Interrogating Social Accountability in Tanzania

A Case Study

Be informed   **Be involved**   **Monitor its every move!**   **Make your government work for you!**

by Gertrude Mugizi

The PSAM and Policy Forum

Learning Partnership

August 2009 – April 2013

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LIST OF ABBREVIATIONS

ADP – Mbozi	Actions for Development Programmes in Mbozi
AIP	Advocacy Impact Programme
ALAT	Association of Local Authorities in Tanzania
AMHI	Accountability Monitoring in Health Initiative (an OSF Project)
APR	Annual Performance Reports
AGM	Annual General Meeting
CAG	Controller and Auditor General
CBO	Community Based Organisation
CCHP	Comprehensive Council Health Plan
CCM	Chama Cha Mapinduzi (Tanzania's current ruling party)
CDR	Council Development Report
CESCR	Committee on Economic Social and Cultural Rights
CFR	Cumulative Financial Report
CHRGG	Commission for Human Rights and Good Governance
CIT	Council Implementation Team
CMAC	Council Multi-Sectoral AIDS Committees
CSA	Centre for Social Accountability
DAP	Director of Administration and Personnel
DPG	Development Partners' Group
FBO	Faith Based Organisation
FCS	Foundation for Civil Society
FUO	Fishers Union Organisation
GAP	Governance and Accountability Project (USAID-funded and managed by CARE International)
GBS	General Budget Support
GDP	Gross Domestic Product
GGCU	Good Governance Coordination Unit ((President's Office)
HIPC	Highly Indebted Poor Countries (Debt Relief Initiative)
IADO	Isangati Agricultural Development Organisation
IAS	International Accounting Standards
IBP	International Budget Partnership
IMTC	Inter-Ministerial Technical Committee
ICESCR	International Covenant on Social Economic and Cultural Rights
IFMS	Integrated Financial Management System
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards

IRDO	Ileje Rural Development Organisation
JFC	Joint Finance Commission
KNC	Kibaha Network of CSOs
LAAC	Local Authorities Accounts Committee (Parliament)
LAFM	Local Authorities Financial Memorandum of 2010
LGA	Local Government Authority
LGFA	Local Government Finance Act of 1982
LHRC	Legal and Human Rights Centre
MAIR	MKUKUTA Annual Implementation Report
MAP	Monitoring and Advocacy Programme
MCC	Mwanza City Council
MIICO	Mbozi, Ileje and Isangati Consortium
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania (*National Strategy for Growth and Reduction of Poverty*)
MMS	MKUKUTA Monitoring System
MPI	Mwanza Policy Initiative
MTEF	Medium Term Expenditure Framework
MTSPBM	Medium Term Strategic Planning and Budgeting Manual (2005)
MTP	Medium Term Plan
MOFEA	Ministry of Finance and Economic Affairs
MOU	Memorandum of Understanding
NAO	National Audit Office
NBAA	National Board of Accountants and Auditor
NGO	Non-Governmental Organisation
O&OD	Opportunities and Obstacles for Development
OPRAS	Open Performance Review and Appraisal System
OSF	Open Society Foundation
PAC	Public Accounts Committee (Parliament)
PAF	Performance Assessment Framework
PBG	Planning and Budget Guidelines
PCAC	Public Corporations Accounts Committee (Parliament)
PCCB	Prevention and Combating of Corruption Bureau
PEFA (report)	Public Expenditure and Financial Accountability Report
PER	Public Expenditure Review
PETS	Public Expenditure Tracking Surveys
PFA	Public Finance Act of 2001
PFM	Public Finance Management

PFR	Public Finance Regulations of 2004
PHDR	Poverty and Human Development Report
PMO	Prime Minister's Office
PMO-RALG	Prime Minister's Office – Regional Administration and Local Government
POPC	President's Office Planning Commission
PO-PSM	President's Office – Public Service Management
PPRA	Public Procurement Regulatory Authority
PRM	Public Resource Management
PSAM	Public Service Accountability Monitor
PSI	Population Services International
RLP	Regional Learning Programme (PSAM)
SAM	Social Accountability Monitoring
SDC	Swiss Agency for Development Cooperation
TAWIF	Tanzania Women for Impact Foundation
TFAS	Tanzania Financial Accounting Standards
TSAG	Tanzania Statement of Accounting Guidelines
TSSAP	Tanzania Standard Statements of Accounting Practice
UN	United Nations
UNDP	United Nations Development Programme
URT	United Republic of Tanzania
WDC	Ward Development Committee
WEO	Ward Executive Officer
ZLSC	Zanzibar Legal Services Centre

ACKNOWLEDGEMENTS

EXECUTIVE SUMMARY

In the 2008 Afrobarometer survey[1] for Tanzania, citizens were asked how well local councils allowed their participation in local-level decision-making. The result was a 50/50 split between those who thought that councils did not allow participation and those who thought they did. Yet when asked how much an ordinary person can do to improve how local government is run in their communities, 71%[2] said either very little or nothing. While the largest proportion of citizens interviewed (about 40 %)[3] felt that voters are the ones with the primary responsibility for making sure that their elected leaders did their jobs, most respondents (64%)[4] felt that it was difficult to have their voices heard in between elections.

This case study explores the extent to which these findings are consistent with the preliminary lessons emerging from the learning partnership between Policy Forum and the PSAM. The case study also demonstrates that it is possible under certain conditions to strengthen the voice of citizens and their representative groups in demanding and obtaining accountability from government.

Policy Forum and the Public Service Accountability Monitor – PSAM (formerly the Centre for Social Accountability – CSA) embarked on a partnership to better understand and ultimately influence the service delivery dialogue between citizens (and/or other demand-side actors) and the state in Tanzania. This initiative was premised on the assumption that an improved understanding of the public resource management framework within which services are delivered by the state, when combined with improved access to and use of evidence from within the public resource management processes, would empower citizens to have a greater influence over service delivery decisions and how they affect their communities. The report is a case study consolidating the findings and lessons from a 3-year learning partnership between Policy Forum and the PSAM. The report begins with an introduction to the respective organisations and their particular interest in the SAM approach. This is followed by a narrative outline of the conceptual basis for PSAM's understanding of social accountability articulated in Part I of the report.

Part II outlines the public resource management context within which social accountability initiatives are undertaken in Tanzania. It maps out the public resource management framework in Tanzania in terms of the PSAM five-process approach. It also identifies specific systemic weaknesses in the Tanzanian public resource management system and analyses their real and/or potential impact on the efficiency and effectiveness of public service delivery.

Part III of this report examines four cases in which civic actors have applied a set of tools developed by the PSAM and adapted to the Tanzanian context by Policy Forum with support from the PSAM for use by local government level civic actors to influence service delivery within their respective contexts. The applicability and effectiveness of this approach and tools in addressing a set of research questions are tested through the partnership. The cases are located in Mwanza City Council, Kibaha Town Council, Handeni District Council and Ileje District Council. The intention of Policy Forum and the PSAM is to extract important lessons from this case study that will strengthen their future social accountability work and provide insights that may be useful for civic actors, media practitioners, oversight bodies, governance professionals and policy-makers embarking on work in this area. These are articulated in chapter 8 of this report.

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[1] REPOA and Michigan State University, *2008 Round 4 Afrobarometer Survey in Tanzania, Summary of Results.*
[2] Ibid., p. 40, Question 61.
[3] Ibid., p. 48, Questions 73 (a,b, and c).
[4] Ibid., p. 49, Question 74.

Part IV analyses the outcome of the four SAM interventions considered in this report in the context of the research questions that the Regional Learning Programme (RLP) seeks to answer in testing the applicability of the PSAM model in a variety of contexts. It also articulates some emerging success factors for consideration in designing and implementing SAM interventions. The last chapter considers a few broader lessons that PSAM can extract from this partnership to contribute to the thinking that informs future partnerships of this nature.

For both partners, this has been an enlightening and enriching experience that has contributed considerably to our body of individual and institutional knowledge.

INTRODUCTION

This case study attempts to capture the main lessons learnt from a three-year partnership between the Public Service Accountability Monitor (PSAM) and Policy Forum in testing the applicability of the applied monitoring methodology developed by the PSAM to monitor the social accountability relationship between citizens and the state in the Tanzanian context. We acknowledge that the conclusions drawn in this case study are subject to the information that was accessible to its author. Furthermore, it is acknowledged that reforms are on-going within the Tanzanian context and that the PSAM methodology is dynamic and subject to continuous refinement as lessons are learnt from its continuous adaptation and application in a variety of contexts. For this reason, this case study, particularly its analysis of the Tanzanian context, should be treated as a 'snapshot in time' spanning from August 2009 to April 2013. It is anticipated that Policy Forum and the PSAM will periodically update and revise its contents in order that it may serve as an introduction for new social accountability practitioners entering the Tanzanian context for the first time. It is particularly intended for accountability practitioners, oversight bodies and activists who are new to the social accountability field or to the Tanzanian context and would like to benefit from the hindsight of this learning partnership. We also hope it will contribute to the debate on the available methodologies for strengthening the management of public resources, for improving public service delivery outcomes and for the progressive realisation of socioeconomic rights in Tanzania. We openly welcome any comments on the content of this case study and any suggestions that can help us to improve our methodology and conceptual framework. We request that these are emailed to psam-admin@ru.ac.za.

Chapter 1. The Public Service Accountability Monitor (PSAM)

The PSAM, formerly known as the Centre for Social Accountability, is a unit within the School of Journalism and Media Studies at Rhodes University in Grahamstown, South Africa, that ultimately seeks to contribute towards the following vision and mission.

The PSAM works primarily through its three programmatic themes:

- Monitoring and Advocacy Programme (MAP) – focusing primarily on monitoring public resource management within five provincial government Departments in the Eastern Cape (namely Education, Human Settlements, Environment, Health, and Local Government) and conducting advocacy (including engagement with government, media advocacy and strategic litigation) as appropriate on the programme's findings on an on-going basis.

- Regional Learning Programme (RLP) – the objective of which is social accountability-related capacity exchange and mutual learning in Sub-Saharan Africa by offering a certificate course on the Fundamentals of Social Accountability to introduce its approach to others in the region, partnering with civic actors[5], media practitioners and oversight bodies[6] in the region in strategic learning partnerships to enhance and deepen the learning that can be generated from social accountability interventions, and aiming to foster a closer link between learning and improved practice in the sector through the establishment of an on-line learning community.

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[5] Civic actors in this case are loosely defined as organized civil society.
[6] The term 'oversight bodies' for our purposes is primarily limited to the Legislature and the Supreme Audit Institution. Although other institutions of accountability are acknowledged they do not feature prominently in the PSAM approach.

- Advocacy Impact Programme (AIP) – consolidating, documenting and disseminating the lessons learnt from the work of the other two programmes; contribute to the broader accountability discourse by conducting in-depth research into how the impact of social accountability advocacy is generated and measured; using the findings of its research to influence the local, regional, and global development discourse.

PSAM's partnership with Policy Forum was the first formal partnership that the then Training Programme had in the southern Africa region. At the time the CSA's overarching strategy was its Framework of Change developed and adopted in 2008. Within this Framework of Change, the purpose of the Training Programme (which eventually evolved into a Regional Learning Programme in 2010) was:

> 'to share these applied monitoring and advocacy skills and tools with other civil society groups form the Southern Africa region. The main vehicles for sharing these tools and skills include the CSA's Fundamentals of social accountability monitoring certificate course (accredited through Rhodes University) and by conducting *ad hoc* training workshops as requested by civic groups in the region. The CSA's training courses also provide a vehicle for participants to network around the right to social accountability and to share information on successful monitoring and advocacy tools applied by other civic groups in the region and elsewhere. Consequently, these training courses seek to include guest presenters from regional organisations who provide case studies on their applied work'.[7]

Between 2010 and 2012, the PSAM went through a shift in organisational thinking spearheaded by (among other things) an organisational development review, a complete overhaul of the organisation's management team underpinned by the departure of the Founding Director and two Programme Heads, and a comprehensive review of the organisation's direction that included a cross-section of its stakeholders. This resulted in the CSA reverting to its original name of PSAM and incorporation of the PSAM fully into the Rhodes University institutional structures, and continuous reflection within the Training Programme resulting in the strategic shift that gave birth to the PSAM's Regional Learning Programme.

