Policy Frameworks and Municipal Effectiveness

By David Fellows [1]

Introduction

Local governments, referred to here as 'municipalities', tend to be smaller scale, face less complex challenges, and have less diversity amongst stakeholders when compared to national governments. This relative simplicity should be regarded as their defining strength. It eases the path to identifying their core mission and prioritising service developments within resource constraints and national mandates.

A common problem with capitalising on this strength is that municipal strategic policy agendas are often asserted without sufficient regard to their consistent articulation, internal coherence or supporting administrative sub-structure. It is the author's contention that without these attributes municipal leadership will always lack clarity of direction; delivery competence; and full hearted community support. In addition, the media will have grounds for scepticism and its criticisms will probably intensify over time.

This piece outlines the elements of an effective municipal policy framework and the need for its periodic review and realignment.

The Policy Framework

The fundamental elements and principles of the policy framework are outlined below:

1. Policy objectives should be set at a long-term level with more detailed expression at shorter timescales. This policy cascade must be consistent. The policy cascade must be achievable in a practical sense and there must be sound and clearly expressed reasons to expect the necessary resources (finance, skills and materials) to be available in the timescale envisaged by the policy objective.
2. Operational changes must be supported by realistic development plans and external expert support should be sought to help develop internal capacity where necessary.
3. There should be a medium term budget reflecting the

stated policy system over a minimum 3 year policy timescale. All budgets should contain both revenue and capital provision that should be consistent between the two, realistically achievable. Where policies are changed the budget must change accordingly.

4. No spending commitment must be made until budget provision has been allocated as a priority above all competing demands that would otherwise make funding untenable.

5. Service delivery arrangements and underpinning administrative processes must be set out clearly and there must be adequate training plans to achieve the intended outcomes.

6. The budgetary control must be exercised to ensure that expenditure and revenues are consistent with the budget and where this is not achievable then modifications to policy, practice and budget must be made appropriately. The overall responsibility for containing spending within budget must be imposed on departmental heads without the option of delegation to a lower level.

7. Benefits realisation strategies for new developments must be used to guide successful outcomes and risk management strategies used to anticipate and mitigate possible challenges.

8. Civil servants must have performance contracts for achieving service outputs and outcomes within budget.

9. There must be public engagement in the development process and transparency about its outcomes.

10. The logical chain of policy, delivery practice, supporting administrative processes, development plans and budgetary provision must be understood by politicians and administrators at all levels.

This type of policy framework could be said to be applicable to anywhere within to anywhere within the public service but in municipalities it is more tangible in terms of proximity

between the administration and the community as a whole, more easily comprehended as a working system that encompasses the entire municipality and more capable of being used by the political leadership as an envisioning and executive tool. This sentiment was echoed by Mr Armand Beouinde, Mayor of Ouagadougou, Burkina Faso at the [UN-Habitat Conference in Marrakesh](#) last November.

Review

Periodic reviews of the policy framework offer an opportunity to improve coherence and effectiveness. They can also lead to a better understanding of municipal capacity and critical areas of weakness that must be addressed if ambitions are to be fully realised. It may be useful for such reviews to be undertaken independently and shared with the community for comment prior to finalisation.

Conclusion

Municipalities are well placed to make crucial contributions to community well-being and development. Better governance based on coherent policy frameworks and sound development plans can help them deliver on their potential. In the author's view development partners can be too keen to rush developing countries into adopting practices that are unsustainable before the necessary organisational capacity has been achieved.

End note

We should be pleased to discuss the ideas in this piece with those who believe that they may have relevance to their situation.

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[1] *David Fellows began his career in UK local government where he became President of the Society of Municipal Treasurers and a pioneer of digital government, he followed this with stints in the UK Cabinet Office and the National Treasury of South Africa. He is a director of PFMConnect.*

Digital Government in Developing Countries

Posted by David Fellows and Glyn Evans[1]

With the aid of development partners, developing countries are making commitments to maximise the use of digital technology. The ICT industry is right behind them. In these reforms, digital technology is being represented as the principal transformative medium of government. But to think of "Digital Government" as necessarily transformative, almost an end in itself, is misguided. Governments should be primarily concerned to provide their services and engage with electorates in the most cost-effective way. Digital technology may or may not have a role in that process.

