Total:** 6,123,000
6.1.2. **Fiscal Decentralisation and Financial Management**

6.1.2.1. **Rationale**

6.1.2.2. The implementation of the fiscal decentralisation component of the NDP represents one of the biggest opportunities offered by the Policy to the national development process. Zambia has a high rate of fiscal centralisation with regard to public expenditure arrangements. Over the years, fiscal centralisation has contributed to the emergence of a high income inequality ratio with a bias towards urban areas. Coupled, these two phenomena have increasingly constrained the implementation of the national development strategy especially with regard to improving service delivery and the utilisation of development opportunities by citizens in rural areas. The successful implementation of fiscal decentralisation as envisioned in the NDP is intended to address these among other constraints. In order to be effective, fiscal decentralisation in Zambia must address several fundamental challenges including the following; Firstly, the need to address historical and systemic imbalances in the political and administrative relationship between Central and Local Government. Since the 1980s, these imbalances have resulted in unclear expenditure and revenue assignments between central and local government as well as ineffective transfer systems that neither enable councils to efficiently implement their assigned mandates, nor afford central government the opportunity to exercise effective oversight over these lower level institutions. Secondly, the underutilisation of revenue generation and management capacity especially in the urban councils and the limited capacity and opportunities to generate and manage financial resources in smaller councils in rural areas. Some policy and legislative frameworks currently in use are often directly or indirectly responsible for this state of affairs.

The revised National Decentralisation Policy stipulates in Policy Measure 6.1.2.3. that “Government shall decentralise with matching resources, some of its functions to the district, which shall perform these functions through democratically elected councils. The Councils will raise part of their own revenue and receive grants from central treasury and line ministries to perform the devolved functions”. By stating functions to be provided by each level of the state, the NDP thereby provides a new policy direction and framework on revenue and expenditure assignments, transfer systems as well as other revenue options available to councils to enable them discharge their mandates.

In the short run, the DIP will prioritise the development of a financing mechanism that facilitates the transfer of resources and accountability from central Government to Councils in line with the principles in the NDP. Concurrently, the ability of Councils to mobilize local revenues and apply them effectively to local development priorities will be strengthened.

6.1.2.3. **Objective**

The main objectives of the component on Fiscal Decentralisation and Revenue Collection is to establish and operationalize a comprehensive local government financing system and enhance the capacity of Councils to effectively mobilize and apply the required resources for effective service delivery.

6.1.2.4. **Outputs**

a) Appropriate expenditure assignments (functions to be performed at each level) between central & local Govt. are clarified
b) Appropriate revenue assignments (realistic sources of revenue to perform functions assigned to respective levels) in accordance with agreed expenditure assignments are revised.

c) A formula-based grant system inclusive of arrangements for equalisation grants is developed.
d) Borrowing regulations for Councils are designed & operationalized
e) An inter-governmental fiscal transfer system is established.
6.1.2.5. **Strategies**  
Establish the financial empowerment of Councils through fair and equitable sharing of public resources and accountability for effective service delivery

6.1.2.6. **Activities**
(1) Study on revenue sharing mechanism.
(2) Reform local taxes system to ensure revenue buoyancy.
(3) Rationalise local authorities’ levies.
(4) Develop a comprehensive, standardized local revenue administration manual.
(5) Review and revise local authorities’ revenue structure and build capacity of local authorities to administer the new revenue structures.
(6) Review and determination of property rates & business levy assessment.
(7) Study of revenue potential in the districts.
(8) Introduction of a formula-based Equalisation Fund (including equalization-vertical and horizontal imbalances)
(9) Establishment of the inter-governmental fiscal transfer task force.
Component Name: Fiscal Decentralisation and Financial Management

Components Objective(s): To establish and operationalize a comprehensive local government financing system and enhance the capacity of Councils to effectively mobilise the required resources for effective service delivery

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Appropriate revenue assignments in accordance with agreed expenditure assignments are revised</td>
<td>1) Study on revenue sharing mechanism.</td>
<td>1,000</td>
<td>MoF/MLGH</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>2) Reforming local taxes system to ensure revenue buoyancy.</td>
<td>2,000,000</td>
<td>MoF/MLGH</td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>3) Rationalisation of Local Authorities’ levies.</td>
<td>1,500</td>
<td>MoF/MLGH</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>4) Development of a comprehensive, standardised local revenue administration manual.</td>
<td>1,000,000</td>
<td>MoF/MLGH</td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>5) Review and revise Local Authorities revenue structure and build capacity of Local Authorities to administer the new revenue structures.</td>
<td>2,500,000</td>
<td>MoF/MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6) Review and determination of property rates and business levy assessment.</td>
<td>1,500,000</td>
<td>MoF/MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7) Study of revenue potential in the district</td>
<td>4,000,000</td>
<td>Devolving Ministries</td>
<td></td>
</tr>
<tr>
<td>b) Appropriate expenditure assignments between Central and Local Government are clarified</td>
<td>Clarify appropriate expenditure assignments between Central and Local Government</td>
<td>100,000</td>
<td>MoF/MLGH</td>
<td></td>
</tr>
<tr>
<td>c) A formula based Equalisation grant system is developed</td>
<td>1) Introduction of a formula-based transfer system (including equalisation -vertical and horizontal imbalance)</td>
<td>100,000</td>
<td>MoF/MLGH</td>
<td></td>
</tr>
<tr>
<td>d) Borrowing regulations for Councils are designed and operationalised</td>
<td>Design and regularise borrowing regulations for Councils</td>
<td>1,000,000</td>
<td>MoF/MLGH</td>
<td></td>
</tr>
<tr>
<td>e) Inter-governmental fiscal transfer is established</td>
<td>1) Establishment of the inter-governmental fiscal transfer task force</td>
<td>100,000</td>
<td>MOF/MLGH</td>
<td></td>
</tr>
</tbody>
</table>
6.1.3. Sensitisation and Civic Education

6.1.3.1. Rationale

Considering the importance of enhancing the understanding of the decentralisation reform by the general public and given the complexity of the changes that have to be effected according to the revised Decentralisation Policy, the Government recognises the need to sensitise all the stakeholders on the Policy in terms of its contents and implications on how the country will be governed. It is equally important to sensitise people on how the mode of service delivery will be altered by the Policy of Decentralisation, particularly the roles and responsibilities of the different stakeholders. In this regard, the Government maintains that the sharing of this information is vital for the success of the Policy. Sensitisation, civic education and the consolidation of a democratic culture are considered important to the extent that they create awareness and understanding among stakeholders to enable them to play their roles more effectively. Thus the sensitisation and civic education component cuts across all components of the DIP.

6.1.3.2. Objective

The main objective of the component on Sensitisation and Civic Education is to increase stakeholders’ awareness, knowledge, understanding, participation and ownership of the decentralisation processes in order to achieve smooth and effective implementation of the Policy.

6.1.3.3. Outputs

The following are the expected outputs of the Sensitisation and Civic Education component:
1. Communication strategy developed
2. Sensitisation and civic education on local government and decentralisation conducted at all levels.
3. Sensitisation on all components of the DIP conducted at all levels.
4. Chiefs, Communities, Councillors, Councils (Council Staff), Line ministries, sensitized on decentralisation process.

6.1.3.4. Strategy

Conducting nation-wide sensitisation on Decentralisation Policy and DIP

6.1.3.5. Activities

(1) Conduct baseline survey on knowledge levels about decentralisation
(2) Review and implement communication strategy
(3) Conduct sensitisation meetings at national provincial, district and sub district levels.
(4) Prepare and disseminate IEC materials.
(5) Sensitisation on all components of the DIP:
(6) Conduct capacity building (Training of Trainers for focal point persons on decentralisation and civic education)
(7) Develop Website specifically for Decentralisation implementation
(8) Develop and use Social media for sensitization and interactions on decentralisation and implementation process for general public.
**Component Name:** Sensitisation and Civic Education  

**Components Objective(s):** To increase stakeholders’ awareness, knowledge, understanding, participation and ownership of the decentralisation process to achieve smooth and effective implementation of the policy.

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
</table>
| 1.1 Communication strategy developed | 1) Conduct baseline survey on knowledge levels about decentralisation.  
2) Communication strategy reviewed and implemented via:  
- Mass Media Campaigns  
- Social Media  
- Road Shows  
- Community sensitisation meetings  
- Public Forum  
- IEC materials  
- Manuals | 450,000 | DS, MLGH | 2014 | 2015 | 2016 | 2017 |
| | | 250,000 | DS, Civil Society | | | | |
| 1.2 Sensitisation and civic education on local government decentralisation conducted at all levels | 3) Conduct sensitisation meetings at national, provincial, district and sub-district levels | | | | | | |
| 1.3 Sensitisation on all components of the DIP conducted at all levels | 4) Prepare IEC materials and disseminated.  
5) Sensitisation on all components of the DIP:  
- Sector Devolutions  
- Legal Reforms  
- Local development and planning structures  
- Fiscal decentralisation and resource mobilisation | | | | | | |
| 1.4 Chiefs, Communities, Councillors, Councils (Council Staff), Line Ministries, sensitised on decentralisation process | 6) Develop Website specially for Decentralisation Implementation  
7) Develop and use social media for sensitisation and interactions on decentralisation and implementation process for general public | | | | | | |
6.1.4. **Monitoring and Evaluation**

6.1.4.1. **Rationale**

6.1.4.1.1. The inclusion of the Monitoring and Evaluation component into the Plan arises from the fact that there is need for stakeholders to know progress made, constraints/challenges faced, and proposed solutions in the implementation of the Decentralisation Policy. The Decentralisation Secretariat will, therefore, develop a Decentralisation Monitoring and Evaluation System. The M&E System will enable the Public, Government and its Development Partners to find out whether the Policy is being implemented as planned, any changes experienced, problems encountered and possible solutions, and adjust according to the realities on the ground vis-à-vis Policy objectives. The aim is to provide regular, verifiable and reliable information on the devolution process.