Currently the RLP adopts the following strategy to contribute towards its theory of change:
1. A context and partner(s) are identified with whom PSAM negotiates a learning partnership. The partners jointly develop a 3-year intervention strategy that links service delivery problems with systemic public resource management issues. The strategy is largely context-dependent but recent partnership strategies have included:

    - Mapping of legislative, regulatory and normative public resource management context following PSAM five-process approach. This is done at the beginning of the partnership and used as a baseline.

    - Localisation of the Fundamentals course places PSAM tools in context locally and demonstrates how tools can be applied to monitor a real context.

    - Agree on an advocacy intervention (or set of interventions) to test the approach and tools in the local governance context. This is led by the learning partner although PSAM would provide mentoring and support where appropriate.

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[7] CSA *Framework of Change*, p. 13.

- PSAM and partner conduct real-time documentation of lessons learnt and adjustments to strategy using outcome mapping methodology and adapted monitoring tools.

- In the final year of the partnership, a case study is developed documenting the intervention, lessons learnt from its implementation, and a second country mapping exercise to document changes in the public resource management context, any impact to the context brought about by the intervention, and any new learning about this context and how it functions in reality.

- The RLP will continue to engage with partners on lessons and documentation after partnership has ended. Ideally a formal independent evaluation of the partnership would be conducted one to two years after the end of a partnership.

2. A primarily virtual community of practice will be established and maintained by the RLP across country contexts to provide a platform to learn what works, what doesn't work, and how to demonstrate impact and to share this learning regionally.

Regional Learning Programme
Theory of Change

Documentation, Dissemination and Assimilation of learning from social accountability interventions

Offer high quality training on the Fundamentals of Social Accountability Monitoring (SAM) to civic actors, media practitioners, and oversight bodies in Sub-Saharan Africa.

Establish, grow and sustain a vibrant on-line learning community on social accountability issues.

Enter into Strategic Learning Partnerships in 3 Sub-Saharan Africa country contexts on a 3-year rolling basis.

So that

So that

So that

So that

Evaluative information and lessons from the application and adaptation of SAM initiatives are made available to social accountability stakeholders.

Course alumni have an enhanced ability to apply the PSAM rights-based and systems-based approach and tools to inform and improve demand-side interventions in their own contexts.

A growing network of individuals and organisations with an interest in PSAM approach to social accountability monitoring of public resource management processes emerges.

Greater depth in learning and impact by PSAM and its partners is achieved through the adaptation and application of PSAM concepts and tools in a number of country contexts in SubSaharan Africa

So that

So that

So that

So that

Public debate on social accountability practice, lessons, and impact is generated, enhanced broadened and sustained.

The quality of evidence used in demand-side advocacy, media analysis and oversight is improved by a better understanding of the systemic nature of service delivery problems by demand-side PRM actors.

So that

So that

Lessons learnt lead to changed practices in design, implementation, monitoring and evaluation of SAM interventions

Improved understanding of PRM as a system raises the quality of demand-side interventions (demand-side actors ask the right questions to the right people at the right time).

So that

So that

As a result of more assertive and evidence-based demand, more informed media coverage, and more rigorous engagement from oversight bodies, supply-side actors become better prepared and improve the quality of justifications and explanations in their core outputs.

So that

The accountability discourse between demand-side and supply-side actors increasingly focuses on systemic issues in public resource management.

So that

Evidence-based interaction between demand and supply-side actors on systemic public resource management issues eventually improves public legitimacy, quality and accountability in public resource management processes.

So that

Improved public resource management improves service delivery outcomes.

Chapter 2.   Policy Forum

Policy Forum is a network of over 100 Tanzanian Civil Society Organisations that have been drawn together by their interest in influencing policy processes to enhance poverty reduction, equity and democratisation with a specific focus on public money accountability.

After being exposed to the PSAM approach through the first pilot Fundamentals of Social Accountability Certificate course, Policy Forum initially sought a partnership with the PSAM to enable its member and partner organisations to adapt and apply the PSAM social accountability monitoring tools to the Tanzanian public resource management context, particularly at the local government level and to do so in a manner that promotes the sustainability of the approach by providing local trainers with the skills and tools to deliver the training locally. This is also intended to make the PSAM rights-based and evidence-based monitoring skills available to a wider audience and in a more locally relevant manner than would be possible simply through the Fundamentals course.

While Social Accountability Monitoring (SAM) began as one of several projects within the Policy Forum strategic plan, with effect from 2011, SAM has become an underpinning basis for the network's new strategic direction demonstrating the network's recognition of the importance and usefulness of the approach in achieving its objectives. To illustrate this, below is an excerpt from the Policy Forum Strategic Plan 2011-2013:

'3. Within this Poverty Reduction, Equity and Democratization framework, governance and accountability will continue as the underpinning pillar on which all Policy Forum activities will be based. With the new acknowledgement that interventions to monitor and assess governance and accountability are best executed with a precise and enhanced understanding of the accountability processes, we have organized our work to effectively influence 'bottom-up' accountability in accordance with the social accountability cycle.[8] This involves analyzing its five processes:

   1. resource allocation and strategic planning;
   2. expenditure management;
   3. performance management;
   4. public integrity management; and
   5. accountability to oversight.

4. Social Accountability Monitoring will hence now systematically integrate the three areas that previously defined the strategic boundaries within the governance and accountability pillar: 1) Local Governance: Using the cycle to monitor accountability at the regional, council and sub-council levels. CSO networks outside of Dar es Salaam will play a crucial role in this area particularly with regards to stimulating citizen involvement in enhancing the accountability and responsiveness of local authorities. 2) Public Money: Issues relating to the acquisition, use and monitoring of money used for the activities of government on behalf of citizens are naturally incorporated in the five SAM processes. 3) Active Citizen Voice: This will involve activities that aim at to foster a culture of more informed public debate on issues of governance and accountability. All of Policy Forum's efforts to foster public debate will fall in

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[8] Tool obtained from Centre for Social Accountability, Rhodes University, Grahamstown SA. (2007) and adapted to suit local environment.

this area. The aim here is to contribute to a social movement for positive change in the lives of all Tanzanians.

5. The basis for this new strategic direction is to empower poor and vulnerable people to emerge from poverty (the progressive realization of human needs) by pushing for the equitable, effective and accountable use of public resources'.[9]

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[9] *Policy Forum Strategic Plan 2011-2013* , pp. 7-8).

Part I
The People, the State, and Social Accountability

…the basis for the PSAM approach

PART I: The People, the State and Social Accountability - The basis for the PSAM approach

The PSAM conceptual framework begins from the premise that all human beings have a basic set of needs that stem from the condition of being human. We have drawn from the work of scholars in the field of psychology, anthropology, political science and welfare economics[10] to classify these needs into three broad categories as shown in Figure 1.

Figure 1: Basic Human Needs

PHYSIOLOGICAL NEEDS

Needs required for survival

(clean air, food, water, primary health, shelter, clothing, social security, personal security, security of property, etc)

FUNCTIONAL NEEDS

Needs required for constructive interaction with others and with one's context

(work, basic knowledge and skills,, language and communication, dignity, opportunity to associate with others, participation - mechnism for collective decisions and action, ability to construct and preserve, special needs -eg. for those with disabilities, problem-solving, etc)

FLOURISHING NEEDS

Needs required for personal and societal evolution

(love, friendship, belonging, capacity to question, freedom to decide and act, curiosity, self esteem, values, ethics and integrity, imagination, ability to create and innovate, spirituality, personal growth, personal expression, ability to work towards and fulfill one's potential, etc)

It is important to note that this classification is more a process than a hierarchy. All three categories are inter-dependent at some level. While a process naturally assumes a chronology, this process is rather a complex and continuous psychological (internal) and political (external) negotiation through which human beings evolve individually and collectively.

An in-depth analysis of needs is particularly important to social accountability in the context of the state as a vehicle for public service delivery because needs ought to be the basis from which development decisions are made. In an environment where resources are finite, it is important to have a basis from which to determine how our scarce resources are prioritised and how development and other state interventions are sequenced. A key assumption of the PSAM approach is that in a democracy, such decisions must be based on a rigorous analysis of needs as identified and prioritised by citizens.

From an agreed set of basic human needs, a set of universal, inalienable, indivisible, and interdependent human rights has evolved over the years which culminated into the Universal Declaration of Human Rights in 1948. This global human rights framework continues to emerge from a recognition that all human beings *deserve* to have a common set of basic needs met, at least to a minimally acceptable standard, and that they deserve this solely by virtue of being human. The United Nations Human Rights Framework recognises that if all human beings are rights-holders, there must be a level of institution that performs the role of duty-bearer to ensure that rights are realised in accordance with the treaties and covenants therein. It therefore acknowledged that the state, through

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[10] Classification of needs drawn and adapted from: (Spagnoli, 2008), (Max-Neef, 1991), (Johnston, 2010), (Burton, 2001) and (Rubenstein, 2001) as compared and contrasted with Abraham Maslow's *Hierarchy of Needs*.

its government, would be the primary vehicle through which these rights could be realised. This presents the obvious limitation that the ability of states to guarantee the immediate realisation of at least some of these rights is hindered by the considerable disparity among states in terms of access to resources. Hence a particular set of rights that fell into this category, termed as social, economic and cultural rights was subjected to a clause that required each state to 'take steps...to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures'.[11]

The logical question to ask at this point would be what does the 'realisation of a right' actually mean and what is it that we expect of governments in fulfilling their obligation as duty bearer? If, as is stated earlier in this document, a right is something that human beings deserve, there is a big difference between deserving something and actually having it. By ratifying a human rights treaty, states assume obligations and duties under international law to respect, to protect and to fulfil human rights. The obligation to respect means that States must refrain from interfering with or curtailing the enjoyment of human rights. The obligation to protect requires States to protect individuals and groups against human rights abuses. The obligation to fulfil means that States must take positive action to facilitate the enjoyment of basic human rights and where individuals or groups are unable to access human rights for themselves, states are obliged to provide them directly.[12]

A body of work pioneered by Professors Amartya Sen and Martha Nussbaum redefined the term 'right', as an 'entitlement to a capability'.[13] Sen defined a capability as 'what one is actually able to be or do'.[14] Note that this is not the same as the need being met, implying that a certain proportion of the responsibility for the realisation of a right remains with the citizens. Once a right becomes a capability, the citizen is left with the choice of whether to 'actually be or do' that which s(he) is capable of. This is in keeping with Sen's proposed theory of human rights in which he defines human rights as 'freedoms'.[15] The role of government is to ensure that all citizens are able to meet their basic needs to a minimally acceptable standard and thus transform what they deserve (as is their right) into a capability (or what is within their reach). This is done through the state's public resource management framework aimed at delivering a set of prioritised and sequenced public services. According to Article two of the international Covenant for Social, Economic and Cultural Rights (ICESCR) of 1966, states are obliged to deliver these services progressively (service delivery must be better tomorrow than it was yesterday) and to use the maximum of its available resources to ensure that this is optimally done.

