# BACKGROUND PAPER

# A decade of improvement for local government

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The theme of this year's Commonwealth Local Government Conference was Improving local government: the Commonwealth vision. This theme is fundamental to all of us working in and with local government, but particularly so in the current economic climate where councils are having to once again look at how they can tighten their purse strings while they are facing greater demands with less income - doing more with fewer resources.

The conference was held in Freeport, Grand Bahama, hosted by the Government of the Bahamas and the councils of Grand Bahama at the Our Lucaya Conference Centre. More than 550 local government ministry, association and council representatives from 48 countries attended the conference. Previous conferences set out Aberdeen Agenda and Auckland Accord as to the kind of local government we want to strive to achieve: local democracy and good governance for effective services to respond to the needs of the local community and strong local leadership to drive development and support local communities. This conference builds on these previous outcomes, with speakers and delegates calling for local government to continue to improve as part of a broader process of development. Jamaican Minister Robert Montague summed up what is needed as a shift in attitude to include the public as important partners – a shift he called 'business unusual' to encompass improving service delivery, improving revenue streams, increasing community dialogue, finding new partners and leading from the front.

### **Reasserting local government**

In times of need, citizens turn to their councils for help and have increasing expectations of what their councils can do for them. As the sphere of government that usually supplies the core basic services such as water, sanitation, housing and primary health care and education, local government has an essential role in poverty reduction and meeting the MDGs. It also increasingly has to respond to other challenges such as rapid urbanisation, climate change, and the current economic climate. But all too often local government is invisible to policy makers in central and provincial government and to development partners, and so sidelined in discussions. Yet it is on the front line in development and implementation of responses to these challenges. As part of local government's improvement it must address this; re-positioning itself to be more confident in its own role, to be more assertive, and seek opportunities to improve financing, systems, services and development. Local government must be aware of the different roles it has in the community. As well as being provider of some of the key basic services to help reduce poverty and improve the quality of people's lives, it can often do a lot by using its administrative and/or legislative muscle to make things happen and drive the development and progress of the area.

#### A decade of improvement

The conference statement, the *Freeport Declaration on Improving Local Government*, sets out action for a decade of continuous improvements for local governments in the Commonwealth. The Declaration reflects many of the issues discussed in the conference background paper *Improving local government: the Commonwealth vision*<sup>1</sup> and sets out strategies for improvement in key areas that all local governments can address around financing, service improvements, community engagement, partnerships, training, and monitoring and evaluation. The next step is for CLGF member governments and local governments to look at the recommendations and develop and implement their own improvement agendas. CLGF will be looking at how it can support this work, building activities into its own business plan and seeking resources to take this forward. Local government associations also have an important role in supporting councils to help them

<sup>&</sup>lt;sup>1</sup> Dr Philip Amis, 2009, *Improving local government: the Commonwealth vision*, background discussion paper for the Commonwealth Local Government Conference, Freeport, Grand Bahama, 11-14 May 2009, Commonwealth Local Government Forum (CLGF). See H<u>http://www.clgc2009.org/index.cfm/pageid/305</u>

improve governance and service delivery, provide training and development and promote innovations such as using ICT.

# Improving the financing of local government

Local governments must improve their financial base and respond to the current international financial climate, being aware of and taking opportunities to boost their financial resources. Good financial management and control is essential, and local governments must demonstrate financial responsibility and accountability to their public and other stakeholders. The impact of the economic recession has meant not just a fall in direct local tax revenues but the impact of a decrease in other revenues. The fall in oil revenues in Nigeria, for example, has led to a fall in central government revenues with a resulting fall in grants to local government. ALGON President Hon Ibrahim Waziri said that this had pushed councils to look at other revenue sources, including accessing capital markets and obtaining credit ratings, and shopping mall type projects to generate extra income. However it has also provided opportunities to be creative in revenue raising. Many local governments are benefiting from stimulus packages – such as the stimulus package in Australia where local government will receive a significant proportion of the A\$20bn package for improving local infrastructures and economies. According to the Australian Local Government Association, this has also had the added benefit of creating a good opportunity to strengthen their relationship with national government and raise their profile with government and citizens.

Margaret Eaton, Chairperson of the Local Government Association of England and Wales, said that UK councils had significantly increased performance in recent years. Improvements have helped to save money, but over time there will have to be something more fundamental to make greater savings: "[moving] beyond efficiency improvements to a more radical transformation of service delivery: this requires leadership". She also highlighted the importance of communicating improvements to build confidence of public and others

# Community engagement and participation

Effective democratic local government is built on strong citizen participation and consultation. Working with the community is fundamental to improving local government to ensure that citizens have some ownership of and involvement in the development of their communities. Community involvement can help councils improve their services to ensure that they respond to the needs of the whole community and assist in poverty reduction. But involving the community and citizens should go further than this, to actually empower citizens to contribute and make decisions themselves – democratic localisation. This could be at parish or neighbourhood level or through mechanisms as small grants. In the Bahamas, delegates saw some of the results of direct consultation and responding to citizens concerns such new bus stops to provide shade for people waiting for buses and protect them from bad weather, and new fences around schools near roads with heavy traffic.

