

Comprehensive Decentralisation Policy Framework

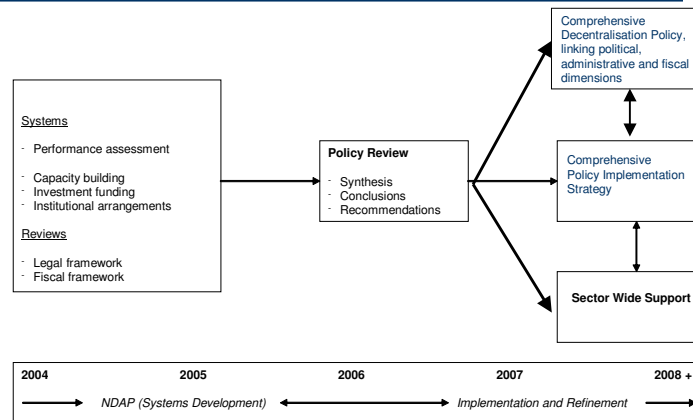


Government of Ghana (MLGRDE)

This Presentation...

- Background
- Principles and Objectives
- Current Status
- Reform Initiatives
- Policy Coordination and Management
- Elements Decentralisation Policy
Implementation Plan

Background and Context



Rationale for Comprehensive Policy Framework

- Need to translate key achievements, opportunities and constraints in the reform process in a comprehensive and forward looking manner
- Need to spell out Government's intentions for the short to medium term
- Need for framework to develop a Decentralisation Policy Implementation Strategy

Intention of the CDPF

- To reaffirm Government's commitment to decentralisation and a vibrant and viable local government system
- To deepen and synthesise ongoing political, legal, administrative and fiscal reform initiatives

Principles and Objectives

- Ensuring popular participation
- Strengthening the DAs
- Improving accountability and effectiveness in the public sector

Scope of the CDPF

- Legal and policy framework
- Political arrangements
- Inter-governmental framework (fiscal, administrative)
- Human resource management
- Public financial management
- Policy coordination and management

Assessment of Current Status

Legal and Policy Framework

- Constitutional anchoring clear: devolution
- Divergence between constitutional intentions and political-administrative practice
- Fragmented legal framework (inconsistencies, overlap, conflict)

Political and Administrative Framework

- Mixed model of representation
- Blurred lines of accountability (downward and upward)
- Ambiguous role and position of the Regions
- Lack of administrative and functional integration at district level

Fiscal and PFM Framework

- No inter-governmental fiscal framework
- Increasing vertical and horizontal fiscal imbalances
- Potential for IGF not realised
- Multiplicity of funding arrangements
- Significant off-budget funding streams
- Lack of transparency and efficiency
- Fragmented and weak planning and budgeting cycle

Human Resource Development and Management

- No integrated system for human resource management at the local level
- Recruitment, appointment and transfers centralised
- Dual subordination sector staff
- Structural vacancies
- Lack of incentive structure (remote districts)

Reform Initiatives

Legal and Policy Framework

- Amendment of Local Government Act 462
- Harmonisation of sectoral legislation in line with Constitution and LGA 462

Political and Administrative Framework

Representation and Appointment

1. All Assembly members and DCEs will get elected (*Constitutional amendment*)
2. All Assembly members will get elected, but DCE remains presidential appointee (*Constitutional amendment*)
3. Current arrangements prevail, but clear guidelines will be issued regarding the appointment of Assembly members

Political and Administrative Framework

Assignment of Functions Across Government

- Will be guided by subsidiarity principle, economies of scale and efficiency concerns
- Central government in charge of policy making; delegation of remaining implementing responsibilities to Regional level
- Establishment of clear functional assignment within the sectors to be done by DAs

Political and Administrative Framework

The Role of the Regions

- Amended LGA will need to clarify division of roles and responsibilities between RCC and the Office of the RCC
- Functional review Office of the RCC

Political and Administrative Framework

Sub-District Structures

- Reduction in number and composition of Unit Committees
- Unit Committees and Area Councils fully elected by 2010
- Revenue assignments and sharing arrangements for SDS clarified

Political and Administrative Framework

LGSA 656

- Full implementation LGSA
- Functioning administrative structure for DAs (in terms of human and financial resources)
- Functional and administrative integration at district level reflected at national level (mainstreaming of decentralisation in wider public sector reforms)

Fiscal Framework

- Reassignment of revenue and expenditure functions in accordance with the principle of subsidiarity
- Harmonisation of fiscal transfers systems
- Introduction of performance based funding
- Consolidation of fiscal reform efforts in IGFF

HRD and Management

- Operationalisation of LGS
- Staff accountable to DAs
- DAs responsible for hiring and firing of selected levels of staff (wage bill financed from central grants and IGF)
- LGS responsible for setting norms and standards, including minimum staff requirements
- Staff performance policies
- FOAT approach

Arrangements for Policy Coordination and Management

Inter-Ministerial Coordination Committee

- Coordination of Decentralisation Implementation
- Provide policy direction and oversight for decentralisation.
- Harmonisation of the legal framework for decentralisation and local government reform.
- Regular interaction with representatives of other governmental agencies to audit decentralization implementation.
- Coordinate annual decentralisation policy dialogue (with stakeholders) to provide inputs for annual review of the policy
- Review of sector strategies of MDAs to ensure consistency with the broader decentralisation policy.

Arrangements for Policy Coordination and Management

Local Government Fiscal Committee

- Provide technical support to the IMCC on all matters pertaining to fiscal decentralisation and financial management procedures.
- In line with the DDF-FOAT system, support the IMCC to develop systems for DA Finance to promote downwards accountability, transparency and participation in the core issues concerning planning, budgeting and budget execution.
- Recommend the framework to ensure a clear division of expenditure assignments across the various tiers of Government according to the principle of subsidiary.

Arrangements for Policy Coordination and Management

Human Resource Development Committee

- Provide technical input for the development of framework for the Coordination of Local government Human Resource Development.
- Provide technical support for the initiation of systems for monitoring performance of DA's within the local government system.
- Offer advisory services to the IMCC on policy direction on management advisory services.
- Offering advisory services for the development and implementation of scheme of service, pay conditions and training of human resources.

Arrangements for Policy Coordination and Management

MLGRDE

- The status of the MLGRDE in the coordination scheme will be equal to other sector ministries.
- Policy formulation on decentralisation reforms.
- Monitoring and Evaluation