**The Local Services Support Initiatives: An Overview**

Enhancing the delivery of basic social and economic services has been a key objective of the Government of the Republic of South Sudan and has remained so in spite of the ongoing fiscal crisis. Constitutionally, the responsibility for delivering these services lies primarily with Local Governments; State governments provide support and supervision and national government sets the policy environment and currently provides most of the funding. In practice, due to weak Local Government capacity, a lack of policy and procedural clarity, and poor oversight by national government, States have absorbed many Local Government functions. The National Government views adherence to the constitutional mandate for services to be delivered by the level of government closest to the people as essential for improved service delivery and accountability. Strengthening the capacity of Local Governments (LGs) to deliver services is therefore critical to South Sudan’s long-term development. Realising this, the Government developed a set of **Local Services Support (LSS)** initiatives aimed to strengthen systems and capacities of LGs with a view to improving the delivery of services and provision of infrastructure at the local level.

As a first step, the Government developed **Service Delivery Frameworks (SDFs)** for primary education, rural water and sanitation, basic healthcare and small-scale infrastructure. SDFs clarified the role of each level of government in delivering basic services, and identified bottlenecks to fulfilment of these roles. The SDFs identified that a good number of the challenges to improving basic service delivery cut across sectors, and require cross-agency coordination to resolve[[1]](#footnote-1).

In order to address these common blockages the Government formulated the **Local Services Support Joint Plan of Action (JPA)** which sets out the challenges identified in the SDFs, stipulates a number of policy commitments taken by the Government with a view to tackling these challenges, and outlines the priority actions proposed to address them. On 18th July 2013 the JPA was signed by the Under-Secretaries of the most directly concerned national government agencies namely: Undersecretary for Economic Planning, the Ministry of Finance and Economic Planning (MOFEP), Undersecretary of Public Service and Human Resource Development in the MOLPS&HRD, Undersecretary of the Local Government Board (LGB), Undersecretary of General Education and Instruction in the Ministry of Education, Science and Technology (MOEST), Undersecretary of the Ministry of Health (MOH), and Undersecretary of Irrigation and Water Resources in the Ministry of Electricity, Dams, Irrigation and Water Resources[[2]](#footnote-2).

Following a first implementation review, in October 2014 the LSS Joint Plan of Action was revised to reflect progress made and new issues to be tackled, and approved by the Undersecretaries now forming the LSS Steering Committee[[3]](#footnote-3).

As part of the JPA, Government developed a **Financing Framework** that lays out a simple, coherent and transparent system for financing local service delivery[[4]](#footnote-4). Important steps have been taken to actually implement the LSS Financing Framework. The concerned ministries budgeted for a set of **increased and new transfers to Counties and facilities in the 2013/4 budget** and issued a first set of Planning, Budgeting and Reporting Guidelines for States and Local Governments that specified how these transfers should be budgeted for, utilised and reported on[[5]](#footnote-5).

The 2013/14 approved budget included these new ‘service delivery’ transfers, with a provision that they would be released from January 2014 onwards when the government was planning to transition away from the austerity budget adopted for the first six months of the fiscal year. In March 2014 (for County block, County health and education Departments and water units operations, and capitation grants to primary schools[[6]](#footnote-6)). National Ministry of Finance began releasing these transfers to State Ministries of Finance for onward release to counties and schools. These have been flowing since then, in spite of the fiscal crisis. A revised set of Guidelines was prepared for the current 2014/15 budget year[[7]](#footnote-7). As at end of March 2015, a total amount of 200 million SSP had been released for these new service delivery transfers.

The concerned ministries and MOFEP are currently working to develop a set of additional transfers for types of health and education facilities that had not been covered in the first two years (Primary Health Care Centres, Teacher Training Institutes, Health Sciences Institutes and national hospitals). Mindful of the ongoing severe fiscal crisis the ministries are committed to try and find ways of integrating at least some of these new transfers in the 2015/16 budget, through identifying savings that can be made elsewhere in their budget envelopes.

With additional funding flowing it is all the more important to ensure that public resources at Local Government level are used well and reported on. To this effect, MOFEP and LGB developed and issued a **Local Government Public Finance Management Manual** which provides standards forbudgeting, procurement, financial management, reporting and accountability by the Local Governments and outlines the roles and responsibilities of the different structures at LG level in relation to public financial management[[8]](#footnote-8).