6.1.4.1.2. The M&E of Local Governments’ operations does not form part of this component. There is also recognised need to align the M&E System to the existing monitoring and evaluation systems used by the relevant arms of Government such as Parliament, Cabinet Office and the Ministry of Finance. In addition, the development of an effective reporting mechanism that secures effective transmission of information among the various stakeholders is also considered important.

6.1.4.2. **Objective**

The main objective of the component on Monitoring and Evaluation is to develop and institutionalise an appropriate monitoring and evaluation system that will facilitate effective surveillance over the implementation of the National Decentralisation Policy.

6.1.4.3. **Outputs**

An effective national results-based Monitoring and Evaluation System on the decentralisation process

6.1.4.4. **Strategy**

Encourage the appreciation and widespread adoption of evidence based planning and decision making as well as results based monitoring systems in the public sector.

6.1.4.5. **Activities**

(1) Design and institutionalise an effective National Results-based monitoring and evaluation framework that captures Decentralisation Policy issues;
(2) Develop database and management information system
(3) Facilitate annual reviews of implementation programme.
**Component Name:** Monitoring and Evaluation  

**Components Objective(s):** To develop and institutionalise an appropriate monitoring and evaluation system that will facilitate effective surveillance over the implementation of the National Decentralisation Policy

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational, Monitoring and Evaluation System intended to measure progress made in the implementation of the Policy</td>
<td>Design and institutionalise an effective National Results-based monitoring and evaluation framework that captures Decentralisation Policy issues</td>
<td>340,000</td>
<td>DS, MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop database and management information system</td>
<td>1,500,000</td>
<td>DS, MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Facilitate annual reviews of implementation</td>
<td>750,000</td>
<td>DS, MLGH</td>
<td></td>
</tr>
</tbody>
</table>
6.2. Section II: Components to strengthen the Local Government System

6.2.1. Institutional and Human Resource Capacity Building

6.2.1.1. Rationale

Objective (g) of the revised National Decentralisation Policy aims to develop and manage human resources in order to enhance individual and organisation performance. The need to enhance institutional capacity for the implementation of the Decentralisation Policy is relevant at all levels of Government. On the human resource front, the Decentralisation Policy demonstrates the challenges facing human resources development and management, acknowledging the need for capacity enhancement for personnel managing the key institutions responsible for implementing the decentralisation process. These key institutions include the Decentralisation Secretariat, Government Ministries and Departments, Provincial Administrations, Councils and Ward Development Committees. Management capacity in some of these institutions, especially at the provincial, district and sub-district levels is particularly weak, suggesting the need for retooling staff at these levels in light of their new functions, focussing on policy formulation, service regulation, coordinating etc. Councils still remain characterized by weak capacity in integrated planning and budgeting, strategic planning and performance management. Similarly, weak revenue collection mechanisms and limited internal auditing capacity combine to pose a major institutional and human resource capacity challenge as the country proceeds with the implementing the Decentralisation Policy.

Despite the weak capacities typically exhibited in many Councils at the district level, some sector ministries have developed effective levels of competencies at this same level as a result of sustained investment in human and other resources as part of their deconcentration processes. Through sector devolution, Government intends to rationalise the utilisation of such capacities by transferring them into unified management structures under Councils. The following Policy Measures guide the capacity building component:

6.1.2.4 The Government will build capacity in the Councils to perform core management functions such as planning and budgeting, personnel and financial management as well as delivery of public services.

6.1.4.1 To address issues related to development and management of human resources Government shall:

(a) develop a comprehensive National Employment Policy; (to clarify employment related matters affecting staff in the devolution process)
(b) restructure and redefine the role of all the Service Commissions in order to ensure that they do not deal with the day-to-day functions of recruitment, promotions, transfers and discipline because these will be the responsibility of sector Ministries, Provinces and Districts (to decentralise the day to day matters relating to human resource management to councils and sector ministries in a decentralised system of governance.) The Commissions' role shall be restricted to issuing guidelines, monitoring and as appellant bodies;
(c) develop and institutionalize performance management systems for effective and improved service delivery;
(d) grant Councils powers to manage and develop human resources in their areas;
(e) ensure that the devolved functions are accompanied by qualified human resource;
(f) ensure that staff establishments of Councils are based on the requirement of the devolved functions;
(g) ensure implementation of the National Training Policy;
(h) ensure that Councils devise appropriate human resource development programmes based on the identified training needs for Councillors and officials; and
(i) strengthen local training institutions for effective staff training and development.
6.2.1.2. **Objective**

The main objective of the component on Institutional and Human Resource Development is to develop and manage human resources in order to enhance individual and organisational performance.

6.2.1.3. **Outputs**

- National Employment Policy Developed
- Legislation in place defining the roles and functions of all Service Commissions
- All Service Commissions Restructured
- Approved Structures for all Councils in place.
- New Performance Management System developed and institutionalised
- All Central Government Personnel currently performing functions to be devolved transferred to the Councils
- Establishment Control System for Councils in place to monitor placement of staff performing devolved functions
- Human Resource Development Policy for Councils developed
- Human Resources Training Plan Developed
- Comprehensive Capacity Building Programme for all local Government training institutions developed

6.2.1.4. **Strategy**

According to the Policy, two strategies guide the implementation of this component:

(a) *Develop the capacity of Local Authorities and communities in development planning, financing, co-ordinating and managing the delivery of services in their areas;*

(b) *Develop and implement human resource management programmes*

6.2.1.5. **Activities**

**Lot 1.**

i) Undertake detailed analysis of problems/issues to be addressed by the policy
ii) Undertake stakeholder engagement
iii) Draft National Employment Policy
iv) Secure Cabinet Approval

**Lot 2.**

i) Identify problems/issues to be addressed by the legislation
ii) Undertake stakeholder engagement
iii) Submit layman's draft to Ministry of Justice
iv) Prepare Bill
v) Enact legislation

**Lot 3.**

i) Review organisation Structures of all Service Commissions
ii) Cost revised structures
iii) Secure approval of structures and Treasury Authority
iv) Undertake recruitment and placement

**Lot 4.**

i) Update draft organisation Structures of all Councils
ii) Cost revised and updated structures for all Councils
iii) Secure approval of structures and Treasury Authority
iv) Undertake recruitment and placement

**Lot 5.1**
i) Adapt the New Public Service Management System to the requirements of a devolved local system
ii) Undertake Stakeholder engagement on new PMS
iii) Secure approval of the New PMS for Councils
iv) Undertake sensitisation on the new PMS
v) Roll out installation of new PMS to all Councils

**Lot 5.2.**
i) Identify personnel currently performing devolved functions
ii) Ascertain availability of vacant positions in the new organisation structure for councils
iii) Transfer personnel to fill positions in all councils
iv) Re-assign/redploy excess staff

**Lot 6.1.**
i). Complete placement of Council Payroll on the PMEC system
ii). Undertake monthly Payroll audits
iii). Prepare Staff status reports on requirements of devolved functions
i) Identify HR training issues to be addressed by the policy
ii) Undertake stakeholder engagement
iii) Draft Human Resources Development Policy
iv) Secure Approval from PSMD

**Lot 6.2.**
i) Undertake training needs assessments for staff and Councillors
ii) Identify training institutions
iii) Develop and submit training plan to PSMD for approval
iv) Commence implementation of the training plan

**Lot 7.**
i) Undertake capacity development needs assessments for all local colleges/training institutions
ii) Develop and implement a procurement plan for construction and rehabilitation of infrastructure
iii) Undertake curricular review to enhance quality of training
iv) Upgrade the qualifications of tutors and lecturers
v) Upgrade libraries and provide requisite literature.
**Component Name:** Institutional and Human Resource Capacity Development  

**Components Objective(s):** To develop and manage human resources in order to enhance individual and organisational performance