A main premise of the PSAM conceptual approach is that there are five basic processes through which states manage public resources to deliver services that realise the socio-economic rights of citizens, namely:

1. Strategic Planning and Resource Allocation.
2. Expenditure Management.
3. Performance Management.

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[11]United Nations, *International Covenant on Economic, Social and Cultural Rights*, 2.1.

[12] United Nations Committee on Economic, Social and Cultural Rights, (1999, May 12) General Comment no. 12: *The Right to Adequate Food* (11 of the Covenant). E/C.12/1999/5 Retrieved 12 September 2011 from http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G99/420/12/PDF/G9942012.pdf?OpenElement.

[13] Nussbaum, M. *Capabilities as fundamental entitlements: Sen and social justice* (2001).

[14] Sen, A. *Human Rights and Capabilities*, 'Journal of Human Development', .(2005) pp.152-155.

[15] Sen, A., *Elements of a Theory of Human Rights*, (2004) pp. 328-330.

4. Public Integrity Management.
5. Oversight.

These five processes also make up the social accountability system through which the state is accountable to its citizens on an on-going basis between elections. An illustration of this system can be seen on the diagram below:

Figure 2: The State as a Social Accountability System
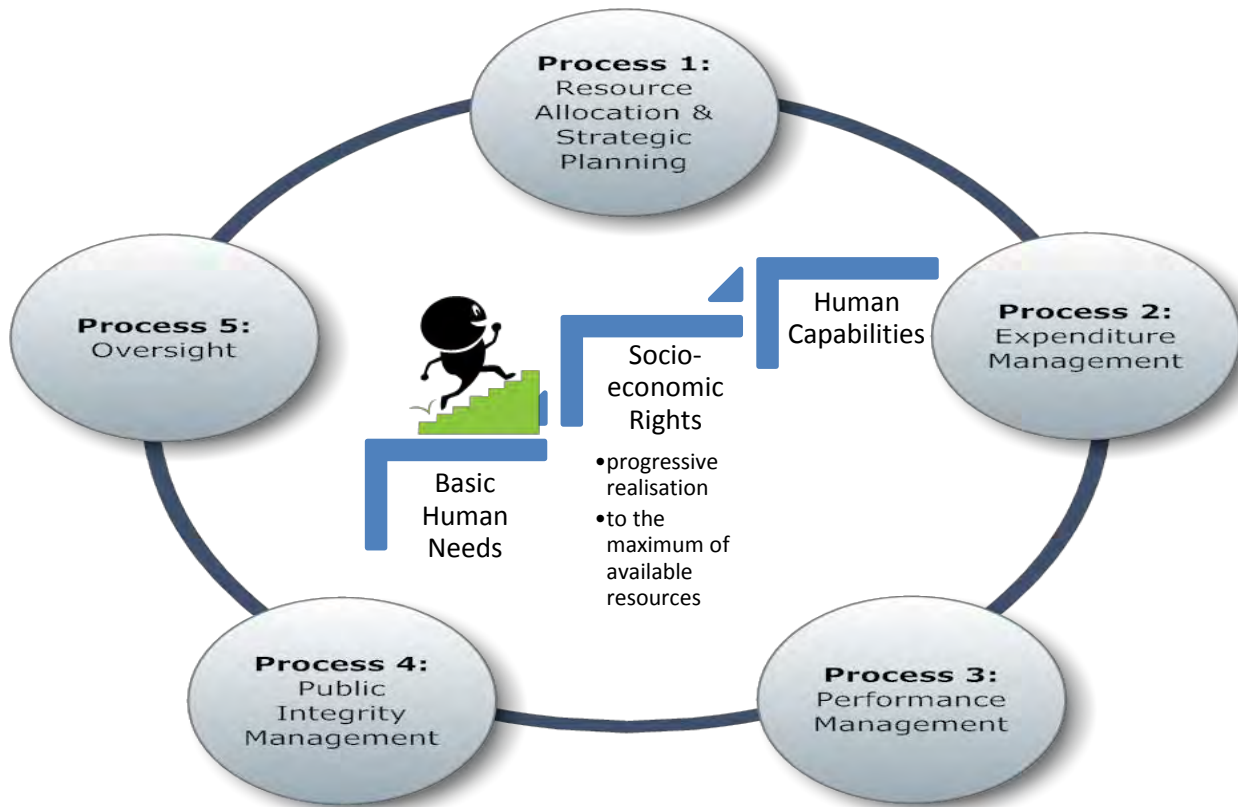
A key proposition underpinning the PSAM approach is that accountable service delivery emerges as a result of an inclusive, progressively informed and increasingly evidence-based discourse between the state and its citizens (and/or their representatives).

The PSAM defines social accountability as follows:

1. 'That all human beings are equal and therefore have an equal right to participate in the human development discourse.
2. That all decisions and actions of the state must be primarily aimed at progressively realising the human rights of citizens within available resources.
3. In order to ensure that the state realises these rights in the most efficient and effective way possible, governments, citizens and the global community need to acknowledge that:

   a. all states have the obligation to proactively justify and explain all their decisions and actions to citizens in the most accessible way possible in their routinely produced documentation;

b. whenever these justifications and explanations are not provided or not provided adequately, all citizens have the right to demand them; and

c. when any real or potential weaknesses are identified in the way public resources are managed, all states have the obligation to ensure that corrective action is taken in a timely manner and that preventive action is taken to ensure that any systemic weaknesses are addressed and that potential weaknesses do not materialise in the longer term.

The above recognition is termed as the 'right to social accountability' in the PSAM conceptual framework. One may question why the term 'right' is used in our above description of social accountability whereas there is nothing in the Universal Declaration of Human Rights or subsequent legislation that recognises it as so. While it is true that social accountability is not explicitly recognised as a right in the formal human rights literature, it can be argued that, for a government to demonstrate that it has realised a particular right or that it is progressively realising a particular socioeconomic right, it would be required to justify and explain what it has done and the progress it has made. Therefore, in order for citizens to know that they are experiencing progressive realisation of a right and the role that a particular duty bearer plays in this realisation, justifications and explanations must be provided as a matter of course. Social accountability, in the PSAM approach to monitoring duty bearers, is therefore explicitly recognised as a right in the same sense as other rights explicitly stated in the Universal Declaration due to its centrality in demonstrating that rights are actually being realised and that resources are being optimally used to achieve this realisation. Theoretical support also exists for the claim that a human right is primarily an ethical concept and does not necessarily require a legal basis to be termed as a right provided that its admissibility as a right can withstand the test of global public reasoning.[16] This global debate is one that PSAM would like to initiate and participate in through its endeavour to test its hypothesis in a number of contexts with a particular focus on Sub-Saharan Africa.

Finally, the PSAM approach is based on the assumption that strong and evidence-based demand for social accountability is necessary for its effective supply. Accountability of government officials and other actors responsible for the management of public resources with respect to citizens will only ever be as strong as the demand articulated by demand-side actors. Consequently, the transformation of the state into a social accountability system requires the active participation by civic interest groups within the five processes of the public resource management framework in line with the right to social accountability'.[17] Assuming that the primary vehicle through which the state progressively realises socioeconomic rights, social accountability is the increasingly sophisticated interaction between demand for and supply of more effective public service delivery which requires that demand-side actors use evidence from the core documentation produced through each process to evaluate the effectiveness of government in performing its role as duty bearer. This means that citizens should become progressively better at knowing what to ask, when to ask it and to whom it should be asked in order to assess whether everything possible is being done by the state to progressively realise their rights. In turn public resource management systems should be designed so as to ensure that states have the capacity and motivation to meet their core human rights obligations, to provide citizens with an on-going account of their decisions and actions as a matter of course, to respond to their questions in a clear, comprehensive and timely manner, and to take timely corrective action when weaknesses in the system are identified. It also requires that demand-side actors understand the system well enough to

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[16] Sen, A., *Elements of a Theory of Human Rights* (2004) pp320-330

[17] CSA *Framework of Change (August 2008).*

ask the right questions to the right people at the right time. This interaction between demand and supply-side actors[18] is the primary focus of the RLP in establishing strategic learning partnerships with social accountability stakeholders in Sub-Saharan Africa. With effect from 2012, these partnerships aim to provide valuable insights into the following research questions:

1. Whether and how improved understanding of the five public resource management (PRM) processes as a coherent and integrated social accountability system empowers demand-side actors[19] to extract meaningful evidence from the outputs of the system that they, in turn, use to engage more confidently, strategically and assertively with PRM processes to influence service delivery within their local contexts.

2. Whether and how the resulting interaction between demand-side actors and duty bearers leads to a better mutual understanding of the systemic PRM weaknesses leading to service delivery problems.

3. Whether and how the identified and acknowledged systemic weaknesses result in changes to the systemic environment within which PRM occurs.

4. Whether and how the resulting changes to the PRM context lead to more efficient, effective, and equitable service delivery.

Because it is primarily through its successful application that a conceptual framework attains legitimacy, the PSAM aims to test the validity of its approach by encouraging and supporting its application to a number of different contexts in Sub-Saharan Africa. This is intended to generate lessons that will inform any modifications and refinements to its conceptual framework and ultimately lead to enhanced learning among social accountability practitioners.

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[18] RLP defines supply-side actors as 'duty bearers' as defined in the UN human rights framework.
[19] In the context of the RLP's work demand-side actors are defined as the RLP's primary target groups which are civic actors, oversight bodies, and media practitioners.

Part II
The Context
...and what we have learnt about it!

PART II: The Tanzanian Context ...and what we have learnt about it!

Chapter 3.　　The recognition of socioeconomic rights in the Tanzanian legislative framework[20]

The PSAM conceptual framework for social accountability is premised on a rights-based approach to service delivery. It assumes that all human beings are active holders of fundamental rights as guaranteed within the *Universal Declaration for Human Rights* of 1948, and not passive users of public services. The ultimate goal of the PSAM social accountability approach is to monitor and enforce the realisation of social and economic rights by subscribing to a conceptual approach that redefines these rights as entitlements to capabilities. Social and economic rights are guaranteed within the International Covenant for Social Economic and Cultural Rights (ICESCR), ratified by the Tanzanian National Assembly on 11 June 1976. The ICESCR guarantees a comprehensive range of substantive rights, including:

- The right to self-determination (Article 1).
- Equal rights for men and women (Article 3)'
- The right to work (Article 6).
- The right to just and favourable conditions of work (Article 7).
- The rights of workers to organize and bargain collectively (Article 8)
- The right to social security and social insurance (Article 9) and protection and assistance for the family (Article 10).
- The right to an adequate standard of living (Article 11) which includes adequate food, clothing and housing.
- The right to freedom from hunger (Article 11).
- The right to the highest attainable standard of physical and mental health, including the right to health care (Article 12).
- The right to education (Article 13).
- The right to culture and to benefit from scientific progress (Article 15).

The ICESCR obliges states to 'take steps...to the maximum of available resources...with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means' (Article 2.1). They are also required to 'guarantee that the rights...will be exercised without discrimination of any kind' (Article 2.2) and 'ensure the equal right of men and women to the enjoyment of all economic, social and cultural rights' (Article 3).The ICESCR does not stipulate how these rights should be implemented, leaving it up to states to determine how to give effect to these rights. However, over the years, there has been considerable work done in unpacking these rights both within the Office of the UN High Commissioner for Human Rights and by other human rights institutions.

Tanzania ratified the African Charter on Human and Peoples' Rights on 18 February 1984.[21] This treaty is Africa's main instrument of human rights promotion and protection and emanates from the international charter of human rights, adopted in 1981 (Nairobi) and entered into force in 1986. The

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[20] This section draws heavily from: LHRC and ZLSC, *Tanzania Human Rights Report 2010 – Part 2 (*2011).
[21] African Union, 2010.