The LG PFM Manual has been rolled out and support is currently provided to Counties to comply with its provision, and to States in their role of support to and oversight of Counties. In a first phase (2013/4) and with support from development partners through the (now phased out) Capacity Building Trust Fund, **LG PFM training materials** were developed and a first round of classroom-based training was carried out for all Counties as well as training of trainers for officers from the State governments. Under the LGSDP fast-track initiative, TA were deployed to support LGSDP participating counties using the LG PFM Manual. With LGSDP funding, Government has also recruited a firm to provide support in LG PFM up to at least 40 counties by 2017/18. The Government then mobilised further support through the ongoing EU-financed Technical Assistance for PFM and Payroll (TAPP). The EU TAPP covers the country as a whole through additional classroom-based training and state-based teams deployed to provide hands-on support, coaching and mentoring to Counties in preparing ‘in real time’ the financial management documentation specified in the LG PFM Manual. Support modalities are adapted in conflict-affected areas

While the EU TAPP is a short-term operation, the government is in the process of developing a comprehensive medium-term programme aimed to strengthen subnational cross-cutting systems and capacities in ‘central administrations’ at County and State levels (including support to PFM, human resources management and payroll management functions, and local accountability) and to seek support for this ‘subnational institutional strengthening’ (SNIS) programme.

In addition and within the framework of the LG PFM Manual, specific guidance have been, or are being developed for facilities to manage and use their operating grants. The support necessary for facilities to implement the guidance is provided by the government structure to which the facility is accountable (e.g. County education department for schools), with support from donor-financed basic service programmes complementing government’s efforts.

Under the lead of MOLPS&HRD the Government has developed guidance on **standard structures and human resources management** at the county level, in the form of an interim Local Government Human Resources Manual and associated standard organisational and staffing structures for key Local Government Departments[[9]](#footnote-9). This will provide the foundation for developing approaches to improve Local Government civil service effectiveness. The interim LG HRM Manual is currently being disseminated. It is anticipated that support to rollout and to Counties’ implementation will be a component of the Subnational Institutional Strengthening programme mentioned above.

Reforms have also been undertaken in relation to payroll management, with the aim of making Counties responsible for managing a unified payroll for all staff working at the County level. This requires (i) progress to be made in consolidating the government South Sudan Electronic Payroll System (SSEPS); (ii) modalities for County payroll management compatible with SSEPS to be finalised and rolled out; (iii) County payrolls to be split from within the State payrolls. The government is in the process of securing support for SSEPS consolidation. In the meantime, the EU TAPP and a number of donor-financed basic service delivery programmes are providing support to state and county administrations to proceed with the payroll split. Medium term support to establish and strengthen payroll management at County (and possibly State level) will be a component of the comprehensive Subnational Institutional Strengthening programme mentioned above.

The Government is also well aware of the necessity to further **strengthen top-down and bottom-up accountability** for the use of public finances and the actual delivery of services and provision of infrastructure at the local level. This is taken forward in three complementary directions:

1. Strengthening administrative accountability
2. Strengthening accountability to local legislatures
3. Strengthening direct accountability to citizens and service users.

**Administrative accountability** – The focus here is on strengthening **reporting** systems across government levels and improving the **oversight** exercised by **higher levels on lower levels of government**. Among others, the Government is strengthening/ establishing inter-ministerial structures at national and state levels in charge of monitoring the use of the Government’s transfers to States and Local Governments: the national level State Transfer Monitoring Committee (STMC) and the state-level **County Transfer Monitoring Committees** (CTMC).

The role of the STMC, in place since 2010/11, has been considerably strengthened through enlarging membership to line ministries concerned by the new service delivery transfers; gradually expanding the scope of information flowing back from States on the use of transfers and deepening the analysis of this information, and; forming a State Mentoring Team which carries out inter-ministerial field visits on behalf of the STMC. The SMT addresses issues raised at STMC meetings, provides hands-on support to States in tackling these, reports to the STMC on potential further issues discovered during the field visits, and recommends courses of action to the STMC. It is intended that the SMT will carry out quarterly visits to selected States.

The State governments have been instructed to establish CTMCs with immediate effect and have been provided model Terms of Reference for them[[10]](#footnote-10). At this point in time, progress in the establishment and level of functionality of the CTMCs is uneven but it is expected that good progress will be made with the EU TAPP support recently deployed, and further support thereafter.