Here are some of the fields in which digital technology has demonstrated that it has a potential role to play in developing countries:

- Transparency and public engagement
- Basic public service delivery in the fields of health and education
- Public safety and security
- The collection of tax and non-tax revenues
- The management of population growth in urban areas
- The sustainability and development of rural communities
- Skill shortages throughout the economy
- Economic diversification
- Measures to combat corruption
- Resilience to natural disasters

We do not accept, however, that the answer to any of these challenges is necessarily a massive investment in digital technology, say a 'digital city' or a fully integrated expenditure, revenues and payments system.

Many developing countries are not well positioned to make sustainable progress with digital technology in huge multi-faceted programmes requiring vast initial expenditure. This form of development may do little more than provide substantial fee income for international consultancies and software developers. Once the consultants are gone and system design faults surface, client needs change or in-house staff are poached by others, then the facilities that promised so much may become more of a hindrance than an advantage.

Things may not even get that far. Without governments having sufficient staff with the necessary technical skills, digital systems may never be properly configured and the client may be left with a partially implemented system. Nevertheless, it is surprising how many such projects are specified and funded. Problematic factors are sometimes acknowledged without being fully taken into account.

We suggest that an evolutionary approach to digitally-enabled reform offers a more realistic way forward. The process should start with an analysis of the operational imperatives for improvement. This requires the following ten-point strategy:

1. A clear vision for future service delivery and the developing relationship between citizens and the government
2. A thorough assessment of internal resources (skills, knowledge, staffing commitments and budgets) required to support the implementation of reform and new ways of working
3. An overhaul of management philosophy and governance arrangements
4. The identification of mechanisms to address relevant gaps in capacity including improvements in the

recruitment and training of in-house staff and encouragement of local firms to upgrade their ICT capacity incrementally to support public service digital applications (multinational collaboration for the [professional development of public servants](#) and the [improvement of governance and working practices](#) are addressed in previous blogs)

5. An examination of the various options by which change can be achieved
6. A robust approach to investment appraisal
7. An assertion of priorities based on sound information and analysis
8. A clear strategy to deliver project sustainability (including security)
9. The identification of the benefits sought and how such benefits are to be achieved, and
10. A relentless focus on benefits realization accompanied by the modification of working methods to rectify performance shortfalls.

This approach is based on our past work, which we can illustrate with examples of two completed major projects, as well as our experience in developing countries.

The first example in Knowsley, one of the UK's most deprived areas, was one of the world's first "smart city" projects, started in 1997. It featured public information systems, electronic application forms, payment facilities, public feedback on quality of service, schoolwork support, an interactive liveability learning application for mentally challenged young adults, digital enablement schemes and public availability of PCs in libraries and community centres.

The second project in Birmingham, the UK's largest

metropolitan municipality was probably the largest digitally-enabled change programme ever undertaken in a European city. It included the digitisation of procurement, HR (including performance management) and accounting practices, providing managers with accurate, real-time information, and digitising customer contact and the fulfilment management of customer requests, resulting in customer satisfaction improving by 20 percentage points. The entire change programme realised revenue savings of £100 million a year.

These examples suggest that it is possible to make significant reductions in the risk to both funders and recipients of digital-enabled developments by:

- Preparing an organisational readiness analysis and development strategy as set out above
- Establishing the necessary roles and finding the right people to fill those roles
- Monitoring and evaluating progress, and
- Responding with operational modifications as necessary to achieve the desired outcomes, and as technological advances offer fresh opportunities.

Some developments will not necessarily require state financial or operational support. Private sector encouragement may be sufficient. For example, physical planning that offers confidence to developers or infrastructure standards that support the public use of digital technology.

In our view, a challenging reform agenda demands a flexible approach, cool judgement and realistic timescales. Those in positions of responsibility should take steps to avoid being found friendless and trapped by the expectations and largesse

heaped upon them.

[1] *David Fellows is a director of PFMConnect Ltd, a management consultancy specialising in financial, digital and engineering services for developing countries. He is a winner of the Swedish Prize for Democratic Digital Service Delivery. Glyn Evans is the Vice President of the Major Cities of Europe IT Users Group and former CIO of various major cities.*

Videos addressing good public financial management

We have commenced the publishing of videos about aspects of our work associated with supporting good public financial management.