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2014</td>
</tr>
<tr>
<td>1. National Employment Policy Developed</td>
<td>i) Identify problems/issues to be addressed by the policy</td>
<td>1,000</td>
<td>Ministry of Labour and Social Security</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Undertake stakeholder engagement</td>
<td>250,000</td>
<td>Ministry of Labour and Social Security</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Draft National Employment Policy</td>
<td>150,000</td>
<td>Ministry of Labour and Social Security</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Secure Cabinet Approval</td>
<td>1,000</td>
<td>Ministry of Labour and Social Security</td>
<td></td>
</tr>
<tr>
<td>2.1 Legislation in place defining the roles and functions of all Service Commissions</td>
<td>i) Identify problems/issues to be addressed by the legislation</td>
<td>1,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Undertake stakeholder engagement</td>
<td>250,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Submit layman's to Ministry of Justice</td>
<td>1,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Prepare Bill</td>
<td>1,000</td>
<td>Ministry of Justice</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v) Enact legislation</td>
<td>1,000</td>
<td>Parliament</td>
<td></td>
</tr>
<tr>
<td>2.2 All Service Commissions Restructured</td>
<td>i) Review organisation Structures of all Service Commissions</td>
<td>1,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Cost revised structures</td>
<td>55,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Secure approval of structures and Treasury Authority</td>
<td>1,000</td>
<td>PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Undertake recruitment and placement</td>
<td>100,000</td>
<td>PSMD</td>
<td></td>
</tr>
<tr>
<td><strong>3.1 Approved Structure for all Councils in place</strong></td>
<td>i) Update draft Organisation Structures of all Councils</td>
<td>1,000</td>
<td>Cabinet Office, MDD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Cost revised and updated Structures for all Councils</td>
<td>85,000</td>
<td>Cabinet Office, MDD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Secure approval of Structures and Treasury Authority</td>
<td>1,000</td>
<td>PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Undertake recruitment and placement</td>
<td>85,000</td>
<td>Service Commission/PSMD</td>
<td></td>
</tr>
<tr>
<td><strong>4.1 New Performance Management System developed and institutionalised</strong></td>
<td>i) Adapt the New Public Service Management System to the requirements of a devolved local system</td>
<td>1,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Undertake Stakeholder engagement on new PMS</td>
<td>100,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Secure approval of the New PMS for Councils</td>
<td>1,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Undertake sensitisation on the new PMS</td>
<td>1,550,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v) Roll out installation of new PMS to all Councils</td>
<td>1,650,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td><strong>5.1 All Central Government Personnel currently performing functions to be devolved transferred to the Councils</strong></td>
<td>i) Identify personnel currently performing devolved functions</td>
<td>100,000</td>
<td>Line Ministries</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Ascertaining availability of vacant positions in the new Organisation Structures for Councils</td>
<td>1,000</td>
<td>Councils/LGSC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Transfer personnel to fill position in all Councils</td>
<td>1,650,000</td>
<td>Service Commission/PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Re-assign/redeploy excess staff</td>
<td>1,000,000</td>
<td>Service Commission/PSMD</td>
<td></td>
</tr>
<tr>
<td><strong>5.2 Establishment Control System for Councils in place to monitor placement of staff on devolved functions</strong></td>
<td>i) Complete placement of Council Payroll on the PMEC System</td>
<td>10,000</td>
<td>Councils/PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Undertake monthly Payroll audits</td>
<td>10,000</td>
<td>Councils/PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Prepare Staff status reports on requirements of devolved functions</td>
<td>1,200,000</td>
<td>Councils/PSMD</td>
<td></td>
</tr>
<tr>
<td><strong>6.1 Human Resource Development Policy for Councils developed</strong></td>
<td>i) Identify HR training issues to be addressed by the Policy</td>
<td>1,000</td>
<td>Councils/PSMD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Undertake stakeholder engagement</td>
<td>250,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii) Draft Human Resources Development Policy</td>
<td>1,750,000</td>
<td>MLGH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv) Secure approval from PSMD</td>
<td>1,000</td>
<td>MLGH</td>
<td></td>
</tr>
</tbody>
</table>
### 6.2 Human Resources Training Plan developed

<table>
<thead>
<tr>
<th></th>
<th>Activity Description</th>
<th>Cost</th>
<th>Responsible Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td>Undertake training needs assessments for staff and Councillors</td>
<td>10,000</td>
<td>Councils/MLGH/PSMD</td>
</tr>
<tr>
<td>ii</td>
<td>Identify training institutions</td>
<td></td>
<td>Councils/MLGH/PSMD</td>
</tr>
<tr>
<td>iii</td>
<td>Develop and submit training plan to PSMD for approval</td>
<td>150,000</td>
<td>MLGH</td>
</tr>
<tr>
<td>iv</td>
<td>Commence implementation of the training plan</td>
<td>1,000</td>
<td>Councils/PSMD</td>
</tr>
</tbody>
</table>

### 7.1 Comprehensive Capacity Building Programme for all local government training institutions developed (e.g. Chalimbana Local Government Institute)

<table>
<thead>
<tr>
<th></th>
<th>Activity Description</th>
<th>Cost</th>
<th>Responsible Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td>Undertake capacity development needs assessment for all local colleges/training institutions</td>
<td>550,000</td>
<td>MLGH</td>
</tr>
<tr>
<td>ii</td>
<td>Develop and implement a procurement plan for construction and rehabilitation of infrastructure</td>
<td>2,500,000</td>
<td>MLGH</td>
</tr>
<tr>
<td>iii</td>
<td>Undertake curricular review to enhance quality of training</td>
<td>150,000</td>
<td>MLGH</td>
</tr>
<tr>
<td>iv</td>
<td>Upgrade the qualifications of tutors and lectures</td>
<td>100,000</td>
<td>MLGH</td>
</tr>
<tr>
<td>v</td>
<td>Upgrade libraries and provide requisite literature.</td>
<td>1,350,000</td>
<td>MLGH</td>
</tr>
</tbody>
</table>
6.2.2. **Governance**

6.2.2.1. **Rationale**

One of the major changes in the revised National Decentralisation Policy of 2013 is the introduction of new structures at local government level at provincial and district level to include traditional authorities in matters of local governance. The relevant policy measures relating to governance in the NDP are given as follows:

6.1.2.3 Decentralise with matching resources, some of the functions to district through democratically elected councils.

6.1.2.6 Ensure that sub districts structures are established for effective and efficient delivery of services that promote community participation.

6.2.2 At provincial level there shall be a provincial assembly/council.

6.2.3 At provincial level there shall be a Provincial Chiefs Council.

6.2.4 The Chiefs shall be represented in the provincial assembly.

6.2.5 At the provincial level, the Permanent Secretaries will facilitate, coordinate and oversee the implementation of development programmes in their respective Provinces;

6.3.1 At the district level, there shall be a Council, composed of elected representatives, responsible for the delivering of services.

6.3.2 At district level there shall be a District Chiefs Council.

6.3.4 The chiefs shall be represented in the district council.

6.4.1 At sub-district level, Ward Development Committees (WDCs) shall be established in each ward. The nature of WDCs may vary between urban and rural districts.

6.4.2 At village level there shall be a Village Council.

6.4.3 The village council shall be represented in the WDC.

6.2.2.2. **Objective**

To enhance a system of inclusive governance that will promote participatory and sustainable development at provincial, district and sub-district levels.

6.2.2.3. **Outputs**

1) Legislation that provides for inclusive governance structures at provincial, district and sub district levels enacted.
2) Inclusive governance structures operational at all levels
3) Reporting and communication relationships at all levels redefined and established
4) Guidelines and laws that clearly stipulate the various roles of stakeholders developed.

6.2.2.4.1 **Activities**

1) Review of the Local Government Act to provide for the inclusive governance structures and enact.
2) Review of relevant laws that promote inclusive governance.
3) Orient all stakeholders based on the amended/reviewed laws.
4) Establish governance structures at all levels
5) Develop guidelines for operationalization of governance structures.
6) Form Ward Development Committees according to the law
7) Develop comprehensive guidelines for operating sub district structures including WDC.
8) Redefine and establish reporting and communication relationships at all levels
9) Enact laws that legalize participation structures
10) Develop a code of ethics to govern smooth operations of local governance structures
**Component Name:** Governance  

**Components Objective(s):** To enhance inclusive governance that will promote sustainable development at provincial, district and sub-district levels

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Output/Milestone</strong> a) Legislation that provides for inclusive governance structures at provincial, district and sub-district levels enacted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1) Review of the Local Government Act to provide for the inclusive governance structures and enacted</td>
<td>200,000</td>
<td>MLGH, DS</td>
<td>2014 2015 2016 2017</td>
</tr>
<tr>
<td></td>
<td>2) Review of relevant laws that promote inclusive governance such as: Village Act, Youth Policy etc.</td>
<td>400,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) All stakeholders are oriented on the amended/reviewed laws</td>
<td>1,000,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Establish governance structures at all levels</td>
<td>200,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5) Guidelines for operationalization of governance structures developed</td>
<td>1,000,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Output/Milestone</strong> b) Inclusive governance structures operational at all levels</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.1 Formation of Ward Development Committee according to the Law (See Local Development Planning – Component 8)</td>
<td>1,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2 Developing comprehensive guidelines for operating sub-district structures including WDC.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.3 Redefine and establish reporting relationships at all levels.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.4 Develop ethics to govern structures.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Output/Milestone</strong> c) Reporting and communication relationships at all levels redefined and established</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.1 Redefine and establish reporting relationships at all governance structures</td>
<td>1,000</td>
<td>Cabinet Office</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Output/Milestone</strong> d) Guidelines and Laws that clearly stipulate the various roles of stakeholders developed. (Chiefs, CSOs, Civic Leaders, Youth, Women, Councils)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.1 Enact Laws that legalise participation structures such as provincial assemblies, district assemblies, WDC and Villages Council</td>
<td>1,530,000</td>
<td>MLGH, DS/MoJ</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2 Develop code of ethics to govern smooth operations of the governance structures</td>
<td>100,000</td>
<td>MLGH, DS/Cabinet Office</td>
<td></td>
</tr>
<tr>
<td>(Provincial and district assemblies, WDCs and village Councils)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>---------------------------------------------------------------</td>
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<td>---</td>
</tr>
</tbody>
</table>
6.3 LOCAL DEVELOPMENT PLANNING AND BUDGETING

6.3.2.4 Rationale

The National Decentralisation Policy strategy (c) aims to coordinate and implement mechanisms to ensure a “bottom up” flow of integrated development planning and budgeting from the District to the Central Government. Strategy (e) of the Policy also aims to develop the capacity of local authorities and communities in development planning, financing, coordinating and managing the delivery of services in their areas. Strategy (g) aims to introduce an integrated budget for district development and management. These three Policy strategies emphasize the need for a bottom up planning process; the need to link planning and budgeting within the context of district strategic plans; the need for community input in the planning process; and the central position of the district in the service delivery and development process. The effective implementation of the Policy calls for a solid local development planning and budgeting system with linkages from sub-district units to district, provincial, and national levels. The policy measure specifically calls for capacity building in the councils to perform core management such as planning and budgeting, personnel and financial management as well as delivery of public services.