Under the leadership of the National Audit Chamber (NAC) with the Local Government Board and MOFEP, the Government is in the process of developing manuals and strategies to rollout annual audits and performance assessments of Local Governments. **LG Audits** are a constitutional requirement, and will be carried out under the mandate of the NAC. **LG Performance Assessments** under the mandate of the LGB will complement the audits, taking a broader perspective in assessing the progress made in strengthening Counties’ systems and capacities with a view to informing further capacity development.

In the short term LG audits and performance assessments will be rolled out first in Counties participating in the Local Governance and Service Delivery Programme (LGSDP, see below). The audit results will be a key factor in the decision-making on grant releases for the WB-financed Payam Development Grant and the government-financed County Development Grant for these Counties. Over the medium term the results of the LG performance assessments might also be used to reward well-performing Counties e.g. by increasing the volume of discretionary development grant at their disposal. While LG Audits and Performance Assessments are mandatory for LGSDP implementation, the government intends to seek funding to roll these systems out as rapidly as possible across all Counties, possibly as a component of the medium term subnational institutional strengthening programme mentioned above.

**Accountability to local legislatures** - Strengthening the oversight role of the **County Legislative Assemblies** over the County budget and budget execution. While little progress has been made thus far, this area of work will be a key component of the programme to strengthen subnational institutional systems mentioned above.

**Strengthening direct accountability to citizens and service users** – A number of social accountability mechanisms focused on service delivery already exist in South Sudan, such as school governance bodies and local health committees. Others are being developed, such as the Grievance and Redress Mechanism under the LGSDP. The Government intends to take stock of such mechanisms and identify actions that the government could take to make them more effective (e.g. ensuring that, as foreseen in the LG PFM Manual, budget and spending information is made publicly available at local and facility levels). Alongside this stock-take the Government will engage in a dialogue with a broad range of stakeholders with a view to identifying possible complementary, locally adapted forms of social accountability for service delivery, and strategies to develop and roll these out over the years.

An important dimension of the LSS agenda is to work with Development Partners so that over time, as systems and capacities improve, they channel an increasing part of their support to local service delivery and provision of infrastructure through the Government systems and institutions at all levels. Progress in this respect has been made as well. In 2013/4 the **Local Governance and Service Delivery programme (LGSDP)**, a GRSS programme financed by the World Bank and Denmark, began to channel donor funding for a new Payam Development Grant through the Government’s transfer system, and use the Government’s PFM and reporting systems to account for the use of these funds. The LGSDP also supports the Government to develop systems and processes for LG-community engagement around small-scale local infrastructure projects and systems and capacities for LGs to manage the project investment cycle, that will help to take forward the SDF for local infrastructure[[11]](#footnote-11)*.*

By mid-2013 there were indications that other partners/programmes might as well begin to both use and strengthen GRSS systems for local service delivery. Preparations were under way for a number of such programmes. Progress was halted due to the events of December 2013 and the ensuing and still ongoing crisis. However, collaboration has continued in other forms. As noted above, a number of sector and cross-sectoral programmes provide financial and technical assistance resources to strengthen GRSS systems and capacities at local level for delivering essential services. In addition to the EU TAPP and WB LGSDP earlier mentioned, education and health sector programmes also include components focusing on e.g. PFM and staff management capacities in County sector departments and at the facility level.

In addition, some donor-financed programmes have adopted decision-making and reporting systems shadow-aligned on those of the Government, which these programmes have helped to develop. Thus for instance, the DFID-financed Girls’ Education in South Sudan (GESS) uses the same decision-making and reporting systems for the GESS-financed secondary schools capitation grants and the government-financed primary school capitation grants. Generally, the four largest donor-financed sector programmes supporting basic health and education (DFID GESS, DFID-led Health Pooled Fund, USAID-financed Health System Strengthening Programme and WB-financed Health Rapid Results Programme) have provided for implementing teams to work alongside of and strengthen capacity of the Counties’ and States’ relevant structures.

The government intends to pursue such avenues in the near term future. An urgent priority is the mobilisation of large-scale TA and finances to continue supporting the strengthening of subnational crosscutting systems at County and State level as noted above. In parallel and as government systems strengthen over time, the government will pursue its dialogue with interested donors to further expand the scope of activities for which donor-financed interventions could be closely shadow-aligned on government systems.

To take forward the above set of reforms, coordinate them, and engage with Development Partners the Government has established a **number of sectoral and thematic inter-ministerial LSS Technical Working Groups** reporting to a MOFEP-chaired **LSS Task Force**. The LSS Task Force is in charge of following up progress with the implementation of the JPA and reporting on this to the group of signatory Under-Secretaries forming the **LSS Steering Committee**. These structures were revised and streamlined in the course of the first LSS review in October 2014[[12]](#footnote-12).