We list below the videos available to-date:

Small island developing states need improvements in their digital communication infrastructure to help them recover from COVID-19. We have set out four collaboration approaches for SIDS and their stakeholders to consider actioning in our "[Small Island Developing States, COVID-19 and Digital Technology](#)" video based on our recent blog. [Petit États insulaires en développement, COVID-19 et technologie numérique](#). [Pequeno Estados em Desenvolvimento insular, COVID-19 e Tecnologia Digital](#). [Pequeña Estados Insulares en Desarrollo, COVID-19 y Tecnología Digital](#).

[Improving PFM digital transparency in SIDS finance ministries](http://blog-pfmconnect.com/wp-content/uploads/Videos/Improving-PFM-digital-transparency-in-SIDS-finance-ministries.mp4) examines recent trends in the use of public financial management (PFM) digital platforms by the finance ministries of small island developing states (SIDS) and potential opportunities. A shorter version of this video examines **SIDS finance ministries** use of [Facebook](#) to promote PFM digital transparency in small island developing states

[COVID-19, Brexit and the English Regions](http://blog-pfmconnect.com/wp-content/uploads/Videos/COVID-19-Brexit-and-the-English-Regions.mp4) discusses the UK Government's levelling-up policy for the English regions and the impacts of COVID-19 on the implementation of this policy.

[Virtual Schooling in the UK](http://blog-pfmconnect.com/wp-content/uploads/Videos/Virtual-Schooling-in-the-UK.mp4) examines the development of **virtual schooling** in the **United Kingdom** to support home education resulting from the Covid-19 lockdown.

[Digital government in developing countries](#), based on our recent [blog](#), recommends developing countries should employ an evolutionary approach to digitally-enabled reform and outlines a detailed implementation strategy for them to adopt in such projects. [Gobierno digital en países en desarrollo. Le gouvernement numerique dans les pays en developpement](#). [Governo digital nos países em desenvolvimento](#).

[Local government revenue systems corruption](#) outlines the different parts of local government revenue systems and presents strategies for combatting associated corruption. [Corrupción de los sistemas de ingresos del gobierno local. Corrupção dos sistemas de receita do governo local. Corruption des systèmes de revenus des administrations locales](#).

[Supporting good public financial management](#) provides images of some of the countries where we have supported the development of good public financial management (PFM). You can view all the countries and places where we have worked [here.](#)

[Evaluating public private partnerships](#) highlights a number of questions to be addressed by public sector organisations when considering the merits of a public private partnership (PPP)

The case for an international online public service academy

by [David Fellows](#) [1]

Introduction

The purpose of this post is to consider how digital communication could be developed for the provision of structured professional education for public servants in developing countries using an academy model. This proposal is based on the proposition that there is a widespread need for professional training to improve administrative effectiveness through a general grounding in the nature of public administration and its place in society; the study of key

aspects of public sector management, relevant techniques and organisational values; and the examination of reform objectives and the means of achieving them.

Why open learning for developing countries? Well, a campus format bears a heavy cost-base and brings the practical difficulties of assembling the teaching staff necessary to deliver the standard of professional education required. It also incurs the loss of students from the workplace for substantial periods of time, together with the costs of student travel and accommodation. The positive advantages of an open learning format include the flexibility of study time demands on student availability and, potentially, the benefits of an international experience for participating students given their interaction with students and teachers from around the world. This kind of initiative is not irrelevant to developed countries but I suggest that the priority and funding model should address the needs of developing nations first and foremost.

Geographical reach

The use of digital communication provides for flexibility of student and teacher location. Seminars and staff meetings could be held online, academic material developed collaboratively over document handling systems, and student work could be dealt with by email or in-house systems. This would not be far removed from how most higher educational institutions are developing staff/student communication even where they are campus-based.

There may be merit in some courses being directed to regional groupings of students in order to provide greater focus on regional issues and it would make sense to do this using tutors who are immersed in the regional context. There may even be merit in some courses being run on a purely national basis. It would certainly be important to ensure that student

study programs are aligned to the needs of the employing governments, possibly reflected in the nature of assignments or course options.