African Charter guarantees all categories of rights: civil and political rights, economic, social and cultural rights and third generation rights like the right to economic, social and cultural development. It is supplemented by a number of subsidiary conventions and protocols, and embraces other relevant international human rights instruments (See arts 60 and 61). Economic, social and cultural rights, specifically provided for in the Charter include: the right to health (Article 16), the right to property (Article 14), the right to education (Article 17(1)) and the right to work (Article 15).[22] The African Charter guarantees all human rights on an equal footing and does not subject economic, social and cultural rights to the limitations articulated in Article 2 of the ICESCR.

The Tanzanian Constitution has incorporated some of the above rights, some of which are listed below:[23]

- Article 14. Every person has the right to live and to the protection of his life by the society in accordance with the law.
- Article 11(1). The state authority shall make appropriate provisions for the realization of a person's right to work and access to education, the right to receive assistance from the community at times of old age, sickness or infirmity and in other cases of disability.
- Article 11(2). Every person has the right to access education, and every citizen shall be free to pursue education in a field of his choice up to the highest level according to his merits and ability.
- Article 11(3). Every person has the right of access to education and every citizen shall be free to pursue education and technique.
- Article 29 (1). Every person in the United Republic has the right to enjoy fundamental human rights and to enjoy the benefits accruing from the fulfillment by every person of this duty to society, as stipulated under Article 12 to 28 of this part of this chapter of the Constitution.

Whether or not all the above commitments are actual legal guarantees, as promised in the treaties and laws is dependent on their enforceability in 'the real world where citizens actually live'. The legitimacy of these entitlements is tested when these rights are threatened with potential or actual violation.

A Committee on Economic Social and Cultural Rights (CESCR), to which state parties are required to report within two years of ratification and every five years subsequent to the first report, evaluates state parties to the ICESCR in relation to compliance with the spirit and the letter of the treaty. This committee makes recommendations to state parties having considered their reports along with submissions from other concerned parties. The CESCR has also been empowered by the Optional Protocol to the ICESCR of 2008 to receive and consider communications from state parties, individuals or groups regarding alleged violations of the ICESCR. In such cases, the Committee plays what is essentially an arbitration role. The CESCR can only receive communications against those states that have ratified the Optional Protocol of 2008 which Tanzania has not yet done. Therefore this recourse option is not available to citizens or groups in relation to human rights violations in Tanzania.

The African Charter has also established an African Commission to 'to promote human and peoples' rights and ensure their protection in Africa'.[24] The African Commission may receive communications from states or non-state actors (including individuals or groups of individuals) regarding any action by state parties that is allegedly in violation of the Charter. It may consider these communications and even refer them to the African Court on Human and Peoples' Rights established in 2004 (soon to be

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[22] African Union, *African (Banjul) Charter on Human and Peoples' Rights* (1986).
[23] This is subject to change given that the constitution is currently under review.
[24] African Union 1986.

merged into the African Court of Justice and Human Rights). Tanzania ratified the protocol that established the African Court in 2006. The Court is therefore accessible to individuals and groups from Tanzania who feel their rights have been violated.[25]

Both of the above avenues for recourse against human rights violations can only be accessed once all domestic avenues for recourse have been exhausted. According to one recent study, the Tanzanian legal framework does not recognise international laws unless they are domesticated into national laws. While they can be used to strengthen a case, and even be considered by the court, they are not really enforceable unless they are domesticated into national law.[26] In short, the above-listed socioeconomic rights are only guaranteed in domestic law if they are expressly recognised in domestic legislation and there is a lower level regulatory framework that operationalizes their enforcement. Furthermore, those rights listed in Part II of the Constitution (the section that deals with 'fundamental objectives and directive principles of the state'), among which are the right to education, the right to development, and the right to work, are not justiciable and therefore cannot be enforced in a court of law in Tanzania.

Chapter 4.   Access to public resource management information in Tanzania

The PSAM approach to SAM is highly dependent on practitioners' ability to access relevant public resource management documentation in a timely manner. Access to information is also the most commonly cited challenge among SAM practitioners in Tanzania. For this reason, access to government information is a key determinant of the success of SAM initiatives and is therefore worth addressing separately in considering the contextual environment for SAM in Tanzania.

Although Article 18 of the Tanzanian Constitution states that:

"Every person –
    (a) has a freedom of opinion and expression of his ideas;
    (b) has the right to seek, receive and/or disseminate information regardless of national boundaries;
    (c) has the freedom to communicate and a freedom with protection from interference from his communication;
    (d) has a right to be informed at all times of various important events of life and activities of the people and also of issues of importance to the society."

Despite the above, there is no single piece of legislation that operationalizes this clause in the Constitution to guarantee access to public information in Tanzania. There are, however, clauses within the Tanzanian legal, regulatory and normative frameworks that require certain types of information to be made available to the public, some of which are relevant to SAM work. Below are a few examples:

    (a) Public Finance Regulations (PFR) of 2004, Part III Reg.(8)(5) states: 'All Tanzanian institutions of government must make available to the general public an Annual Report including:
        • Overall budget strategy
        • Nature and objectives of each main programme

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[25]Baker, A. *Litigating the Right to Education in Tanzania: Legal, Political, and Social Considerations and Potential Applications,.* Dar es Salaam: HakiElimu. (2011), p.20.

[26] Ibid., p. 19.

- Assessments for outputs and performance against objectives
- Summary for financial results for the fiscal year of the report
- Plans for the following year, as approved by Parliament
- Provisional plans for the two subsequent years'.

(b) Order 90 of the Local Authorities Financial Memorandum (LAFM) as revised in 1997 states that all LGAs (Local Government Authority) are required to publish their signed audited statements and their NAO (National Audit Office) audit reports on their notice boards and in a local newspaper.

(c) Order 31(9) of the Local Authorities Financial Memorandum (LAFM) as revised in 2010 states that publication of the accounts and the audit report shall be made within six months of the receipt of the report of the auditor and after submission to the Council. The Council shall undertake to publish at its own offices and in the local newspaper within its area the following:

    (a) the audited statement financial position, and

    (b) the audited statement financial performance.

(d) Local Authority Quarterly Financial Reports – Instructions (page 1) issued September 2009 state: 'In order to enhance the transparency and accountability of local government finances, the Quarterly Financial Report should be presented to the Council committee responsible for finance each quarter along with the regular income and expenditure statement. The financial reports are shared with the Ministry of Finance and Economic Affairs (MOFEA) and will also be made public as part of PMO-RALG's LGA Consolidated Quarterly Financial Report and on the internet (www.logintanzania.net)'.

(e) Local Authority Quarterly Financial Reports – Instructions (page 32) state: 'Furthermore, the Quarterly Council Financial Report and the Council Development Report should be made available to the local community. At a minimum, the reports (including the complete CFR and the summary of the CDR) should be posted on the Council's public notice board'.

(f) Local Government District Authorities Act 7 – 1982, Article 69 states that the minutes of the proceedings of a district council shall be open to inspection by members at all reasonable times, and by any member of the public at such time and under such arrangements as may be sanctioned by the Chairman, and any person may obtain an extract from the minutes upon payment of such fee as may be specified by the district council.

(g) Public Finance Act of 2001, Article 30.41(f)(2) states: 'The Controller and Auditor-General shall submit to the Minister all audit reports issued under subsection (1), and the Minister shall promptly submit them to the National Assembly and to any other relevant authorities as required by this Act or any other written law and, except as may otherwise be provided by law or by a resolution of the National Assembly, those reports shall thereupon be made public'.

(h) Public Audit Act of 2008, Article 39 states: 'All statutory audit reports issued by the Controller and Auditor General shall be public documents after being tabled in the National Assembly'.

(i) Public Leadership Code of Ethics Act of 1995, Article 21 states:
    (a) On receiving a declaration or interest under section 14 or a declaration of assets and income under section 9 or 18, the Commissioner shall cause the particulars of the declaration to be entered in a register.

(b) The register shall be kept in such form as the President approves and shall be made available for inspection by members of the public at all reasonable times.[27]

(j) Local Government Finance Act of 1982, Articles 69 and 93 state that all minutes of Full Council and Township Authority meetings shall be available for inspection by all members of the general public at any reasonable time in keeping with procedures set by the Council.

In addition to the above, there are a number of other sources of information available to civic actors whose availability is not necessarily officially guaranteed.

Parliamentary proceedings – All proceedings of the National Assembly, including reports tabled and a database of all Laws of the United Republic of Tanzania passed since independence are public and can be found on www.parliament.go.tz. Budget estimates for the current financial year and budget speeches, parliamentary committee reports and audit reports can also be found on this site.

External Audit Reports – All government institutions (including ministries, departments and agencies, regional secretariats, state owned agencies, and local government authorities) are subject to external audit by the NAO on an annual basis. The annual reports of the Controller and Auditor General can be found on the website of the NAO www.nao.gov.tz. While individual reports for each audited government institution used to be posted on the website, currently three aggregated reports are published on the NAO website: one report that synthesizes the findings of all ministries, regional administrations and foreign missions; one report that summarizes findings for all LGAs, and one report with summarized versions of reports for public authorities and other bodies. Individual reports for each ministry, regional administration, foreign mission, local government authority, and state-owned agency are produced and provide greater detail regarding the systemic environment for public resource management, but they are no longer published on the NAO website.

Intergovernmental fiscal transfers – **www.logintanzania.net** and **www.PMO-RALG.go.tz/menu-data/finance/** are websites set up by the PMO-RALG and the Ministry of Finance and Economic Affairs (MOFEA) containing detailed information on resource allocations, expenditure and some performance information at the local government level. The former has information on past years and the latter contains more current versions of the same information. The information on these sites is sometimes incomplete and not always up to date. The latter, in particular is a new site and is still being populated with information. Information from these sites would need to be cross-checked with the official documents since it is not always consistent with the information that appears on the official LGA documents. Nevertheless, the more the site is used and feedback is given, the greater the incentive for the government to address these inaccuracies so that the site can become more reliable.

As shown above, for much of the basic information one would require for SAM, there is some legal and/or regulatory basis for demanding the information and expecting that it will be provided. The problem is that the legal, regulatory and normative provisions for accessing information relevant to SAM are not held in a central document, making it necessary to search for it across a number of laws, regulations, directives, instructions and guidelines to identify a relevant clause. It would not be realistic to expect the average citizen, or even the average CSO, in Tanzania to have the time and/or capacity to do this. It is therefore not surprising that information is often withheld from civic actors requesting it. The PSAM and Policy Forum, have collaborated to adapt the PSAM generic social

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[27] Despite this clause, the procedure for viewing and/or disseminating information from this register is prohibitively restrictive for most members of the public.

accountability course to the Tanzanian context to empower civic groups with this information so that they are able to demand public resource management information with greater confidence because they are aware of the legal and/or regulatory basis for their requests.