6.3.2.5 Objective

The main objective of the component on Local Government Planning and Budgeting is to develop and implement a new integrated planning and budgeting system that is supportive of the National Decentralisation Policy.

6.3.2.6 Outputs

a) An integrated local development planning and budgeting system designed and operationalised.

b) Functional computerized database system for planning and budgeting developed in all districts.

c) Guidelines for establishment, management and operation of WDCs developed.

6.3.2.7 Strategy

Capacity building for integrated planning and budgeting

6.3.2.8 Activities

1) Prepare and disseminate a decentralised district development planning and budgeting manual.
2) Orient all district planning personnel on the use of the planning and budgeting manual.
3) Develop database system in all councils.
4) Train relevant personnel in all councils in the usage and management of the database system.
5) Procure necessary equipment for the running and management of the database system in the councils.
6) Produce WDCs establishment, management and operations guidelines.
7) Orient all councils in the usage of WDC establishment, management and operations manual.
8) Facilitate the establishment of WDCs in all wards.
9) Facilitate the orientation process of WDCs members in all wards.
## Component Name:
Local Development Planning and Budgeting Design

### Components Objective(s):
To design and implement a planning and budgeting system that ensure integrated development planning and budgeting process and promotes evidence based bottom up and inclusive planning mechanisms

<table>
<thead>
<tr>
<th>Output/Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Implementing Institution/Agency</th>
<th>Implementation Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>An integrated local development planning and budgeting system designed</td>
<td>• Production of a decentralised district development planning and budgeting manual</td>
<td>1,000</td>
<td>MLGH (DS, Physical Planning)/MoF</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Orientation of all district planning personnel on the use of the planning budgeting manual.</td>
<td>2,500,000</td>
<td>MLGH (DS, DLGA)/MoF</td>
<td></td>
</tr>
<tr>
<td>Functional computerised database system developed in all districts</td>
<td>• Develop database system in all Councils</td>
<td>2,150,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Train relevant personnel in all Councils in the usage and management of the database</td>
<td>2,000,000</td>
<td>MLGH, DS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Procure necessary equipment for the running and management of the database system in the Councils</td>
<td>2,250,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
<tr>
<td>Guidelines for establishment, management and operation of WDCs developed</td>
<td>• Production of WDCs establishment, management and operations guidelines</td>
<td>350,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Orient all Councils in the usage of WDC establishment, management and operations manual</td>
<td>1,600,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Facilitate the establishment of WDCs in all wards. (See Component 7 Governance)</td>
<td>3,100,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Facilitate the orientation process of WDC members in all wards</td>
<td>1,450,000</td>
<td>DS, DLGA</td>
<td></td>
</tr>
</tbody>
</table>
7.2 **Infrastructure Development**

6.3.2.9 **Rationale**

Strategy (f) of the revised National Decentralisation Policy Document aims to *build capacity for development and maintenance of infrastructure at local level*. The management of infrastructure service provision (ISP) has over the years been largely confined to the central government to the exclusion of other important actors such as Councils, the private sector and communities. Typically, central government provision arrangements including policy frameworks and budgets have always been grossly inadequate to cover the requirements providing the required infrastructure. Consequently, the socio-economic infrastructure such as water supply, solid waste disposal systems, roads, street lighting, and health and educational facilities are poorly developed. This component focuses on the development of policy (including financing) guidelines and capacity building for infrastructure development and management for effective service delivery. It also focuses on the facilitation of the attainment of basic infrastructural requirements for the effective discharge of devolved functions by all districts, particularly the newly created ones. The Policy stipulates in Specific Measure 6.1.5.1 that Government shall:

(a) develop a comprehensive policy on infrastructure development and management;
(b) design and implement capacity building programmes for infrastructure development and maintenance responsive to the needs of local communities;
(c) Ensure all public buildings and transport facilities are responsive to the needs of persons with disabilities;
(d) promote a culture of preventive maintenance at all levels;
(e) ensure improved access to quality water supplies and sanitation services; and
(f) promote Public Private Partnerships (PPPs) in infrastructure development and maintenance.

6.3.2.10 **Objective**

The main objective of the component is to build capacity for development and maintenance of infrastructure at local level.

6.3.2.11 **Outputs**

a) Comprehensive policy to empower local authorities on the development, provision and management of infrastructure services developed
b) Transfer of functions and matching resources for development and maintenance of infrastructure to the councils completed.

6.3.2.12 **Strategy**

a) Development of an enabling policy environment for effective infrastructure service provision.
b) Strengthening of capacity for effective infrastructure services provision.

6.3.2.13 **Activities**

a) Develop sector specific guidelines and implementation plans for development and maintenance of infrastructure.
b) Build capacity for tendering and procuring processes at the councils
c) Facilitate placement of appropriately skilled staff in councils
**Component Name:** Infrastructure development and services provision  

**Component Objective(s):** To Build capacity for development and maintenance of infrastructure at local level.  

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Responsibility</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive policy to empower local authorities on the development,</td>
<td>Develop sector specific guidelines and implementation plans for development and maintenance of</td>
<td>450,000</td>
<td>Cabinet Office, Line Ministries, NCC, Engineers</td>
<td></td>
</tr>
<tr>
<td>provision and management of infrastructure services developed</td>
<td>infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of functions and matching resources for development and</td>
<td>Build capacity for tendering and procuring processes at the Councils</td>
<td>2,650,000</td>
<td>ZPPA</td>
<td></td>
</tr>
<tr>
<td>maintenance of infrastructure to the Councils completed</td>
<td>Facilitate placement of appropriate skilled staff at the Councils</td>
<td>170,000</td>
<td>LGSC, Engineering Institute of Zambia, National Council for Construction,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Architectural Institute of Zambia</td>
<td></td>
</tr>
</tbody>
</table>
6.3.3 **Programme Management and Coordination**

6.3.3.4 **Rationale**

The Decentralisation Implementation Plan (DIP) puts the Decentralisation Secretariat (DS) at the centre of all institutions in the implementation of the Decentralisation Policy where it is supposed to define and coordinate the implementation process. In order to achieve this task, the Secretariat needs an appropriate institutional location from which to discharge its functions. Equally important, the Secretariat also needs to attract and retain qualified and competent staff as well as have access to adequate resources to meet operational costs most of which are not likely to be adequately budgeted for by different implementing institutions especially Districts and Provinces. This component is therefore essential to facilitate building the required staff and operational/resource capacity required to implement the Decentralisation Policy.

6.3.3.5 **Objective**

The main objective of this component is to improve the delivery capacities of the Decentralisation Secretariat through the development of a supportive work and operational environment.

6.3.3.6 **Strategies**

Development of an enabling operational environment for the DS

6.3.3.7 **Outputs**

a. An effective DS capable of attracting and retaining competent personnel for the task of driving and managing the decentralisation process.

b. Improved programme delivery in all areas of decentralisation implementation.

6.3.3.8 **Activities**

Support operational and staff costs (TA) of the Decentralisation Secretariat
<table>
<thead>
<tr>
<th>Component Name:</th>
<th>Programme Management and Coordination</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component Objective(s):</strong></td>
<td>To enhance the Decentralisation Secretariat implementation capacity through the development of a supportive work and operational environment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Main Activities</th>
<th>Cost Estimate (K)</th>
<th>Responsibility</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>An effective Decentralisation Secretariat capable of attracting and retaining competent personnel for the driving and managing the decentralisation process</td>
<td>Support operational and staff cost (TA) of the Decentralisation Secretariat</td>
<td>4,850,000</td>
<td>DS</td>
<td>2014</td>
</tr>
<tr>
<td>Improved programme delivery in all areas of decentralisation implementation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A fully expanded DS achieved.</td>
<td>Review current DS staffing and presence at all levels for efficiency</td>
<td>1,000</td>
<td>DS, Cabinet Office</td>
<td>2014</td>
</tr>
</tbody>
</table>
CHAPTER 3

7. APPROACHES TO IMPLEMENTING THE DECENTRALISATION PLAN

7.1 Background

The implementation of decentralisation is not new to the public sector in Zambia. Ministries such as Agriculture and Cooperatives, Education, and Health have embarked on deconcentration of functions aimed at improving the quality of service delivery to local communities in the districts since the early 1990s. In addition, a number of Cooperating Partners have complemented Government effort by working towards service delivery at the local level through the building of capacities of district councils. All these project/programmes generated lessons and best practices that were taken into account during the preparation and revision of the Decentralisation Policy and defining devolution in particular. Moreover, Government has carefully studied the experiences of various countries within Africa and beyond from which important lessons about decentralisation have been learnt. It is Government intention to apply the accumulated wealth of experiences from the interventions above in the implementation of the Decentralisation Policy.