There could be a single worldwide institution with regional coordination to foster government relationships and accommodate periodic student workshops, although this is not essential in order to gain advantages from this format. There could be regionally based institutions or some states could operate primarily on a national basis.

Student body

The students would be permanent officials of the public service in developing countries. There could be extensive flexibility about study arrangements including varying amounts of office time allowed for study purposes. This would be part of the arrangements to be agreed with the institution, and individual student study programs would take this into account.

Students could be encouraged to come together regularly online on a national or international basis to discuss their needs and course provision. Academic staff could join such meetings on request. Regular physical meetings of students could be possible on a national or departmental basis as well as at occasional regional workshops.

Prospectus

Initially the prospectus should be developed around core governance-related topics: policy development; management and leadership (including roles and responsibilities of politicians and officials); human resources (including capacity development, appointment processes, records); public financial management; law; ethics; and economics (as a more contextual subject). Student programs could identify specific elements to be taken at a more advanced level (e.g. taxation

or international trade). Some elements could be country specific.

The student program-based approach should allow flexibility in syllabus scheduling to reflect the time commitment made by each student. This does not mean that study would be unscheduled but that work schedules would be agreed with employers and students with the intention of building student cohorts around particular schedules. Tutors would be assigned to support each student cohort in making the necessary progress.

Courses would have action-oriented elements so that demonstrable benefits are gained for client governments from each program of study. Relevant benefits would be stated at the outset and evaluated in student assessments and satisfactory course completion would be formally certified.

In addition, short courses on service specialisations could be developed or a mentoring service could be provided for newly promoted administrators.

The foundations

There is no need to create a completely new institution. There are a variety of bases on which the proposals could be founded. Various universities, civil service colleges and development agencies (e.g. the [new online Public Financial Management Course](#) just launched by the International Monetary Fund) around the world could establish the kind of institution proposed as an adjunct to their existing courses and program. Doing so would also provide the governance and administrative arrangements on which to base the new institution.

There is also no need to make extravagant claims about the possible size and scope of the institution. It could perhaps take a modest group of nations and development partners as a starting point. It is interesting to note that three conventional universities in the UK offer online Masters of

Business Administration (MBA), one of which offers a two year course, and the others are more flexible with UK citizens forming a minority of each student body (ranging from 11% to 48%). In addition, the [UK Open University Business School](#) offers two and three year MBAs worldwide.

Nor is there any necessity to suppose that the starting point would be located in the northern hemisphere amongst the traditional developed nations. There would simply need to be familiarity with the concept of an open online college. Is the [Singapore Civil Service College](#) a prospective starting point? Could India launch an online Civil Service College to satisfy its own needs, while also attracting students from further afield?

Client state engagement in governance arrangements would also offer the opportunity of using the institution to further South–South collaboration and the greater ownership of development philosophy by the developing nations.

Funding the academy

The academy model is capable of being funded jointly by client governments and development partners. Cost-sharing could be flexible. Costs could be contained through collaboration agreements with appropriate institutions and the variety of expertise achieved in this way would add to the benefits of the model. The cost-benefits of online education have been demonstrated by existing institutions and must be exploited for this purpose.

The set-up cost would depend to some extent on the institutional foundations. Digital infrastructure costs would be scalable through agreement with application service providers with concessionary pricing being sought particularly at the outset.

Conclusions

The purpose of this brief note is to suggest that it is now

possible to provide extensive and high quality professional training for the public servants of developing countries with courses delivered predominantly via digital technology. It is further suggested that such an initiative would be cost-effective and possibly developed incrementally out of an existing institution(s).

At the current time capacity development has fallen out of favour with development partners due to the lack of clear linkage to measurable reform. I suggest, however, that without increased professional development for government officials the very ambition of improving state institutions is fundamentally flawed. It is for those engaged in the formation of new institutions to demonstrate the effectiveness of such initiatives through the delivery and assessment mechanisms that are embedded within them.

[1] The author is a Co-principal of PFMConnect. A slightly abbreviated version of this blog is available at the Devpolicy Blog of the Development Policy Centre based at the Australian National University's Crawford School of Public Policy.