Chapter 5. How public resource management happens in Tanzania

The PSAM approach to SAM is based on the assumption that it is possible to evaluate the system for public resource management in a given country context by interrogating the documentation routinely produced through each of the system's five processes using a set of basic questions. This is the approach that has been adopted by Policy Forum in Tanzania after adapting it to the local context. This section will therefore endeavour to provide a snapshot of how each of the five processes functioned in Tanzania as at December 2012 to give the reader a fairly detailed understanding of the context within which the social accountability interventions described in the case study were implemented. The information contained in this section draws heavily from the Tanzania Social Accountability Course developed by the PSAM in collaboration with Policy Forum.
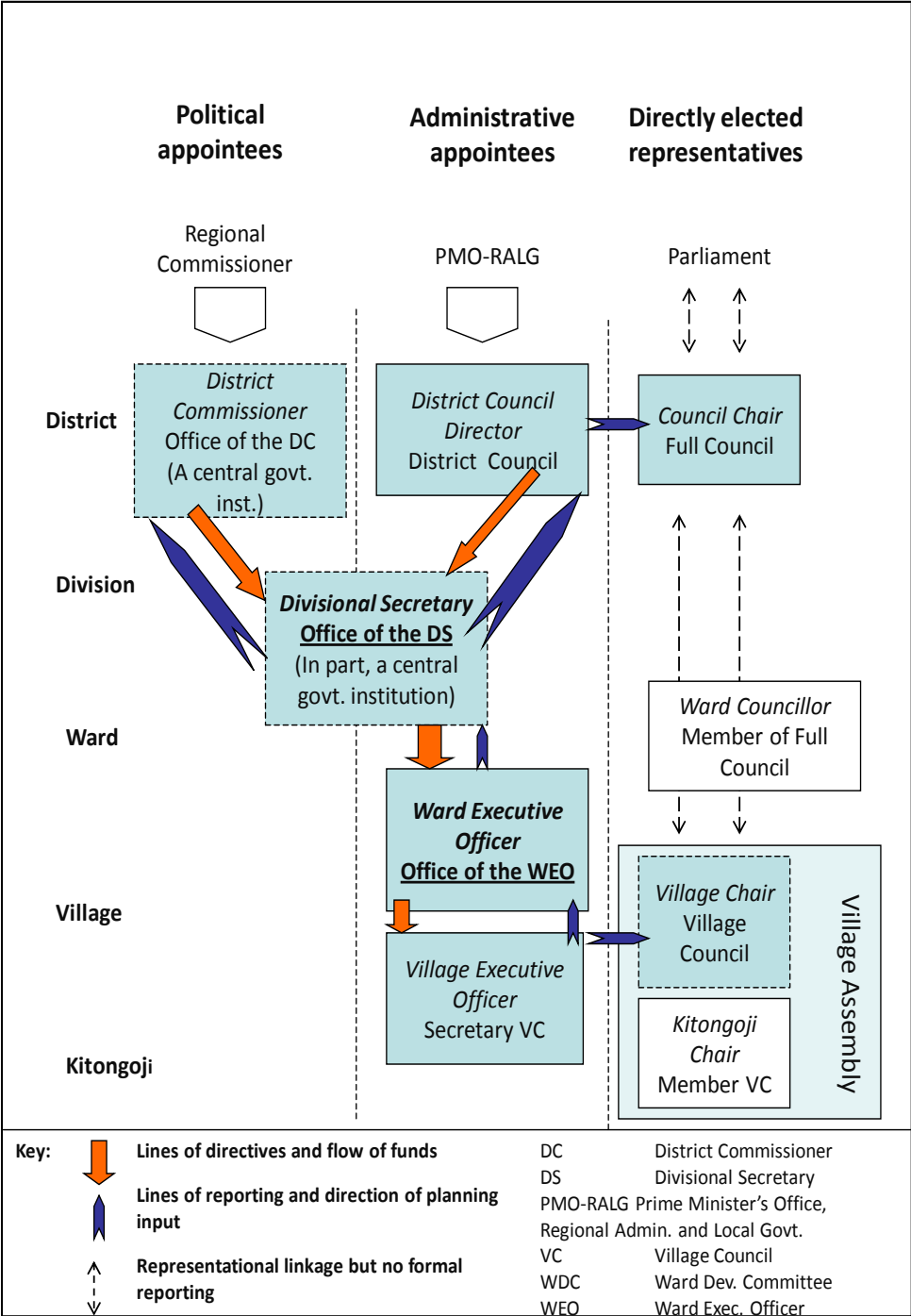
Figure 3: Key Institutions at the Local Government Level
Source: Adapted from Policy Forum Position Paper on the Local

The Tanzanian Local Government Structure

'Local Government Authorities are responsible for delivering three types of public services in Tanzania:

    (1) concurrent functions;
    (2) exclusive local functions; and
    (3) delegated functions.

Concurrent expenditure responsibilities are public services which are funded and regulated by the central government, but for which the provision is devolved to the local government level. These 'concurrent' public services include the five grant-supported sectors, namely primary education, local health services, agriculture extension and livestock, water supply, and local road maintenance. Approximately three-quarters of local government spending in Tanzania is for concurrent functions. The remainder is spent on exclusive local functions (such as refuse collection and other such local services) and local government administration.

Local government expenditure can also be divided into recurrent expenditure (expenditure that recurs continually or very frequently, such as salary expenditure or other recurring operational costs) and development expenditure (non-recurrent expenditure, such as spending on capital infrastructure). Recurrent public expenditure in Tanzania is commonly broken down further into wages and wage-related expenditure (Personnel Emoluments, or PE) and non-wage expenditure (Other Charges, or OC). In Mainland Tanzania, roughly two-thirds of local spending is for recurrent purposes; of this amount, roughly two-thirds is spent on Personal Emoluments'.[28]

There are three levels of government in Tanzania:

1. Central Government.
2. District/ Town and City Councils.
3. Village Council.

Local government here refers to the second and third levels. Regional Administrations represent deconcentrated organs of national government. Figure 3 illustrates the governance framework in Tanzania, with a particular focus on the local government level:

Within the local government structure are two main unrestricted opportunities for members of the general public to participate throughout the public resource management cycle that are guaranteed in law.

- First of all, membership on the Village Assembly 'includes every person who is ordinarily resident in the Village and has attained the apparent age of eighteen years'[29] and is 'the supreme authority on all matters of general policy-making in relation to affairs of the village'.[30]
- Secondly, every meeting of the district council or township council (also referred to as the Full Council) shall be open to the public and the press.[31] The Full Council is the elected legislative organ at the district level and is the body mandated with the power to pass the district plan and budget as well as to oversee its implementation, to deliberate on all audit reports and to oversee the enforcement of recommendations made therein. Members of the public also have the right to inspect the minutes and procedures of Full Council meetings at a fee set by the Council, and the

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[28] (PMO-RALG).
[29] Local Government District Authorities Act No. 8 1982 (as amended up to 2006), Article 55.
[30] Ibid., Article 141.
[31] Ibid., Article 67 and Article 91.

Council Chairperson is responsible for putting in place appropriate procedures to make this possible. Members of the public may also obtain an extract of these meetings or proceedings at a fee set by the Council.[32] [33]

Both the Village Assembly and the Full Council are required to meet at least once every three months.[34]

There are a number of other opportunities for organised civil society to participate in public resource management at the local government level. These include Development Committees at the district and ward levels, which may invite civil society organisations to be members, but this participation is not guaranteed in law, so whether this happens and who is invited is entirely up to the Committees.

Process 1 – Strategic Planning and Resource Allocation (Generic)

Progressive realisation of a human rights begins with an intention to address a prioritised set of needs during a specified timeframe. Strategic planning articulates the intention of governments to deliver certain services and resource allocation gives effect to this intention by allocating resources to it.

Human needs are prioritised by setting policies which articulate the commitment by a government to transform a human right into the capability to access that right by addressing an identified need.

Strategic planning sets out a roadmap for how to get from the policy decision to the delivery of a service that will enable the need to be addressed.

Resource allocation serves as a link between what is needed to deliver a service and the resources available to address this need.

An effective and accountable resource allocation and strategic planning process should:

1. Set a coherent hierarchy of objectives that makes it clear how the policy objective will materialise.
2. Not be afraid to make choices (even tough choices) from the outset to ensure that human needs are met in the most efficient and effective way within the available resource envelope. It communicates and justifies these choices clearly in its documentation.
3. Take a medium term perspective that clearly sets out how resource allocation decisions will achieve the government's policy objectives and planning priorities for the medium term.
4. Set strict and credible boundaries within which expenditure and revenue collection can take place.[35]

Process 1 of the public resource management framework in most countries would normally follow the following basic steps:

1. Establish macroeconomic framework and determine resource envelope.
2. Identify, prioritise and analyse needs.

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[32] Ibid., Article 69 and Article 93.
[33] Note: The general public may only observe on the Full Council, they may not actively participate.
[34] Ibid., Article 63, Article 87 and 103.
[35] Adapted from Campos, E.J .*'What is Public Expenditure Management (PEM)*' The Governance Brief Series Issue 1-2001, Asian Development Bank

3. Develop a strategic plan for the medium term, clearly setting out goals, objectives, targets, activities and   indicators showing exactly how an MDA/LGA will progress towards the stated intention to the delivery of the required service during the medium term.

4. Pre-budget statement (including issue of planning and budget guidelines).

5. Develop an operational plan for the upcoming year that articulates how the policy priorities for that year as stated in the pre-budget statement will be addressed during the year ahead and how these contribute to the longer term strategic plan.

6. Preparation of draft plans and budget proposals.

7. Negotiation of draft plans and budget proposals.

8. Approval by Cabinet.

9. Tabling of final budget and plan before the legislature for approval/rejection/(or amendment where permitted).

10. Approval/Rejection of final Annual Operational Plan and Budget.

Throughout the above process there should be points at which the public is informed of the intentions of government, trade-offs should be discussed and major decisions should be negotiated with relevant stakeholders so that the final output of the process reflects the priorities of citizens.

SAM tools in Process 1 are used to assist SAM practitioners to:

- understand and evaluate the extent to which the detail in the budget and strategic planning documents is consistent with the stated policy priorities in the policy and budget speeches;
- determine whether the resources allocated to specific activities are likely to lead to the intended objective within the specified timeframe;
- determine whether needs have been appropriately identified, prioritized and analyzed to progressively realize citizens' rights; and
- evaluate whether the objectives, activities and allocation of resources is the most effective use of available resources to deliver services that will transform rights into capabilities.

Process 1 in Tanzania

Process 1 has undergone significant changes during the partnership period. These changes have resulted particularly from revisions to the Local Authorities Financial Memorandum in 2010 and to the Parliamentary Standing Orders in April 2013. Because the revisions are significant and have a significant impact on coherence within the process and hence accountability, this section will present the process twice each instance focusing on a particular point in time. The first will focus on Process 1 as at 30 October 2009 and the second will articulate Process 1 as at 30 June 2013. The implications of these changes are discussed further in chapter 6 of this report.

The macroeconomic framework is the process through which the national economy is managed. The macroeconomic framework informs the Tax Policy. In Tanzania, the macroeconomic assumptions used to forecast revenue are as follows:

a. Nominal and Real GDP growth rate.
b. Targeted inflation rate.

    c.   Depreciation rate.

    d.   Level of average exchange rate over three years.

    e.   Import growth rate.[36]

The Tax Reform Task Force makes recommendations about any tax reform measures to be included in the budget after consulting with stakeholders. A general invitation to this consultation is advertised in the newspapers and interested members of the public may apply to attend. All this contributes to the three documents that constitute the Pre-budget statement:

    a.   Review of Recent Macroeconomic Performance – This paper reviews the performance of the economy during the previous year and broadly summarizes achievements and challenges.

    b.   Review of Fiscal Developments and Budget Management Issues – In recent years, this has been replaced by the Public Expenditure and Financial Accountability Report (PEFA) report. A PEFA report is an external evaluation of government performance in terms of public expenditure management issues and to analyse progress on the various public financial management reforms. It is conducted normally on an annual basis jointly by MOFEA and the Development Partners Group (DPG). Sometimes other non-governmental stakeholders are also included in the process.

    c.   Medium Term Expenditure Framework Cross-Sector Strategy – This is a general statement of government policy priorities that will be used to guide planning and resource allocation.