7.2 Approaches to Policy Implementation

Government has considered different approaches to implementing the Decentralisation Policy. These are presented below.

7.2.1.1 Pilot Approach

Under this approach, devolution is applied selectively both geographically (in terms of the number of districts or provinces to be covered) and thematically (with respect to the functions to be devolved). This approach has the advantage of minimizing risks and acquiring lessons for replication to the rest of the other districts/provinces. However, the approach may be politically unacceptable on grounds that it may exclude some districts from the decentralisation process for a period of time.

7.2.2 Nation-wide Approach

Under this approach, devolution is implemented uniformly throughout the country (no geography or capacity based selection). This approach applies to all the districts targeting the realisation of an agreed minimum level of service delivery. Whereas the approach poses substantial risk in the event of failure, its strength lies in the fact that it meets the requirements of political fairness.

7.2.3 Capacity Ladder Approach

Under this approach, the physical implementation of devolution is applied on the basis of each districts’ assessed attainment of the required capacity to perform devolved functions according to its graded status (city, municipality or district council). Having reached such a capacity, districts would practically assume devolved functions. Districts with demonstrable capacity will assume responsibility for devolved functions and resources. This approach acts as an incentive to the stronger districts and also as a motivating factor to the weaker ones to build their capacities and assume more responsibilities. Overall, it contributes to mitigate the potential risk of weakening the delivery of services especially in the initial years of devolution. However, the poor availability of reliable data on the capacity of districts might pose a challenge and limit the application of this approach.

7.3 Government’s Preferred Approach

Government prefers the Nation-wide Approach in the implementation of the Decentralisation Policy to all districts at once but with a phasing of sectors and functions. Under this approach, sector ministries will play a leading role in the devolution of identified functions under their portfolio together with
matching human, financial and other resources such as infrastructure to councils in consultation/collaboration with the Decentralisation Secretariat.

In this regard the process will proceed as follows:

7.3.1 **Cabinet** will take a decision on the process and resourcing of devolution.

7.3.2 The **deconcentrated sectors** which already have staff and infrastructure at district level such as education, health, agriculture, etc. will devolve first because they only need to move accountability and staff horizontally from the district administration to the council. The dual structure of district administration and council at district level will be harmonized.

7.3.3 Government will take a strong decision on the phasing of devolution and will announce a **timeframe** to sector ministries for each phase. The timing of devolution will not be at the sector ministries’ discretion. If necessary, legislation regarding the transfer of functions will be issued

7.3.4 Capacity development of councils is a continuous process and will receive additional impetus under the decentralisation reforms. For instance, the human resource capacity of councils is being addressed currently by the Local Government Service Commission (LGSC) through new recruitment and placements while the adoption of new organisational structures for councils will provide for additional operating capacity which the ministries will devolve to councils in line with the timeframe at 7.3.3.

7.4 **Other Options and Considerations**

7.4.1 Government has considered the option to **select councils and/or select functions** in order not to overburden councils and thus risk the success of the whole decentralisation reform. The revised Decentralisation Policy provides for such an “evolutionary approach” (Specific Measure 6.1.2.5).

7.4.2 Regarding the Human Resources needed to implement the devolved functions, an option considered is where staff could first be seconded from sector ministries to councils until all systems are in place on simple Agency or Secondment terms.

7.4.3 Successful devolution depends on existing financial resources. Funds, therefore, have to be transferred together with functions and spending warrants to local authorities.
### 7.5 Proposed Sequencing of Ministries and functions for devolution

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Community Development and Mother and Child Health (Primary Health Care)</td>
<td>Community Development and Mother and Child Health (Community Development, Social Welfare, Social Cash Transfers, Food Security Pack, Women Development, NGO Co-ordination)</td>
<td>Youth and Sport (Sports Development, Community Sport, Coordination of Youth Organisation and Child Development)</td>
</tr>
<tr>
<td>Education (Early Childhood Education, Primary Education, Adult Literacy)</td>
<td>Transport, Works, Supply and Communications (Infrastructure Development and Management)</td>
<td>Mines and Natural Resources and Environment Protection (Management and Conservation of Natural Resources)</td>
</tr>
<tr>
<td>Agriculture and Livestock (Agriculture Extension Services)</td>
<td>Local Government and Housing (Property Valuations, Infrastructure Development, Human Resource Management)</td>
<td>Chiefs and Cultural Affairs (Cultural Affairs)</td>
</tr>
<tr>
<td>Office of the Vice President (Disaster and Risk Reduction and Management)</td>
<td></td>
<td>Lands Energy and Water Development (Land Allocation and Utilization, Water Resource Management)</td>
</tr>
<tr>
<td>Local Government and Housing (Physical Planning)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commerce, Trade and Industry (Business Development, Monitoring of Standards, Consumer Protection)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourism and Arts</td>
<td></td>
<td>Home Affairs (Community Police and Prison Services)</td>
</tr>
<tr>
<td>Health – National Aids Council (Localised response to AIDS pandemic)</td>
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</tbody>
</table>
8 RESOURCE MOBILISATION AND FINANCING THE DECENTRALISATION IMPLEMENTATION PLAN

8.1 For the decentralisation process to be successful and on a sustainable basis, there will be need for adequate funding. The Government is committed to funding the implementation of the decentralisation process.

8.2 The Government will also raise resources from the following:

8.2.1 Cooperating partners;
8.2.2 Contributions through Community participation;
8.2.3 Private investment in local development projects; and
8.2.4 NGOs participating in local development projects and service delivery.

8.3 Government will pursue a multi-pronged approach to mobilise financial resources for the implementation of the DIP and the funding of the transferred functions as presented below:

8.3.1 Central Government Funding

Through various means, Government will mobilise funds that will be transferred to Councils through a fiscal transfer formula to be developed by the Decentralisation Secretariat and the Ministry of Finance. The greater part of the finances for decentralisation will accrue from a realignment of existing central government funds disbursed to ministries to support their service delivery activities. Various fiscal transfer formulae will be developed covering different sectors such as health, education, agriculture, water, and roads to suit the implementation requirements of these sectors. The funds will be disbursed from the Ministry of Finance directly to Councils.

8.3.2 Donors and NGOs

External support from cooperating partners shall be solicited and any regulatory and/or legislative inhibitions that may constrain Councils to directly enlist for such assistance shall be reviewed accordingly.

8.3.3 Councils’ Own Revenue

Councils shall generate their own revenue through the services that they provide. As much as possible, cost-recovery rates/charges shall be levied.

8.3.4 Private Sector

The private sector shall be encouraged to fully participate the implementation of decentralisation especially in areas such as infrastructure development and service delivery. Different forms of Public-Private Partnership (PPP) arrangements shall be explored as provided for in applicable policy and legislative frameworks.

8.3.5 Community-cum-User Provision

As much as possible and in the spirit of partnership, collaborative arrangements shall be worked out by respective Councils to enable served communities to contribute towards the provision of services. The involvement of communities in services delivery is particularly relevant in the delivery of services that are highly localised and which use relatively small-scale infrastructure. Government believes that this option offers good promise in meeting the social service demands of those in unplanned settlements (urban and rural) in the provision of such services as communal boreholes supplying ground water; local drainage and sanitation systems; and solid waste disposal. To secure the effectiveness of this option, Government shall ensure that stakeholders are directly involved at all the decision making levels of preparation/planning, implementation and monitoring and evaluation. This means that
participation mechanisms shall have to be well defined and both communal and individual roles and responsibilities clearly specified.

9 MILESTONES IN THE IMPLEMENTATION OF THE PLAN

9.1 Performance of the DIP: 2009-2013

9.1.1 The previous Decentralisation Implementation Plan (2009-2013) was approved by government in December 2009. During the period 2009 to 2013 various efforts in implementing the policy were undertaken. During the period of the DIP a number of identified milestones were achieved.

9.1.2 Institutional arrangements to facilitate the implementation of the policy were put in place as well as various committees to enhance coordination and sharing of information. Cabinet Office was responsible for ensuring that all the Ministries comply with planned implementation activities. Ministry of Justice led the review and reform of the legal framework for decentralisation.

9.1.3 The Decentralisation Secretariat, established in 2003, was moved from Cabinet Office in the Ministry of Local Government and Housing as the Ministry that was responsible for overseeing the implementation of the policy.