The government carried out a first LSS review in the fall of 2014. Thus far, **LSS monitoring and review** has relied on (i) internally reviewing progress in implementing the LSS Joint Plan of Action and (ii) developing and rolling out or strengthening government systems and processes to assess actual improvements in LG systems and capacities (e.g. STMC analyses of transfers). The government is now looking into ways of further strengthening the LSS monitoring and review process. Early preparations are under way with a view to carrying out a second LSS review, taking it as an opportunity for an in-depth stock-take and assessment of the LSS Joint Plan of Action “direction of travel” and whether and how this might need to be adapted. For this it is suggested that in addition to internal processes, the review might also build on a number of independent assessments. The next review will also be an opportunity to deepen understanding and strengthen support from States and Counties. It is intended to conclude the review by end 2015 with a view to (i) informing 2015/16 budget execution and (ii) informing 2016/17 budget preparation. Over the years stronger links will be established between the LSS monitoring and review process, and sector review processes and the budget process.

The Government is well aware that the current LSS agenda, focusing on the Local Government level and a select number of sectors, will have to expand over time. In the longer run it should embrace other sectors, such as the economic sectors and the justice and policing sector, in which Local Governments have an important, albeit differentiated role to play, and the secondary services and larger-scale infrastructure investments under the responsibility of the State governments.

1. Service Delivery Framework – Local Infrastructure for primary education, basic healthcare, rural water and sanitation (draft November 9 2012); Service Delivery Framework – Basic Healthcare (draft January 2013); Service Delivery Framework – Primary Education (November 2012); Service Delivery Framework – Rural Water and Sanitation (forthcoming). [↑](#footnote-ref-1)
2. Joint Plan of Action – Local Services Support, Republic of South Sudan, 18 July 2013. [↑](#footnote-ref-2)
3. Local Services Support JPA 2013/14 Review and Priorities for 2014/15, 31st October 2014. [↑](#footnote-ref-3)
4. Framework for Financing County Services and Infrastructure, final draft, 2012. [↑](#footnote-ref-4)
5. Guidelines for State Planning and Budgeting for FY 2013-2014; Guidelines for County Planning and Budgeting for FY 2013-2014; State and Local Government County Development Grant Planning, Budgeting and Reporting Guidelines; State and Local Government Education Planning, Budgeting and Reporting Guidelines; State and Local Government Water and Sanitation Planning, Budgeting and Reporting Guidelines; State and Local Government Health Planning, Budgeting and Reporting Guidelines – All: Ministry of Finance and Economic Planning, May 2013: www.grss-mof.org [↑](#footnote-ref-5)
6. DFID is providing complementary finance for capitation grants to secondary schools. [↑](#footnote-ref-6)
7. The set of revised guidelines for 2014/15 was issued in June 2014. [↑](#footnote-ref-7)
8. The Public Financial Management Manual for Local Governments in South Sudan, issued by the Ministry of Finance and Economic Planning (sic) in association with the Local Government Board, The Government of the Republic of South Sudan, December 2012. [↑](#footnote-ref-8)
9. The Government of the Republic of South Sudan, Interim Local Government Human Resource Management Manual, Issued by Ministry of Public Service and Human Resource Development and Local Government Board, December 2014. [↑](#footnote-ref-9)
10. Country Transfer Monitoring Committee: Model Terms of Reference, Ministry of Finance and Economic Planning, June 2013. [↑](#footnote-ref-10)
11. Project Appraisal Document on a Proposed Credit in the Amount of SDR 32.5 million (US$ 50.0 million equivalent) to the Republic of South Sudan for a Local Governance and Service Delivery Project, February 26, 2013, World Bank (report no. 72322-SS). [↑](#footnote-ref-11)
12. The current structures comprise: primary education, basic health and rural water and sanitation LSS Technical Working Groups (TWGs), the Local Government TWG, the LG PFM + HR TWG, the LOGOSEED Project Management Committee, the LSS Task Force, and the Undersecretary level LSS Steering Committee. These structures are supported by a MOFEP-housed LSS Secretariat. The roles and responsibilities of these structures are described in the LSS Steering Committee-approved “Coordination Mechanisms for government-led local service delivery” document, 31st October 2014. [↑](#footnote-ref-12)