The MTEF Cross Sector Strategy is informed by higher level sector and crosscutting policies and strategies such as the National Strategy for Growth and Reduction of Poverty (NSGRP or MKUKUTA in Swahili), Vision 2025, etc.

A Budget Guidelines Committee formed by members from PMO, PMO-RALG, MOFEA, PO-PSM, and priority sector ministries use the three pre-budget statement documents to develop the Planning and Budget Guidelines. These include a statement of macroeconomic projections, an indication of broad expenditure priorities for the year, instructions relating to systemic improvements in public finance management and ceilings for each budget vote. The budget ceilings are based on an analysis of expenditure projections provided to MOFEA by each sector ministry. A set of Planning and Budget Guidelines are also issued by PMO-RALG to all LGAs.

At the Village level planning is conducted through a participatory process commonly known as the Opportunity and Obstacles for Development (O&OD) process.

The O&OD process is conducted once every three years and takes nine days at each village as follows:

The result would be a Village Plan and Budget and these would be consolidated at ward level into a Ward Plan and Budget which would be consolidated to the Council level and incorporated into a Council Plan and Budget which includes the plans and budgets of the various Council Departments.

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[36] URT President's Office Public Service Management (PO-PSM). 2005 *'Medium Term Strategic Planning and Budgeting Manual'*, p. 40.

	Schedule of Activities
Day 1	• Extraordinary Village Assembly for launching the planning process • Formation of focus groups • Household wealth ranking • Drawing the map
Day 2	• Transect walk • Historical time lines • Gender Resource Map analysis • Institutional analysis • Seasonal calendar • Sources of Revenue and Expenditure • Gender daily activities calendar
Day 3-5	Focus Groups to discuss the Tanzania Development Vision 2025
Day 6	Focus groups to integrate the draft plan
Day 7	• The Village Council to prioritize specific objectives • Prepare the Plan • Prepare 3 year Plan
Day 8	Ward Development Committee Meeting to be held so as to give advice on the draft village plans
Day 9	Extra ordinary village assembly to receive and approve the village development plan

Table 1: O&OD Planning Process in Village[37]

Process 1 in Tanzania as at 30 October 2009[38]

The Council plan and budget must be prepared by the Council Budget Committee in consultation with the regional secretariat and with the Council Finance Committee and must be within the ceilings provided in the Planning and Budget Guidelines for LGAs. The final Council Plan and Budget is presented to the Finance Committee and then tabled before the Full Council with Committee recommendations. The Full Council votes to pass the budget. Council budgets must be passed at least two months prior to the end of the previous financial year (by the end of April) and, once passed, the Council budget is final and legally binding.[39] The Final LGA budget is consolidated into the Prime Minister's Office Plan and Budget which is submitted to MOFEA with the other central government budgets.

In February/March Parliament sits as a Planning Committee to deliberate and make recommendations on all national level Strategic Plans. MOFEA coordinates all negotiations around the development of the final budget. Where the individual institutions involved in negotiation are unable to come to agreement, MOFEA is mandated to make a final decision. Once the final MTEF Budget Memoranda are submitted to

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[37] Prime Minister's Office – Regional Administration and Local Government (PMO-RALG) & JICA, *'The Study on Improvements of Opportunities and Obstacles to Development (O&OD) Planning Process'*, 2006.
[38] Partly drawn from the explanation of the budget process at
http://www.MOFEA.go.tz/index.php?option=com_content&task=view&id=27&Itemid=41 (downloaded September 2011).
[39] Local Government Finance Act (LGFA), 1982, Article 43(1).

MOFEA by all MDAs, the final budget memoranda are submitted to the Inter-ministerial Technical Committee (IMTC) comprising all permanent secretaries. Here final negotiations take place. MOFEA has the legal mandate to make the final decision where should parties fail to reach an agreement on any issue, according to the Public Finance Act of 2001. Once there is agreement, a Cabinet paper is prepared and submitted to Cabinet together with the final MTEF Budget Memoranda. After Cabinet approval the budget is returned to MOFEA, the four volumes which form the budget books are compiled and the Finance Bill and Appropriations Bill are drafted. These are submitted to the Clerk of Parliament for distribution to all MPs at least 21 days before presentation in Parliament. Once the Committees complete their deliberations, the two budget speeches are tabled before Parliament along with the Budget Books. Parliament deliberates on the Budget for five days and then votes to approve or reject it. After the budget is passed, Ministerial budgets are tabled before Parliament accompanied by a report from the relevant Standing Committee and a shadow speech from the opposition camp. According to the Parliamentary Standing Orders the Minister's speech must be accompanied by the relevant budget memorandum and be provided to MPs at least one day prior to the tabling of the ministry's budget. After deliberations for a period not exceeding 50 days, Parliament then becomes an Expenditure Committee (*Kamati ya Matumizi*) and votes on each budget item. During this time, any Member of Parliament can propose to reduce the budget item by one shilling(/=) in order to symbolically express dissatisfaction with any aspect of the Ministry's performance. If a majority of MPs agree, the relevant budget item will be reduced by one shilling. The Budget Committee then presents its findings to Parliament which approves the Vote. [40]

Once this 50-day debating period is over, Parliament votes to approve the two Money Bills. (The Finance Bill sets out the framework that governs how revenue will be collected during the financial year and any anticipated revenue targets and an Appropriations Bill sets the parameters within which government and its organs may spend collected revenue). Once passed, these two Acts operationalise the budget.[41] The final budget figures are sent to the respective spending units at central, regional and local level. Spending units then prepare Action Plans for the year.

For LGA budgets and plans, any amendments to the budget that take place after the budget is passed by the Full Council, should be reconciled with the plan and submitted again to the Full Council as a supplementary Budget submission.

Below is a detailed diagrammatic illustration of Process 1 in Tanzania as at 30 October 2009.

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[40] Kanuni za Kudumu za Bunge, Toleo la 2007, Sehemu ya Tisa (*Parliamentary Standing Orders (2007) Part 9*).
[41] Ibid.

Legend For Process 1 Diagram

Dark Blue
- ☐Documents produced during the process at the national level

Light Blue
- ☐Documents produced during the process at sub-national level.

White
- ☐Steps in the Resource Allocation process at national level.

Grey
- ☐Steps in the process at sub-national level.

Red
- ☐Anything relating solely to Strategic Planning.

Macro-economic Policy Framework

Tax Policy Consultation

Task Force on Tax Reform makes proposals for Tax Reform in Finance Bill after consulting with stakeholders

Budget estimates submitted to Clerk & must be given to every MP at least 21 days before the beginning of the Parliamentary session in which they are to be presented.

Nat. Assembly deliberates for up to 5 days, then votes to approve/reject the budget estimates. *If they are rejected, the President must dissolve his Govt & call for a general election as per Art.90(2)(b) of the Constitution. Sometimes the Finance Bill is passed here to enable early collection of revenue.*

Budget Guidelines Committee prepares National Planning and Budget Guidelines with MDA & regional ceilings

Parliament sits as a Planning Committee in February & contributes to draft strategic plans

Donor Negotiations

Approval by Cabinet

Budget Bills and Budget Books are tabled before Parliament with speeches by MOFEA before 20 June *without final strategic plans or MTEFs...*

Vision 2025, MKUKUTA, MTPs, Sector Policies & Strategies, internal & external Agreements eg. PAF, CCM Manifesto/recommendations of the JFC

Annual PER Consultation (3 Pre-budget Statements)

Final Budget Memoranda and draft Cabinet Paper

1) National Budget Books (Volumes I to IV)
2) Appropriation Bill
3) Finance Bill

1) State of the Economy Speech(Medium Term Survey);
2) Nat. Budget Speech
3) Estimates of Revenue & Expenditure (Budget Books)

1) Final MDA Budget Speeches;
2) Shadow MDA Budget Speeches
3) Committee Reports

National Assembly votes to pass Appropriation Bill (and Finance Bill if not passed earlier). (Jul/Aug)

PMORALG issues LGA Planning & Budget Guidelines with individual Council Budget Ceilings

PMORALG consolidates Council Plans and Budgets, incorporates into its own, and submits to MOFEA

After scrutiny of budget memorandum estimates by the IMTC a Cabinet Paper is submitted for approval.

MOFEA leads preparation of
1) Finance Bill;
2) Appropriation Bill &
3) National Budget Books

Appropriation Act and Finance Act

Regional Sec. reviews Council budgets & plans for coherence with higher level policies, strategies and technical specifications

MDAs & Regions prepare Annual Action Plans

Action Plans for MDAs/Regions

MDA & Regional Budget Committees consolidate estimates & prepare draft MTPs & MTEF Budget Memoranda for submission to MOFEA

MOFEA coordinates scrutiny and has the power to make the final decision in relation to proposed budget estimates after consultation with others.

Budget Speeches are read by the Minister for each Ministry. Regional and Agency Budgets are tabled and considered within the relevant parent ministry budgets. Each Minister makes a Budget speech before the relevant Standing Committee. Then the National Assembly becomes a (Budget Committee) and votes on each budget item. Regional budgets are considered as one budget item. *This is where MPs have the opportunity to amend the budget but this is only a symbolic gesture, since they can only reduce a budget line by one shilling & cannot change the purpose of a budget item.* Parliament is reconvened. The Minister presents Budget Committee's report. Parliament votes in symbolic approval of each budget vote.

Local Council Budget Committees consolidate ward plans and budgets, prepare sector plans and budgets for the district level and consolidate all into a rolling 3-year Strategic Plan and MTEF budget for the district updated and submitted annually to PMORALG via the Regional Secretariat

PMORALG sends final LGA budgets to LGAs

Final LGA Budget Allocations

WDCs consolidate Village Plans & Budgets & prepare draft ward plans and budgets

"Final" Council Medium Term Plan and Budget

Council Plan & Budget Tabled before Council Finance Committee & then Full Council: Reject or Approve

Village Councils prepare draft village plans and budgets in consultation with Village Assemblies through O & OD process guided by Ward Facilitator

LGAs prepare an Annual Action Plan that incorporates amendments to the budget

Where there are amendments to the Budget, the Final Budget and Action Plan 'should' be aligned and tabled before the Full Council via Finance Committee for approval as a Supplementary Plan and Budget.

Identify Needs/ O & OD

Situation Analysis: Internal and External Environment O & OD

Consultation O & OD

Past Expenditure & Performance PER/PEFA Studies/ LGA Fiscal Review

Expenditure Management Process (implementation of Budget – previous financial year)
Performance Management Process (implementation of Strategic Plan – previous financial year)
Budget may be amended in-year through warrants issued by the Minister for Finance but must be approved retrospectively by Parliament as a supplementary Budget within the same financial year.

Final Approved Council Budget

Final Approved Council Action Plan

Process 1: Resource Allocation and Strategic Planning in Tanzania

Process 1 in Tanzania as at 30 June 2013[42]

The Council plan and budget must be prepared by the Council Budget Committee in consultation with the regional secretariat and with the Council Finance Committee and must be within the ceilings provided in the Planning and Budget Guidelines for LGAs. The final Council Plan and Budget is presented to the Finance Committee and then tabled before the Full Council with Committee recommendations. The Full Council votes to pass the budget. Council budgets must be passed prior to the end of the previous financial year (by the end of June as per LAFM 2010) and once passed, the Council budget is final and legally binding.[43] The Final LGA and Regional budgets are consolidated into the Prime Minister's Office Plan and Budget which is submitted to MOFEA with the other central government budgets.

