

# Coherent Policy, Planning, and Performance for Delivering the SDGs



Posted by David Fellows [\[1\]](#)

This is an extraordinarily important time for coherent policy, planning, and performance – the “3 Ps” – for delivering the SDGs and other core public policy objectives.

The SDGs present an extensive range of essential service improvements that are applicable across the world. The threat posed by climate change has become a major international issue with immensely ambitious remedial targets and huge spending requirements. Governments are also under pressure to introduce gender responsive budgeting and digitalize their public finances, reforms that offer huge benefits but also challenges and costs in the short to medium-term. At the same time, the

Covid-19 pandemic has devastated many economies and produced huge fiscal burdens, increasing the challenge of delivering the SDGs and better environmental outcomes.

## **A coherent delivery framework**

It is important that governments take decisions within a strategic framework that represents an appropriate timeframe and deals clearly with policy goals, service responses, resources deployed, and outcomes achieved. The various elements of this framework include:

1. A vision having a 10-year perspective expressed in terms of outcomes.
2. Objectives set with a 3-5 year delivery time frame, consistent with achieving the vision.
3. Delivery targets for each of the next 3-5 years in terms of service outputs relevant to the performance outcomes.
4. 3-5 year budgets for agencies or programs that reflect the delivery outcomes and performance targets that each budget represents.
5. Annual accounts that set out executive responsibilities, annual performance outcome and delivery targets and the actual performance achieved.
6. Training and recruitment plans that enable public agencies to operate the systems and deliver the services that have been approved.

## **Delivering change**

Successful reform is an elusive concept. Any initiative worth

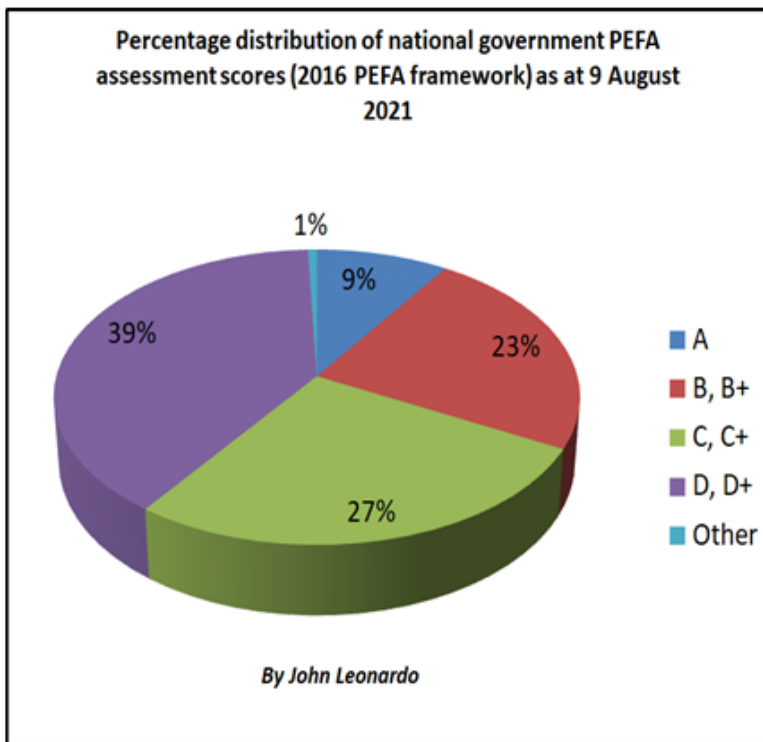
doing must have a benefits realisation plan specifying the steps necessary to ensure that progress is being made and that the end results are achieved.

Services and changes to service provision should be protected by risk management strategies that seek to mitigate internal or external events and shocks that may otherwise hamper delivery or destroy valuable assets.

## **Review and accountability**

The various elements of the framework must be consistent with each other. When major new commitments are proposed, or it becomes obvious that major targets are no longer achievable then a review of the framework should be undertaken. In addition, there should be an annual review of the framework as part of the annual budget preparation process, perhaps as part of a wider spending review. Policies, plans, performance, and the results of review processes should be made public. There is no aspect of the planning and delivery process that cannot benefit from public scrutiny and comment. It is the responsibility of all public institutions in a democratic country to make themselves open and responsive to such a dialogue.