9.1.4 In the Sector Ministries Sector Devolution Task Forces were established to articulate the functions to be devolved as well as prepare and manage devolution plans. Six Devolution Plans from Sector Ministries are ready for submission to Cabinet for approval. Devolution Task Forces were also established at Provincial and District level.

9.1.5 To coordinate the activities of the components of the DIP, Technical Working Groups were established. However, in order to ensure interrelationships among the various activities in the Ministries were well articulated, a Joint Technical Working Group also including Cooperating Partners was established.

9.1.6 Cabinet Office through the Management Development Division led the organisational restructuring and strategic planning resulting in the development of new Organisational Structures for all categories of councils reflecting devolved functions. A head count of all council staff has been undertaken which has highlighted the human resource deficit in councils. The establishments and conditions of service of all Councils have been harmonised to facilitate transferability of staff. Further, an eligible cadre of council staff are now being migrated to the Public Management Expenditure Control (PMEC) system to allow for the direct disbursement of their salaries from the Treasury. The Chalimbana Local Government Training Institute developed short term training courses to cater for training needs in Local Authorities.

9.1.7 A draft of the reviewed Local Government Act has been developed. The Education Act and the Town and Country Planning Act have been reviewed. All other sector legislation for review in order to be in harmony with the Decentralisation Policy has been identified.

9.1.8 Financial Management and Accounting Systems such as Medium Term Expenditure Frameworks (MTEF) have been developed and introduced in some Councils. Up scaling of the same to all other Councils in the Country is on-going.

9.1.9 A communication strategy for the Decentralisation process was developed distinguishing sensitisation activities at the national and the local level. A set of sensitisation and civic education materials on decentralisation were produced and disseminated.
9.2 **Agreed Sequence of Milestones to be achieved to ensure devolution.**

9.3 For decentralisation to be implemented successfully, key activities and processes need to be identified and sequenced appropriately to ensure effective synergy in the implementation effort. In the revised DIP, these activities and processes have been arranged in terms of the milestones that mark their accomplishment. The timely achievement of these milestones within the given timeframe, will lead to the successful implementation of the overall policy. The milestones are presented in the matrix below:

<table>
<thead>
<tr>
<th>Important Milestone</th>
<th>Timeframe</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Proposed organisational structures for all types of councils are approved</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>2. Local Government Act and Public Finance Act are reviewed</td>
<td></td>
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</tr>
<tr>
<td>3. Statutory Instrument in Place for transfer of functions and staff to Local Authorities</td>
<td></td>
<td></td>
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<tr>
<td>4. A functional intergovernmental fiscal system including tax sharing and direct transfers from MoF to Local Authorities is established.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Sector Devolution Plans are finalised and approved.</td>
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<tr>
<td>6. All pieces of sector legislation inconsistent with devolution are identified and reviewed for harmonization</td>
<td></td>
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<tr>
<td>7. Relevant Structures at provincial, district and sub-district levels (including Chiefs’ structures) are established and operationalised</td>
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<td></td>
</tr>
<tr>
<td>8. All Service Commissions are restructured</td>
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<td></td>
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<tr>
<td>9. A National Employment Policy is developed.</td>
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<td></td>
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<tr>
<td>10. A training policy for Local Authorities is developed.</td>
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</tbody>
</table>

**10 INSTITUTIONAL FRAMEWORK FOR IMPLEMENTATION OF THE DECENTRALISATION POLICY**

The effective implementation of the Decentralisation Plan is dependent, to a large extent, on the appropriateness of the structures at the different levels of the public administration system and how they are harmonised.

10.1 **National Level**

10.1.1 *Cabinet Office, Ministry of Justice and Parliament*

*Cabinet Office*, as the highest office that manages the Public Service, will be responsible for ensuring that all the Ministries comply with planned implementation activities. It will set a timeframe and monitor the general progress in the Ministries regarding sector devolution. In the context of this responsibility, the Management Development Division in the Cabinet Office will lead the
organizational restructuring and strategic planning which is part of the Institutional Development component of DIP. To complement Cabinet Office, the Ministry of Justice will be the lead institution for the review and reform of the legal framework for decentralisation. Parliament, in turn, shall enact the required legislation.

10.1.2 Decentralisation Policy Implementation Committee

The Decentralisation Policy Implementation Committee (DPIC) shall be the highest body within the Government system that shall serve as the steering body in charge of the implementation of the Decentralisation Policy. Chaired by the Secretary to the Cabinet, it shall consist of carefully selected high-level officials, mainly at the Permanent Secretary level. In its steering function, the Committee will discuss technical issues in the implementation of the Decentralisation Policy and provide guidance to all implementing agencies. All Permanent Secretaries of provinces shall be included in the Committee to ensure the reform is properly informed by the sub-national level.

10.1.2.2 The Decentralisation Secretariat shall provide logistical and secretarial support to DPIC. DPIC will ensure that the implementation of the Decentralisation Policy is effectively coordinated with and integrated into the rest of the Public Service Reform Programme.

10.1.3 Ministry of Local Government and Housing

The Ministry of Local Government and Housing (MLGH) housed the Decentralisation Secretariat in the previous planning period. MLGH provides a substantial quantum of the link between all the three levels of government, namely, the central, provincial, and district levels and thus plays a facilitating role in the reform in addition to devolving of some of its functions as a sector ministry.

10.1.4 Decentralisation Secretariat

The Decentralisation Secretariat was established in 2003 to spearhead, plan, coordinate, facilitate, and monitor the implementation of the Decentralisation Policy. Presently, the Secretariat, a civil service unit headed by a Director, is answerable directly to the Permanent Secretary of the Ministry of Local Government and Housing. The Secretariat has a collaborative and consultative relationship with Government Ministries/Departments, Provincial Administration, and District Councils based on its prescribed functions. It is envisaged that the Secretariat will be phased out when the devolution process has been accomplished. The roles and functions of the Decentralisation Secretariat are given as follows:

a) Servicing the Decentralisation Policy Implementation Committee (DPIC) in the implementation of the Policy;
b) Developing a comprehensive implementation plan and strategy in support of the Decentralisation Policy;
c) Initiating studies on specific aspects of decentralisation in support of Decentralisation Policy implementation;
d) Developing and coordinating information, education and communication program which raises awareness about decentralisation;
e) Supporting sector ministry devolution task forces in the development and implementation of sector specific devolution plans;
i) Monitoring and evaluating the implementation of the Decentralisation Policy; and
j) Performing any other duties as required by the DPIC.
In light of the above functions and in view of the nature of the supervisory relationship that must exist between the Secretariat and the implementing institutions especially sector Ministries with functions to devolve, it is proposed that the Secretariat be placed in Cabinet Office as was the case at its inception.

10.1.5 Sector Ministries
In implementing the planned activities, the Decentralisation Policy Implementation Committee will assign Government Ministries, Departments and Divisions specific responsibilities. Different Ministries and Departments, in consultation/collaboration with the Decentralisation Secretariat, will take active parts in either or both of two key roles i.e., implementing those activities that fall within their official mandates and/or devolving or, deconcentrating their functions to Councils or Provinces respectively. In order to facilitate the discharge of their mandates, devolving Ministries will utilise their Ministerial Devolution Task Forces to articulate the functions to be devolved as well as to prepare and manage the Ministries’ devolution Plans.

10.1.6 Technical Working Groups

10.1.6.1 It is the Government’s position that when an activity in the DIP falls within the mandate of a given Ministry, the activity should be implemented by the Ministry. Notwithstanding this arrangement, it is recognised in view of the close interrelationships between various activities that fall under different Ministries, that successful implementation of the DIP will call for a coordinating mechanism at the operational level to ensure the realisation of the planned activities. In this regard, the Decentralisation Secretariat shall facilitate the reactivation of Technical Working Groups (TWGs) to collectively superintend over the components of the DIP.

10.1.6.2 The membership of each TWG shall be drawn from the relevant implementing Ministries, institutions that are direct beneficiaries of the outputs of the DIP component as well as experts in the respective fields from both the public and private sector. Each TWG shall be chaired individually or jointly, by Ministries with principal mandates in the component e.g., Ministry of Justice for the Legal Reforms TWG while Ministry of Finance for the Fiscal Decentralisation TWG. The Decentralisation Secretariat shall provide secretarial services to all the TWGs.

10.1.6.3 It is envisaged through this arrangement that the Decentralisation Secretariat shall serve to actively connect the policy planning process at Cabinet Office and the implementation processes in the Ministries. The main mandates of TWGs shall include the following:

   a) Facilitate the preparation of Annual Action Plans for specific components to be implemented through the overall workplan of the Decentralisation Secretariat or those of Sector Ministries and Programmes such as the Public Financial Management Reform (PFM) as may be so arranged between the Secretariat and these institutions;
   b) Develop and agree the strategies for undertaking the tasks under their respective components;
   c) Provide a platform for sharing information resources in the implementation of the component area; and
   d) Generate information from monitoring the implementation of the agreed Annual Action Plans.