In its October/November session, Parliament is required to sit as a Planning Committee to deliberate on and input into MDA Strategic Plans.[44] MOFEA coordinates all negotiations around the development of the final budget. Once the final MTEF Budget Memoranda are submitted to MOFEA by all MDAs, the final budget memoranda are submitted to the Inter-Ministerial Technical Committee (IMTC), a committee comprising all permanent secretaries. Here final negotiations take place. MOFEA has the legal mandate to make the final decision where should parties fail to reach an agreement on any issue, according to the Public Finance Act of 2001. Once there is agreement, a Cabinet paper is prepared and submitted to Cabinet together with the final MTEF Budget Memoranda. After Cabinet approval the budget is returned to MOFEA and the four volumes which form the Budget Books are compiled. The Budget Estimates and accompanying Budget Memoranda for each Ministry must be submitted to the Clerk of Parliament by 10 March (or the following working day if 10 March is not a working day) for distribution to the relevant Sector Committees. On 11 March (or the following working day if 10 March is not a working day), the Minister responsible for planning tables the government's proposed National Development Plan for the following year. The Minister for Finance also tables the Budget Ceilings before Parliament on the same day. At this point these two documents are passed on to the Budget Committee for consideration in order that this committee may advise sector committees accordingly. There are no deliberations in Parliament's plenary session at this time. While the Budget Committee deliberates, Sector Committees conduct site visits to evaluate implementation of projects during the current year and deliberate on the performance of MDAs in implementing the current year's budget for a period not exceeding nine days. At the end of this period, the Steering Committee and the Budget Committee meet to deliberate on the main findings of the sector committees regarding government performance during the current year. For three days prior to the beginning of the budget session, the government will reconcile current year's performance with budget proposals and make adjustments to budget proposals as appropriate. The results are then presented to the Steering Committee of Parliament (comprising all Committee Chairpersons and the Speaker). [45]

The main budget session begins in early April and continues for a period not exceeding 58 days. Ministerial budgets are tabled before Parliament accompanied by a report from the relevant Standing

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[42] Partly drawn from the explanation of the budget process at
http://www.MOFEA.go.tz/index.php?option=com_content&task=view&id=27&Itemid=41 (downloaded September 2011)
[43] Process for approval of LGA Budget as outlined here is as per LAFM 2010 although the Local Government Finance Act (LGFA), 1982 Article 43(1) still states that Council budgets must be passed at least two months before the end of the previous financial year, so there is a discrepancy between this law and the current LAFM.
[44] Kanuni za Kudumu za Bunge – Toleo Aprili 2013 (*Parliamentary Standing Orders April 2013)* Part IX Art. 94(1).
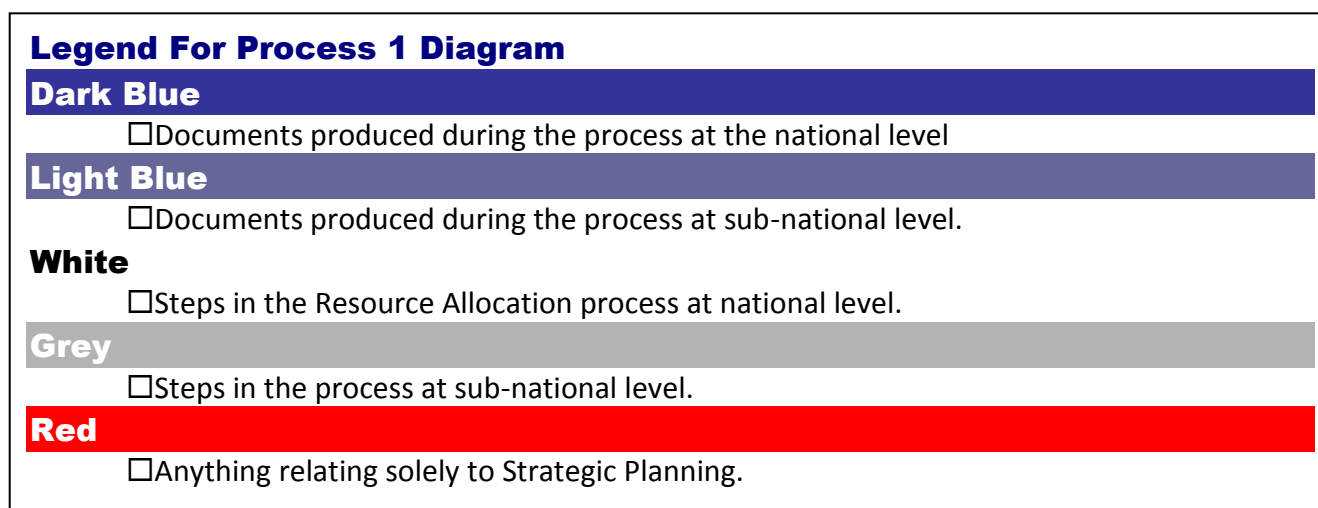[45] This entire section draws heavily from "Kanuni za Kudumu za Bunge", Toleo la 2013, Sehemu ya Tisa (*Parliamentary Standing Orders (2013) Part 9*).

Committee and a shadow speech from the Official Opposition. According to the Parliamentary Standing Orders copies of the Minister's speech accompanied by 10 copies of the relevant budget memorandum must be submitted to the relevant committee at least one day prior to the tabling of the ministry's budget. After sector deliberations, Parliament then becomes an Expenditure Committee (*Kamati ya Matumizi*) and votes on each budget line item. During this time, any Member of Parliament can ask for an explanation or justification for any budget item within the Vote or propose to reduce the budget item by one shilling in order to symbolically express dissatisfaction with any aspect of the Ministry's performance. If a majority of MPs agree, the relevant budget item will be reduced by one shilling. This symbolic gesture may not change the overall purpose of the budget line item. The Budget Committee then presents its findings to Parliament which approves the Vote. [46] Once the Committees complete their deliberations, the Budget Committee and the Steering Committee meet for one day to consolidate Committee recommendations. Government, in consultation with the Budget Committee and the Steering Committee, makes any necessary adjustments to the Budget Estimates as per Parliament's recommendations. Prior to 20 June, the Budget Speech and the State of the Economy Speech are tabled before Parliament along with the final Budget Estimates. Parliament deliberates on the Budget for no more than seven days and then votes to approve or reject it as per Article 90(2)(b) of the Constitution. During this period, only overarching issues can be raised and no changes can be made to the Budget Estimates.

After the budget is passed and before 30 June of the year preceding its implementation, the Appropriation Bill is tabled, deliberated on, and passed. Once the Appropriation Act is passed, the Finance Bill is tabled, deliberated on, and passed.

Once the budget is approved, PMO-RALG compiles final allocations to each district council. These are sent to the relevant LGA for tabling within the Full Council according to its legal mandate before 30 June and inform the preparation of Annual Action Plans. Any amendments to the budget that take place after the budget is passed by the Full Council should be reconciled with the plan and submitted again to the Full Council as a supplementary Budget submission.

Below is a detailed diagrammatic illustration of Process 1 in Tanzania as at 30 June 2013..

Legend For Process 1 Diagram	
Dark Blue	
	☐Documents produced during the process at the national level
Light Blue	
	☐Documents produced during the process at sub-national level.
White	
	☐Steps in the Resource Allocation process at national level.
Grey	
	☐Steps in the process at sub-national level.
Red	
	☐Anything relating solely to Strategic Planning.

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[46] Kanuni za Kudumu za Bunge, Toleo la 2013, Sehemu ya Tisa (*Parliamentary Standing Orders (2013) Part 9*).

Macro-economic Policy Framework

Tax Policy Consultation

Task Force on Tax Reform makes proposals for Tax Reform in Finance Bill after consulting with stakeholders

Budget Background and Medium term Framework as well as Budget Books submitted to Clerk by 10 March & must include copies for each member of the relevant Committee.

Before 20 June Minister for Finance tables Budget Speech and Minister in charge of Planning tables the State of the Economy Speech

1) Final Budget Estimates
2) Budget Speech & SoE Speech
3) Shadow Budget and SoE Speech
4) Budget Committee

Parliament deliberates for up to 7 days, then votes to approve/reject the budget estimates. If they are rejected, the President must dissolve his Govt & call for a general election as per Art.90(2)(b) of the Constitution

Budget Guidelines Committee prepares National Planning and Budget Guidelines with MDA & regional ceilings

Parliament sits for 5 days as Planning Committee in October/November & inputs into draft strategic plans

Donor Negotiations

Approval by Cabinet

Budget Background and Medium term Framework as well as Budget Books are tabled before Parliament (no debate during this session) then passed on to Budget Committee to coordinate deliberation.

Vision 2025, MKUKUTA, MTPs, Sector Policies & Strategies, Internal & external Agreements eg. PAF, CCM Manifesto/recommendations of the JFC

Annual PER Consultation (3 Pre-budget Statements)

Final Budget Memoranda and draft Cabinet Paper

1) National Budget Books (Volumes I to IV)
2) Appropriation Bill
3) Finance Bill

1) Budget Background and Medium Terms Framework;
2) Nat. Budget Speech
3) Estimates of Revenue & Expenditure (Budget Books)

National Assembly votes to pass Appropriation Bill & Finance Bill

PMORALG issues LGA Planning & Budget Guidelines with individual Council Budget Ceilings

PMORALG consolidates Council Plans and Budgets. Incorporates with its own, into PMO budget submission to MOFEA

After scrutiny of budget memorandum estimates by the IMTC a Cabinet Paper is submitted for approval.

MOFEA leads preparation of
1) Finance Bill;
2) Appropriation Bill &
3) National Budget Books

Site visits conducted by Sector Committees to review performance during current year.

Appropriation Act and Finance Act

Regional Sec. reviews Council budgets & plans for coherence with higher level policies, strategies and technical specifications

1) Final MDA Budget Speeches;
2) Shadow MDA Budget Speeches
3) Budget estimates and Budget Memorandum for each Budget Vote.

Budget Committee and the Steering Committee meet for 1 day to consolidate Committee recommendations and then Government incorporates these recommendations into final aggregate budget estimates. Submitted to the Steering Committee of Parliament.

MDA & Regional Budget Committees consolidate estimates & prepare draft MTPs & MTEF Budget Memoranda for submission to MOFEA

MOFEA coordinates scrutiny and has the power to make the final decision in relation to proposed budget estimates after consultation with others.

Each Minister makes a Budget speech before the relevant Standing Committee. Regional and Agency Budgets are tabled and considered within the relevant parent ministry budgets. Then the National Assembly becomes a Budget Committee (Kamati ya Matumizi) and votes on each budget item. All regional and district budgets are considered as one budget item within the Prime Minister's Office Budget. This is where MPs have the opportunity to amend the budget but this is only a symbolic gesture, since they can only reduce a budget line by one shilling & cannot change the purpose of a budget item. Three days before the main budget session, the Government in consultation with the Budget Committee, prepares a final aggregate budget incorporating sector committee recommendations, & taking account of previous year's performance and budget proposals from relevant MDAs.

MDAs & Regions prepare Annual Action Plans

Action Plans for MDAs/Regions

Local Council Budget Committees consolidate ward plans and budgets, prepare sector plans and budgets for the district level and consolidate all into a rolling 5-year Strategic Plan and MTEF budget for the district updated and submitted annually to PMORALG via the Regional Secretariat.

PMORALG sends final LGA budget allocations to LGAs to incorporate into Plan & Budget tabled before Council.

WDOs consolidate Village Plans & Budgets & prepare draft ward plans and budgets

Village Councils prepare draft village plans and budgets in consultation with Village Assemblies through O & OD process guided by Ward Facilitator

Council Plan & Budget Tabled before Council Finance Committee & then Full Council: Reject or Approve

LGAs prepare an Annual Action Plan that incorporates amendments to the budget

Identify Needs/ O & OD

Situation Analysis: Internal and External Environment O & OD

Consultation O & OD

Past Expenditure & Performance PER/PEFA Studies/ LGA Fiscal Review

Final Approved Council Budget

Final Approved Council Action Plan

Expenditure Management Process (implementation of Budget – previous financial year)
Performance Management Process (implementation of Strategic Plan – previous financial year)
Budget may be amended in-year through warrants issued by the Minister for Finance but must be approved retrospectively by Parliament as a supplementary Budget within the same financial year.