## **The PFM challenge for developing countries**



**A** = High level of performance that meets international practice

**B** = Sound performance in line with many elements of good international practice

**C** = Basic level of performance

**D** = Less than basic level of performance or insufficient information to score

The chart relates to 58 countries: 52 developing countries and 6 countries in transition

The relatively poor condition of PFM in developing countries shown in the chart suggests the difficulties that developing countries face in planning, managing, and maintaining their existing budget systems. The SDGs and other global pressures to increase spending represent additional challenges for PFM systems to face. Multilateral decisions on the SDGs and climate change must therefore take account of the consequences for developing nations given the likely dependence of successful outcomes on their cooperation.

## Conclusion

The immense pressures on governments worldwide to fulfil the global obligations and pressures described above often require concerted action. If governments are to succeed without making over-extended commitments, wasting time and money on impractical solutions, they must make decisions within the rigours of a fully operational policy, planning, and performance framework. Multilateral agreements, economic,

social and technological considerations will all feed into framework construction but the integrity of the framework is key.

Framework development will inevitably present hard choices but that is a strength of the process. It should also provide a coherent basis for democratic accountability if, as a result, drastic life changes are required, freedoms are curtailed, and personal costs are increased.

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# 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.

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## Kenya's public procurement policy: A women's perspective



We have prepared a SlideShare presentation that discusses the results of PFMConnect's recent online survey of members of Kenya's Federation of Women Entrepreneurs Associations (FEWA) that addressed FEWA members' perceptions of the government's current public procurement policies. FEWA members responded during August and September 2015.

The survey demonstrates the impact of Kenya's present high levels of corruption on women entrepreneur's perceptions of current public procurement policies. Details of FEWA members' suggestions for improving current public procurement policies are also presented.

You can view the presentation at [Kenya's public procurement](#)

[policy: A women's perspective](#). This supplements the material presented in our recent blog [Public sector procurement in Kenya](#).

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# Public sector procurement in Kenya



**By: David Fellows, John Leonardo** [\[1\]](#)

Earlier this year, PFMConnect launched a global survey programme of public sector procurement practice. The first project was in collaboration with the Kenyan Federation of Women Entrepreneur Associations [\[2\]](#) (FEWA). The initiative commenced with questions directed at a group of FEWA members and the results were then compared with evidence gathered by other organisations.

The FEWA responses are summarised in the table below:

	<b>Yes</b> %	<b>No</b> %	<b>Not Sure</b> %
Do the laws and court system support fair competition	10	90	–
Are the laws on purchasing readily available on the internet	70	20	10
Are invitations to bid readily available on the internet or in the press	60	20	20
Are contract awards adequately announced on the internet or in the press	50	40	10
Is the bidding process handled competently	30	70	–
Does Government get value for money from procurement	10	80	10
Is there fairness in the selection of successful tenderers	10	90	–
Do businesses engage in collusion and bribery	90	10	
Do you know of criticisms of procurement process in audit reports or public enquiries	90	10	–
Do you know of complaints by tenderers about the administration of procurement	100	–	–
Do you consider that tenderers are satisfied with how complaints about the awarding of contracts are handled	10	80	10
Do you consider that SMEs get reasonable opportunities to win contracts	30	70	–

Are additional measure required to support women owned businesses despite recent legislation for this purpose	70	30	–
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This made it clear that there are serious concerns about the integrity of Government procurement processes with regards to bidding invitations, the awarding of contracts, the handling of complaints, the fairness of the approvals process and failure to prevent collusion between bidders. It would seem that there is discontent within the contractor community about these issues and an awareness that similar concerns are shared by some official bodies. There is also a feeling that the legal measures taken to improve opportunities for women owned businesses are not yet achieving the hope for impact.

FEWA members were asked to suggest improvements to the Government’s approach to purchasing goods and services. Their suggestions included:

- Better access to credit
- Company vetting to weed out collusion
- Fairness in administration
- Transparency including support from a centralised online computer system

**Corruption, credit and good administration**

The recent World Economic Forum Report on African Competitiveness for 2015 deals with some of these issues. It identified the most problematic inhibitors to doing business in Kenya as being:

	%	Ranking
• Corruption	20	Ranked first
• Access to financing	18	Ranked second
• Inefficient government bureaucracy	8	Ranked sixth

These factors, amounting to 44% of the impediments to trade, lend weight to the concerns reflected in our survey. The report suggests a deteriorating situation compared to 2013 when concern for corruption and access to financing stood at 13% and 14% respectively. Overall the report ranks Kenya ninth most competitive amongst African countries, ninetieth worldwide.