The Freeport Declaration emphasises that traditionally excluded groups should be targeted and included, including women who make up a half of the population, yet the full value of their contribution is not always recognised. Mainstreaming gender into policy-making was highlighted by many delegates and speakers.

#### Effective partnerships

It is now recognised throughout the Commonwealth that councils cannot address all their problems or provide their whole range of services alone. Councils need effective partnerships with a range of organisations and stakeholders: with central and state governments, regional partnerships, and local partners and stakeholders including the private sector and with civil society. Effective partnerships between local and state/provincial and national government is an essential element for improving local government. This does not mean always agreeing, but creating strength through a range of views and ideas and being able to reach a consensus and work in cooperation. It also requires ministries with local government in their portfolios to have the right capacity and skills on governance, decentralisation and public sector reform.

In some cases, having formal or constitutional recognition for the local government association (as in South Africa) helps to ensure adequate resources for staffing and services. In other cases, as in Australia, the local government association has built up its own recognition and relationships with central government and others, enabling it to operate effectively without constitutional recognition.

Regional partnerships both within and between countries are a practical mechanism for improving local government, offering exchange of information and good practice, joint advocacy, collaborative service delivery and regional cooperation on economic development. Country to country partnerships can also provide valuable learning and support, as evidenced in CLGF's Good Practice Scheme where partnerships between councils or local government associations allow them to work together on practical projects, bringing in the skills and experience of both partners to find sustainable solutions to a particular problem.

### Improving the calibre of councillors and staff

Development and training is critical to ensure the high competence of councillors and staff and that roles and responsibilities are understood and respected. Targeted programmes for leaders and managers can boost their capacity and competence to carry out their roles effectively. Leadership programmes (such as those that the CLGF Pacific Project is running), target particular development areas such as interpersonal, negotiation and mediation skills, as well as a commitment to integrity, honesty, transparency – all basic qualities for effective leaders. Both the CLGF programme in the Pacific and its recent democracy workshops in Asia have developed materials through training of trainers that can then be more widely applied for training councillors.<sup>2</sup>

#### Monitoring and evaluation of local government

Modern local government requires effective and comprehensive systems of monitoring and evaluation of performance improvement. This enables councils to assess how they are meeting their targets and goals, to demonstrate their achievements, and to highlight any problems at an early stage so that remedial action can be taken. Many Commonwealth countries have developed innovations for monitoring performance, such as mechanisms for recognising excellence, peer reviews and the Urban Governance Index. CLGF's pilot project in Uganda helped to establish a locally owned and driven process to measure local governance and democracy. The project was led by Makerere University and involved a wide range of stakeholders and resulted in a broad consensus

<sup>&</sup>lt;sup>2</sup> CLGF, Local Democracy and Good Governance Training Programme, South Asia, CLGF 2009.

for the future, including highlighting the need for continuous improvement.<sup>3</sup> CLGF is now seeking ways of rolling out the process to other member states to adapt.

# **CLGF – Supporting its members**

The declaration is the first stage in the process to encourage all local governments in the Commonwealth to join a decade of improvement. Delegates at the conference and CLGF members who agreed to the recommendations in the Freeport Declaration have been invited to take the recommendations back to share with colleagues in their own councils and countries to develop their own plans for a culture of improvement and a commitment to implement the recommendations. CLGF will support its members in taking forward the agenda, looking to raise the profile of local government within the Commonwealth, and seeing how it can widen its support for training and capacity building for councillors through its technical programmes and projects.

CLGF will be working closely with its associate members in university departments and training institutes to disseminate the outcomes of the conference and share ideas and information on current thinking around the improvement agenda for local government and monitoring and evaluation methodology. CLGF's Research Advisory Group has an essential role in this to help support further development of practice-oriented research to feed into our policy and programme development. Two specific projects where CLGF will be undertaking some preliminary research and taking forward are the Forum of Inclusive Cities and a Gender and Local Government Action Plan.

CLGF's wider role is to seek political endorsement for the recommendations in the *Freeport Declaration on Improving Local Government: the Commonwealth vision* and the Commonwealth Heads of Government Meeting (CHOGM) was an opportunity to do this. The Declaration was presented to Rt Hon Patrick Manning, Prime Minister of Trinidad and Tobago, in London in May. Prime Minister Manning chaired the Commonwealth Heads of Government Meeting in Port of Spain, Trinidad and Tobago (27-29 November) at which CLGF, as a designated Commonwealth organisation and with accreditation to the CHOGM, presented conference outcomes to Heads of Government for endorsement. Backing at this level will help CLGF to pursue a goal of a

<sup>&</sup>lt;sup>3</sup> CLGF 2008, Meeting the challenges of the Aberdeen Agenda – an assessment of local governance and democracy in Uganda, CLGF.

decade of continuous improvement for local government in all the countries of the Commonwealth.

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