10.1.6.4 The following are indicative of the TWGs that shall be reactivated or formed as the case may be:

   a) Sector Devolution Technical Working Group to discuss and agree on a course of action on all matters pertaining to sector devolution.
   b) Legal Framework Technical Working Group to discuss existing legislation and regulatory frameworks with the aim of making these instruments facilitate the implementation of the Decentralisation Policy.
   c) Financing Decentralisation Technical Working Group to deal with issues of fiscal decentralisation, sharing of revenues between central and local governments; and management and accounting for finances transferred to local authorities as well as boosting local revenue generation by councils.
d)  *Local Development Planning and Budgeting Technical Working Group* to deal with local level planning systems, community participation in the planning process, and integrated planning and budgeting.

e)  *Institutional Development and Capacity Building Technical Working Group* to deal with issues of organizational restructuring; strengthening of institutions; and human resources capacity building.

f)  *Monitoring and Evaluation Technical Working Group* to deal with all matters pertaining to the effective monitoring and evaluation of the decentralisation process.

10.1.6.5 The following institutional arrangement is proposed to ensure effective and efficient implementation of the revised Decentralisation Implementation Plan:
Figure 1: Institutional Arrangement for the Implementation of Decentralisation

- Cabinet Office
- Decentralisation Secretariat
- PSRP Steering Committee
- DPIC
- Ministry of Justice
- Ministry of Finance
- MLGH as a devolving and facilitating ministry
- Decentralisation SAG
- Technical Working Groups
- Sector Ministries
- Civil Society
- Cooperating Partners
- Government Agencies
- Sector Devolution Task Forces
- Provincial Assembly
- Provincial Devolution Task Forces
- Provincial Administration
- Local Government
- District Devolution Task Forces
- District Administration
- Ward Development Committee
10.2 Provincial Level

10.2.1 Office of the Permanent Secretary

The key institution at the provincial level is the Office of the Permanent Secretary. Through the PDCC, this Office will be responsible for the following functions:

a) Share information resources with districts and the national level on the state of policy implementation;

b) Oversee the implementation of the policy throughout the Province;

c) Preparing provincial progress reports on policy implementation programmes;

d) Coordinating and overseeing the implementation of capacity building programs in their respective provinces in collaboration with the Decentralisation Secretariat.

10.2.2 Provincial Assemblies

According to Policy Measure 7.1.2 provincial assemblies/councils will be established and subsequently play an intermediary role in the devolution of functions from the national to the sub-national level.

10.2.3 District Level

The district shall be the focus of development and service delivery. The implementation of the Decentralisation Policy at the district level will involve the following institutions:

10.2.4 Councils

The Council is the highest political and policy making body in the district. It is mandated to provide services and promote citizen driven participatory development in the district, as well as to make by-laws for the district. Through DDCC and other instruments such as the District Development Plan, the Council will spearhead the implementation of the DIP at the district level.

The district will be involved in undertaking developmental activities in such areas as health, water and sanitation, education, housing, roads, environment, agricultural extension work for food security, etc as provided for in the NDP.

10.2.5 District Development Coordinating Committees

The DDCC will continue to provide a coordinating forum for the district. It will facilitate the practical implementation of decentralisation and make recommendations to Councils for necessary action. Through the devolution process however, most developmental functions such as Primary Health Care and Primary Education will be assumed into the management structure of the Council and will therefore be immediately adjudicated under the management process of the Council. With time, the DDCC will therefore remain to coordinate development programmes with external stakeholders such as the functions of central government executed in the districts and NGOs.

5.4 Sub-District Level

The following actors shall be involved in the implementation of the Decentralisation Policy at the sub-district level.

10.2.6 Ward Development Committees (WDCs)

WDCs will be established in all districts. Their key role will be deepen the local democratic process by serving as platforms to provide for enhanced citizen participation in local governance through election of leaders at this level, community sensitisation, and prioritisation of local development concerns for inclusion into the district strategic development plans. They may also be involved in resource mobilisation, revenue collection as may be provided for in applicable legislation. They will also play an important role in the monitoring and evaluation of implementation activities within the ward.
10.2.7 **Civil Society Organisations**
The roles of Civil society organisations in the implementation of the DIP shall be varied and will depend on their individual competencies and interests. Generally, they shall be important partners in service delivery as well as in the promotion of local development through inter alia, advocacy for local development causes, local-level training, community mobilization, information dissemination and the promotion of income-generating activities within the wider WDC framework.

10.2.8 **Traditional Authorities**
Traditional authority (chiefs and their royal establishments) will play an important role in community mobilisation and policy/information dissemination by virtue of the fact that in many cases they are custodians of various important resources and assets such as land and traditional values and further, they command accepted loyalty and compliance from their subjects. The Chiefs councils to be established at Provincial and District level will have a direct connection to the provincial assemblies and district councils and therefore play an important role in local governance and service delivery.

10.2.9 **Private Sector**
As Zambia aspires to grow into a private sector led economy, the private sector shall be involved in service delivery either directly or through a combination of partnerships and other modalities. This will not only be important for growing the economy but also to support other initiatives such as the job creation strategy of government.

10.2.10 **Communities**
The communities are the ultimate beneficiaries of decentralised local governance. Community participation is important at the local level in terms of decision making, identification, planning, implementing, monitoring and evaluation of local projects. The extent to which to which communities will be facilitated to effectively demand accountable governance will be the extent to which the implementation of the Decentralisation Policy succeeds. Participatory mechanisms that have been defined will be implemented primarily under the auspices of the WDCs to allow for enhanced community participation in the Decentralisation process.

11 **DECENTRALISATION POLICY IMPLEMENTATION: CHALLENGES, RISKS AND OPPORTUNITIES**

There are numerous opportunities that Government can take advantage of in the implementation process. There are also several challenges and risks to implementing Decentralisation in Zambia that Government will have to address.

11.1 **Opportunities**
The opportunities include:

11.1.1 Strong political will of the government

11.1.1.1 The existence of major reforms at the macro level that are supportive of the ideals and principles of decentralisation (e.g. SNDP, PEMFA, the Constitutional Review process, MTEF, etc.)

11.1.2 The existence of a supportive labour movement that is committed to positive dialogue;

11.1.3 The strong desire by local communities to be part of the decision making process;

11.1.4 Willingness on the part of Councils to take on the devolved functions in addition to their existing mandated functions;

11.1.5 The lessons generated from ministerial experiences in implementing decentralisation in the context of deconcentration that can be applied to current implementation process;
11.1.6 The rich experiences on decentralisation from other countries in the region that Zambia can benefit from;

11.1.7 The availability of management development and public administration training institutions in the country and abroad that can be engaged in capacity building for decentralisation;

11.1.8 The goodwill of cooperating partners to support the decentralisation process; and

11.1.9 The existence of the Local Government Association of Zambia which has proven capacity in systematically supporting decentralisation process.

11.2 Challenges

The challenges facing the Government of the Republic of Zambia in the implementation of the Decentralisation Policy include the following.

11.2.1 to make the key stakeholders and actors understand the content and meaning of the Policy, how it will change the way Zambia is governed, and their role in the implementation of the Policy;

11.2.2 to overcome resistance to the Decentralisation Policy reform as to any change process;

11.2.3 to sustain political commitment to decentralisation;

11.2.4 to enhance acceptance of the changes to be made in some of the existing legislation and administrative orders to enable smooth implementation of the Policy;

11.2.5 to effectively coordinate the efforts of all the actors in the implementation of the Policy to ensure harmony and minimize conflict and duplication;

11.2.6 to mobilize adequate technical and financial resources for the implementation of the decentralisation policy;

11.2.7 to guarantee sustainable financing of district mandates from both local and central government sources;

11.2.8 to sustain continuous capacity building for all stakeholders to implement the Policy;

11.2.9 to build the confidence of the public in the public service, and local government in particular, for improved service delivery in implementing the Policy;

11.2.10 to enforce compliance with government procedures in general and especially relating to decentralisation in particular; and

11.2.11 to ensure that cross cutting issues including gender, environment, HIV/AIDS and human rights issues are mainstreamed into the decentralisation implementation process.

11.3 Risks

The principal risk to implementing decentralisation in Zambia is possible change in Government policy.
11.4 **Essential Factors in the Implementation of the Policy**
The successful implementation of a decentralisation programme is dependent on a number of factors that include the following:

11.4.1 **Sustained Political Will:** Decentralisation is basically a political process that involves changes in power relationships between central and local levels of government. It also involves changes in responsibility for various elements of the development process and therefore, invokes changes in resource allocation and control. Successful implementation of decentralisation is therefore, much dependent on the will of political players in both central and local governments to transact power in the form of accountability for functions and resources between their levels. The will of bureaucrats and technocrats at both levels to back these transactions is equally important in this process. Most importantly, citizens will be particularly sensitised so that they fully own and embrace the devolved powers, responsibilities and resources. This local ownership of decentralised governance will play a pivotal role in the success of the process of decentralisation. In order for the foregoing to be realised, the implementation process needs to be carefully nurtured over time so that it is embraced and matures. From Zambia’s past experience and the experience of other countries, frequent changes in the policy environment can hinder the effective implementation of decentralisation.

11.4.2 **Financial Sustainability:** Decentralisation is a costly process that requires an assurance of sustained financing. Without such assurance, commencing such a long term reform becomes risky. It is therefore imperative that Government and cooperating partners declare their long-term financial commitment to decentralisation.