Kenya's ranking in Transparency International's Corruption Perceptions Index has deteriorated over the last two years with its ranking declining from 139<sup>th</sup> equal to 145<sup>th</sup> equal. The Kenya Institute for Public Policy Research and Analysis (KIPPRA) in its 2014 report on the national economy makes the telling point that corruption has a direct impact on poverty levels and the entire quality of life for citizens.

### **Progress for the disadvantaged**

As from September 2013 under the provisions of the Public Procurement and Disposal Act 2005, the Kenyan Government directed that a rather ambitious 30% of all government tenders should be awarded to micro and small enterprises (MSEs) owned by women, youth and the disabled and directed that such MSEs should be paid by public sector organisations within 30 Days. Subsequently, prequalification registration stipulations and surety requirements for such groups were simplified and a minimum allocation was set for disabled tenderers with a maximum allocation of 15% to any one of the three groups. Youths were defined as those between the ages of eighteen and thirty-five years. Government has admitted that at present only 3% of procurements are being awarded to preferential groups.

KIPPRA suggests that the Government should allow micro and small enterprise (MSE) associations to organise group bids for public procurement tenders involving MSEs with the Government's public procurement technical advice service

lending support.

Regulation 34 stipulates that payments made under the Act shall be made within thirty days. A circular of the Public Procurement Oversight Authority issued earlier this year advised that the main preferment conditions were often being ignored. What hope therefore for the thirty day rule? Prompt payment is essential to mitigate the problems of access to credit identified by disadvantaged groups. It is noteworthy that FEWA has recently taken the initiative of establishing a credit facilitation operation, SACCO, to support its members with professional advice on business funding.

FEWA members also offered two ideas not suggested by KIPPRA. One was the need to simplify tender documentation requirements, at least for smaller contracts; the other was the need to give formal recognition to the role of women's representative bodies in an engagement process with Government during the introductory phase of the new MSE arrangements. These measures would make a major statement by government about its commitment to MSEs and its support for women in business.

### **Problems and possibilities**

The Kenyan Parliament passed a Bill on 27<sup>th</sup> May 2015 that sets out new enabling legislation for public procurement but the President refused to assent the Bill into law. This Bill has been returned to Parliament for reconsideration but the Parliament has not completed this action. The Bill confirms the role of the Public Procurement Oversight Authority to drive procurement reform and establishes an Administrative Review Board to deal with complaints. It also provides for special arrangements being made in support of disadvantaged groups. There is some concern amongst women's representative bodies that they may lose the specially defined status they already have because women are not specifically

mentioned in the Bill as a necessary component of disadvantage.

The modern world runs on enabling legislation to give governments flexibility to address changing circumstances but the Government and the President will obviously need to give the necessary reassurances of their continued commitment to the support of women-owned businesses. Perhaps they would also hear the calls for the simplification of tendering documentation for smaller contracts, further work on bidding arrangements and strong representation of women within the designated oversight structures.

Kenyan media coverage over the last few months suggests that the implementation of an enhanced procurement regulatory framework will continue to be constrained by corruption. Ambassadors to Kenya have on several recent occasions banded together to warn the Kenyan government and public of the grave dangers posed by the current levels of corruption and have threatened to refuse visas to Kenyan nationals engaged in such practices. Kenyan corruption is widely documented<sup>[3]</sup> and toxic.

## **Conclusions**

Most governments are beginning to regard small business development and the increased prominence of women entrepreneurs as essential contributors to economic diversification and growth. Public sector procurement is clearly an important tool to help facilitate this yet the Government of Kenya has not followed up effectively behind their preferential procurement initiative and needs to do so.

Rampant corruption must also be effectively addressed. We shall return to this and to the subject of procurement administration in a more general context in coming months.

As for the ambitions of women entrepreneurs, their voices are



essential to rallying the preferential groups behind the Government's initiative. We wonder whether they should also demand from Government a clear commitment to a 50% minimum allocation to female-owned MSEs within the preferential allocations to the youth and disability groups.

## **Postscript**

As we write, the Kenyan President has just set out a series of additional measures to combat corruption and has called on religious leaders to support his campaign. The test of the intent will clearly be in the number of prosecutions that flow through the courts and particularly those of high officials and politicians.

[\[1\]](#) The authors David Fellows and John Leonardo are Principals of PFMConnect. They have been engaged on projects in Africa, Asia and the Pacific funded by the World Bank, EU, ADB and DfID.

[\[2\]](http://fewa.or.ke) See: <http://fewa.or.ke>

[\[3\]](#) Kenya's corruption problem: causes & consequences, Sr Kempe Ronald Hope; Dfid's anti-corruption strategy for Kenya '13