11.4.3 **Broad Participation:** The success of a decentralisation initiative is largely dependent on the extent to which citizens participate in its operationalisation. Support for decentralisation must be deliberately and carefully mobilised among all critical actors, especially local communities, civil society based organizations, traditional authorities, political leaders, civil service bureaucrats, and the private sector.

11.4.4 **Flexibility:** There is need to adopt a flexible approach in the implementation of a decentralisation policy to allow for learning, exploitation of new opportunities, overcome challenges and accommodate new ideas during implementation. Flexibility must however be adopted within a clearly articulated vision to avoid loss of direction in such a complex reform.

11.4.5 **Inter-governmental Relationships:** Effective implementation of the Decentralisation Policy requires clear definition of roles and relationships of the institutions involved to avoid duplication and conflict. Although the functions of the four levels of Government (National, Provincial, District and Sub-district) are spelt out in the Decentralisation Policy, there is need to collaborate and complement each other in the implementation process through clearly articulated and accepted principles and mechanisms that advocate constructive and mutually beneficial relations between the different implementing agencies. The Decentralisation Secretariat will collaborate and consult with Ministries, Provincial Administration, and Councils in the development and implementation of such principles and mechanisms.
12 PROGRAMME MONITORING AND EVALUATION AND REPORTING

12.1 Provisions for Monitoring and Evaluation in the Implementation of the DIP

12.1.1 A major aspiration of decentralisation is the improvement in conditions of living of the citizens, especially those living in rural areas. In this regard one of the critical intentions is that the decentralisation process should deliver long term and sustainable benefits especially in terms of addressing poverty within the population. It is further intended that in the process of implementing decentralisation, local authorities, who are the agents of central government and representatives of the people will become increasingly effective at managing socio-economic development at district and sub-district levels.

12.1.2 In pursuit of the above aspirations monitoring and evaluation for goal-achievement will be critical in the implementation of the DIP. As highlighted under sections 11.1 and 11.2 of this plan implementation will face challenges related to stakeholder awareness, acceptance, understanding and therefore, ownership of the programme. The failure to manage these challenges and risks could cause serious negative impacts to the implementation of the DIP and so the need to monitor them, evaluate their influences and address them. Apart from the regular evaluations to be conducted by the DS, an independent midterm review is foreseen to this effect. In addition evaluations of the performance of the decentralisation reforms in individual sectors such as education are foreseen as the process unfolds in these sectors. Assessment of performance at the district level will be conducted within the overall context of the district performance assessments to be introduced during the implementation period. At national level, it is foreseen that the implementation of the NDP will also be monitored and evaluated within the context of the Sixth National Development Plan (SNDP) and other applicable national policy instruments.

12.1.3 The DS will take measures to build appropriate capacities to undertake monitoring and evaluation for the NDP at all levels. In this process, special emphasis will be paid to institutions at the district and sub district level.

12.1.4 The table below shows the monitoring and evaluation indicators which will be used to gauge progress in the implementation of the DIP.
<table>
<thead>
<tr>
<th>Milestones</th>
<th>Key Performance Indicators</th>
<th>Source of Information</th>
<th>Baseline Information</th>
<th>Total Targeted</th>
<th>Projected Annual Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The Local Government Act and the Public Finance Act are reviewed and amended to facilitate transfer of functions and matching resources to the Councils.</td>
<td>Number of Acts Reviewed</td>
<td>MLGH, DLGA, DS</td>
<td>0</td>
<td>2</td>
<td>0, 0, 0, 0</td>
</tr>
<tr>
<td>• Sector legislation inconsistent with the decentralisation policy is reviewed and amended.</td>
<td>Number of Sector Acts Reviewed</td>
<td>MLGH, DS</td>
<td>0</td>
<td>15</td>
<td>4, 4, 4, 3</td>
</tr>
<tr>
<td>• Sector devolution plans are reviewed and completed</td>
<td>No. of Sector Devolution Plans completed</td>
<td>MLGH, DS</td>
<td>0</td>
<td>14</td>
<td>5, 5, 4, 0</td>
</tr>
<tr>
<td>• Selected Central Government functions and resources are transferred to local authorities</td>
<td>No. of functions transferred</td>
<td>MLGH, DS</td>
<td>0</td>
<td>14</td>
<td>5, 5, 4, 0</td>
</tr>
<tr>
<td>• A formula based grant system is developed.</td>
<td>Grant System in place</td>
<td>MLGH, DLGA, MOF, DS</td>
<td>0</td>
<td>1</td>
<td>1, 0, 0, 0</td>
</tr>
<tr>
<td>• Borrowing regulations for Councils are designed &amp; operationalized</td>
<td>Regulations Manual in place</td>
<td>MLGH, DLGA, MOF, DS</td>
<td>0</td>
<td>1</td>
<td>1, 0, 0, 0</td>
</tr>
<tr>
<td>• An inter-governmental fiscal transfer system is established</td>
<td>System in place</td>
<td>MLGH, DLGA, MOF, DS</td>
<td>0</td>
<td>1</td>
<td>1, 0, 0, 0</td>
</tr>
<tr>
<td>• Communication strategy developed</td>
<td>Strategy in place</td>
<td>MLGH, DS</td>
<td>0</td>
<td>1</td>
<td>1, 0, 0, 0</td>
</tr>
<tr>
<td>• Sensitisation and civic education on local government decentralisation conducted at all levels.</td>
<td>No of sensitisation sessions per year</td>
<td>MLGH, DS</td>
<td>10</td>
<td>120</td>
<td>30, 30, 30, 30</td>
</tr>
</tbody>
</table>
- Sensitisation on all components of the DIP conducted at all levels.

| Number of components on which sensitisation is conducted | MLGH, DS | 0 | 10 | 10 | 10 | 10 | 10 |

- An effective national results-based Monitoring and Evaluation System on the decentralisation process

| System in place | MLGH, DS | 0 | 1 | 1 | 0 | 0 | 0 |

- New Performance Management System developed and institutionalised

| System in place | MLGH, Councils, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- All Central Government Personnel currently performing functions to be devolved transferred to the Councils

| Percentage of total number of staff transferred to councils | MLGH, Councils, LGSC, DS | 0 | 100 | 30 | 30 | 30 | 10 |

- Establishment Control System for Councils in place to monitor placement of staff on devolved functions

| System in place | MLGH, Councils, LGSC, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- Human Resource Development Policy for Councils developed

| Policy in place | MLGH, Councils, LGSC, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- Human Resources Training Plan Developed

| Plan in place | MLGH, Councils, LGSC, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- Comprehensive Capacity Building Programme for all local Government training institutions developed

| Programme in place | MLGH, Councils, DLGA, CLGTI, LGSC, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- Legislation that provides for inclusive governance structures at provincial, district and sub district levels enacted.

| Legislation in place | MLGH, Councils, DLGA, DS | 0 | 1 | 0 | 1 | 0 | 0 |

- Inclusive governance structures operational at all levels

| Number of new structures operational | MLGH, Councils, DLGA, DS | 0 | 1,422 | 0 | 222 | 600 | 600 |

- An integrated local development planning and budgeting system designed

| System designed | MLGH, Councils, PPH, DS | 0 | 1 | 0 | 1 | 1 | 1 |
- Functional computerized database system developed in all districts.  
  Percentage of total number of districts with a functional database system  
  MLGH, Councils, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- Guidelines for establishment, management and operation of WDCs developed  
  Guidelines (Manual) in place  
  MLGH, Councils, DLGA, DS  
  | 0 | 1 | 1 | 1 | 1 | 1 |

- A computerized financial management & accounting systems for councils is operationalised  
  Percentage of total number of districts with computerized financial management & accounting systems  
  MLGH, Councils, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- District Tender Committees are strengthened.  
  Percentage of total number of districts with tender committees operational  
  MLGH, Councils, PSU, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- Audit Committees are strengthened.  
  Percentage of total number of districts with audit committees operational  
  MLGH, Councils, MOF, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- Finance Committees are strengthened.  
  Percentage of total number of districts with finance committees operational  
  MLGH, Councils, MOF, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- ABB/MTEF operational in councils  
  Percentage of total number of districts operating ABB/MTEF  
  MLGH, Councils, MOF, DLGA, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |

- Comprehensive policy to empower local authorities on the development, provision and management of infrastructure services developed  
  Policy in place  
  MLGH, Councils, MOF, DLGA, DS  
  | 0 | 1 | 1 | 1 | 1 | 1 |

- Transfer of functions and matching resources for development and maintenance of infrastructure to the  
  Percentage of infrastructure transferred  
  MLGH, Councils, DHID, DS  
  | 0 | 100 | 30 | 30 | 30 | 10 |
- An effective DS capable of attracting and retaining competent personnel for the task of driving and managing the decentralisation process.

<table>
<thead>
<tr>
<th>Ratio of filled positions in the DS establishment</th>
<th>MLGH, Cabinet Office, DS</th>
<th>0</th>
<th>100</th>
<th>100</th>
<th>100</th>
<th>100</th>
<th>100</th>
</tr>
</thead>
</table>

- Improved programme delivery in all areas of decentralisation implementation.

| Percentage of stakeholders satisfied with progress in decentralisation | MLGH, Cabinet Office, DS | 0 | 100 | 100 | 100 | 100 | 100 |