Process 1: Resource Allocation and Strategic Planning in Tanzania (with effect from April 2013)

<p style="text-align:center">*   *   *   *   *</p>

Process 2 – Expenditure Management (Generic)

Once the intention to deliver a set of services has been articulated and resources have been allocated to it, there must be a process to ensure that the resources that have been promised actually materialise and that they are used optimally to deliver what was intended. Expenditure management is the control, distribution and spending of allocated financial resources to procure goods and services that will deliver the intended policy objectives.

The primary objective of expenditure management is to ensure the effective execution of the budget. In executing the budget, governments aim to achieve three basic goals[47] through expenditure management:

1. Fiscal discipline – Governments should only spend what they can afford.
2. Strategic allocation of budgeted resources – Government spending should always be consistent with strategic plan objectives and policy priorities.
3. Good operational management –
   - Efficiency: procuring all that is needed and only what is needed, to be available for use when it is needed.
   - Effectiveness: achieving the outcome for which the output is intended.
   - Value for Money: obtaining an optimal balance between quality and cost.

The process of expenditure management is the primary means through which goods and services are procured by government and typically adheres to the following steps:[48]

1. Aggregate cash control.
2. Commitment of funds to procure goods and/or services.
3. Verification of goods/services received.
4. Processing of payment requests.
5. Accounting.
6. Financial Reporting.
7. Audit (internal and external).

Enacting these steps in such a way as to achieve the objectives of expenditure management requires a number of internal control management mechanisms, which include among others:

1. Accounting procedures and systems.
2. Financial management information systems .
3. Cash management.
4. Checks and balances
5. Personnel and salary systems.
6. Procurement processes.
7. Financial reporting processes.

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[47] Adapted from Campos, E.J. '*What is Public Expenditure Management (PEM)',* The Governance Brief Series Issue 1-2001, Asian Development Bank.

[48] Doe, L and Pattanayak, S. *Financial Control in African Countries PFM Technical Guidelines Note 5*, IMF

In Process 2, SAM tools assist practitioners to extract from core documentation produced throughout the expenditure management process answers to the following four basic questions during the year under review:

- Did the MDA/LGA spend its budget allocation and, where it did not, did the MDA/LGA provide adequate explanations for all over or under expenditure?
- Did the MDA/LGA follow proper payment procedures and implement proper financial controls over its spending of public funds in all instances?
- Did the MDA/LGA use available resources for their intended purpose?
- What are the implications of the MDA/LGA's spending for the progressive realisation of the human rights and needs of those it serves?

Process 2 in Tanzania

Accounting procedures in Tanzania are guided by the following principles and policies:
(a) The Local Government Finances Act (LGFA) No. 9 of 1982 section 40 and 41(2).
(b) Tanzania Standard Statements of Accounting Practice (TSSAP) issued by NBAA.
(c) Tanzania Statement of Accounting Guidelines (TSAGs) issued by NBAA.
(d) The Local Authority Accounting Manual (LAAM) issued by Prime Minister's Office in 1992.
(e) The Local Authority Financial Memorandum (LAFM)as amended in 2010.
(f) International Financial Reporting Standards (IFRS).
(g) Tanzania Financial Accounting Standards (TFAS).
(h) Public Finance Act No. 6 of 2001.
(i) International Accounting Standards (IAS).
(j) International Public Sector Accounting Standards (IPSAS). [49]

In Tanzania, the International Public Sector Accounting Standards (IPSAS) were adopted in 2004. These are a set of internationally recognised standards regulating the internal control environment within which public expenditure occurs. Since 2004 a transition process was embarked on and, with effect from July 2008, all government institutions are expected to be fully compliant with IPSAS standards. Central government institutions (MDAs and Regional Administrations) are required to comply with a cash accounting system while LGAs are required to use an accruals accounting system. A similar system for expenditure reporting is in place at both levels with variations in actors, terminology and reporting lines.

"Budget execution in Tanzania is based on a cash budget system. Under this system, the Government can only spend the money it has. Specifically, the system, which is managed by the Ministry of Finance and Economic Affairs (MOFEA), limits aggregate expenditure in a month to average revenue collection in the previous three months plus programme aid. The MOFEA collects revenues (through the TRA) and allocates money consistent with the approved budget. MOFEA also receives disbursements from Tanzania's many donor countries. The timing of these disbursements varies, as it is subject to the budget cycles and decisions made in the donor countries. The timing of the disbursements depends on the nature of the funding modality i.e. whether General Budget Support (GBS), basket or project funds. For GBS, most of the money is usually disbursed during the first quarter of the financial year, whereas for baskets and projects, disbursements largely depends on decisions in the donor country Headquarters.

The implication of a cash budget system means the Government sometimes cannot spend money as planned in the budget – for instance, if domestic revenue collection is lower than projected, or if donor funds come late or are lower than expected."

Source: *Understanding the Budget Process* in Tanzania by HakiElimu and Policy Forum

Figure 4: Cash Budgeting

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[49] *Annual Report* of the Controller and Auditor General (CAG) for Local Government Authorities 2007/08

Once the budget is approved, revenue collection can begin and revenue begins to flow into the Consolidated Fund which is managed by MOFEA via the Accountant General's Office. Spending units are required to develop a number of plans that will help the government to manage expenditure throughout the year. Annual Cashflow Plans, Annual Action Plans, Annual Internal Audit Plans and Annual Procurement Plans are all developed by spending units at the beginning of each financial year. The Minister for Finance is accorded an unchecked mandate to incur debt to cover any shortfall in revenue collection from internal or external sources provided that the principle does not exceed the total approved government budget for the year in question.[50] Disbursements are made from the Consolidated Fund through a system of warrants.

On a monthly, basis financial statements must be produced, reconciled with bank balances and signed off by spending units. various reports must be produced. Monthly statements must also be signed by the Accounting Officer of each spending unit and submitted to the Accountant General's Office. Cumulative Financial Reports are prepared on a quarterly basis. After going through the verification and approval processes prescribed in the relevant guidelines and regulations, they are submitted to MOFEA and copied to the PMO and PMO-RALG. They are also tabled before the relevant standing committee of Parliament. All of the above reports inform the Annual Financial Statements prepared by each government institution after the end of every year. These are submitted to the National Audit Office for auditing in accordance with the deadlines set out in Article 25 of the Public Finance Act. The Internal Audit unit also prepares quarterly reports that are submitted to the Accounting Officer and presented to the Audit Committee four times a year during their quarterly meetings. At the end of a year an annual internal audit report is prepared and submitted to the Accountant General's Office and copied to the National Audit Office.

The in-year financial reports of each government institution are consolidated through EPICOR (the Tanzanian integrated financial management system (IFMS)) into a Quarterly Budget Execution Report produced by MOFEA and published on www.MOFEA.go.tz. These reports are presented to Cabinet after being discussed by the Inter-ministerial Technical Committee (IMTC). The Public Expenditure Review process is a parallel process for monitoring public expenditure throughout the year that is led by MOFEA and includes development partners and selected non-government stakeholders.

Once the NAO receives Annual Financial Statements from government institutions, the office begins to conduct its annual financial audit no later than nine months after the end of the financial year. When it is ready, an Annual Report of the Controller and Auditor General is submitted by the NAO to the management of the relevant audited body for response and comment. The report is then tabled in Parliament by the Minister of the relevant MDA or the Chief Executive Officer of the relevant state-owned agency.[51] After being tabled in Parliament, each Annual Report of the CAG is presented to the Public Accounts Committee (PAC) for Ministries, Departments and Foreign Diplomatic Missions, to the Public Corporations Accounts Committee for state-owned agencies and to the Local Authorities Accounts Committee (LAAC).[52] The recommendations resulting from the committee deliberations are also tabled in Parliament immediately after the CAG report itself followed by a commentary from the official opposition. Parliament then deliberates on it. The three general CAG reports (Central Government and Regional Administrations, Local Government Authorities, and Public Corporations) are normally published on the NAO website. Individual audit reports for the respective MDAs, Regional Administrations, LGAs and public corporations are not consistently made public despite the regulatory requirement to do so. Since 2012, the CAG also produced an annual performance and forensic audit report on selected issues and an annual audit report on a selection of donor funded projects. Article 39

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[50] URT, Appropriation Act 2011.
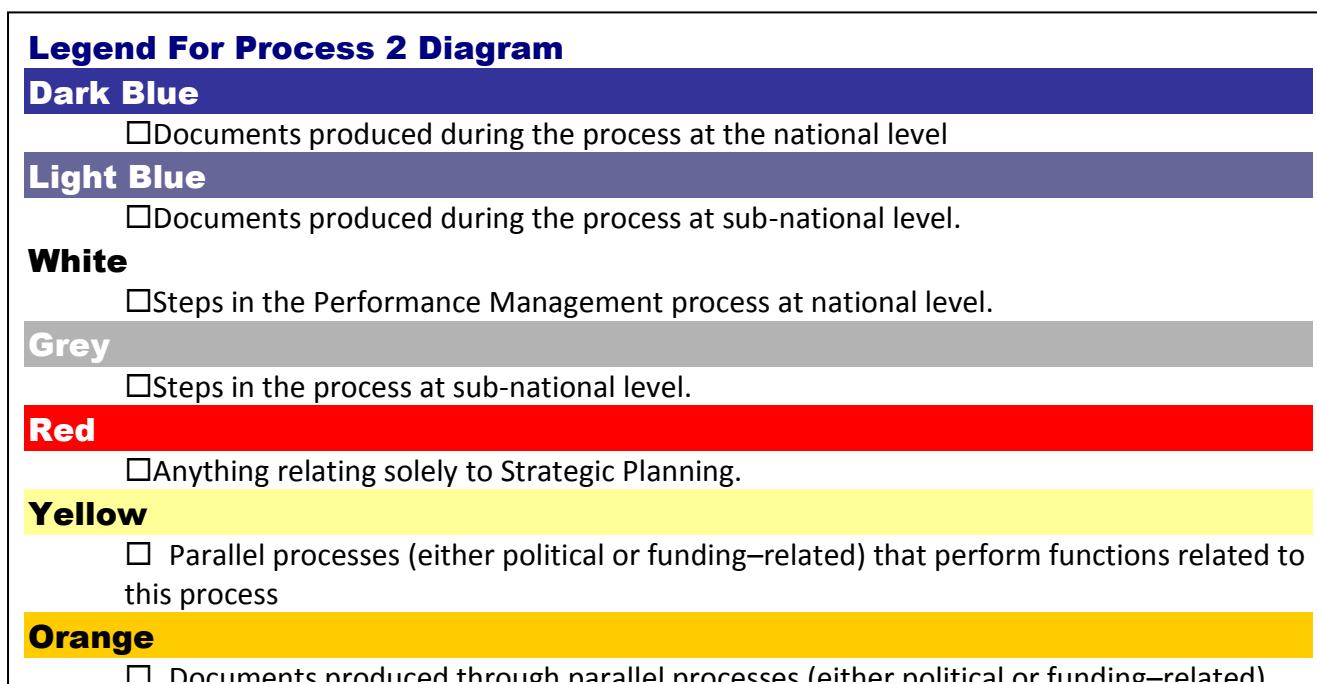[51] Public Audit Act 2008, Article 37.
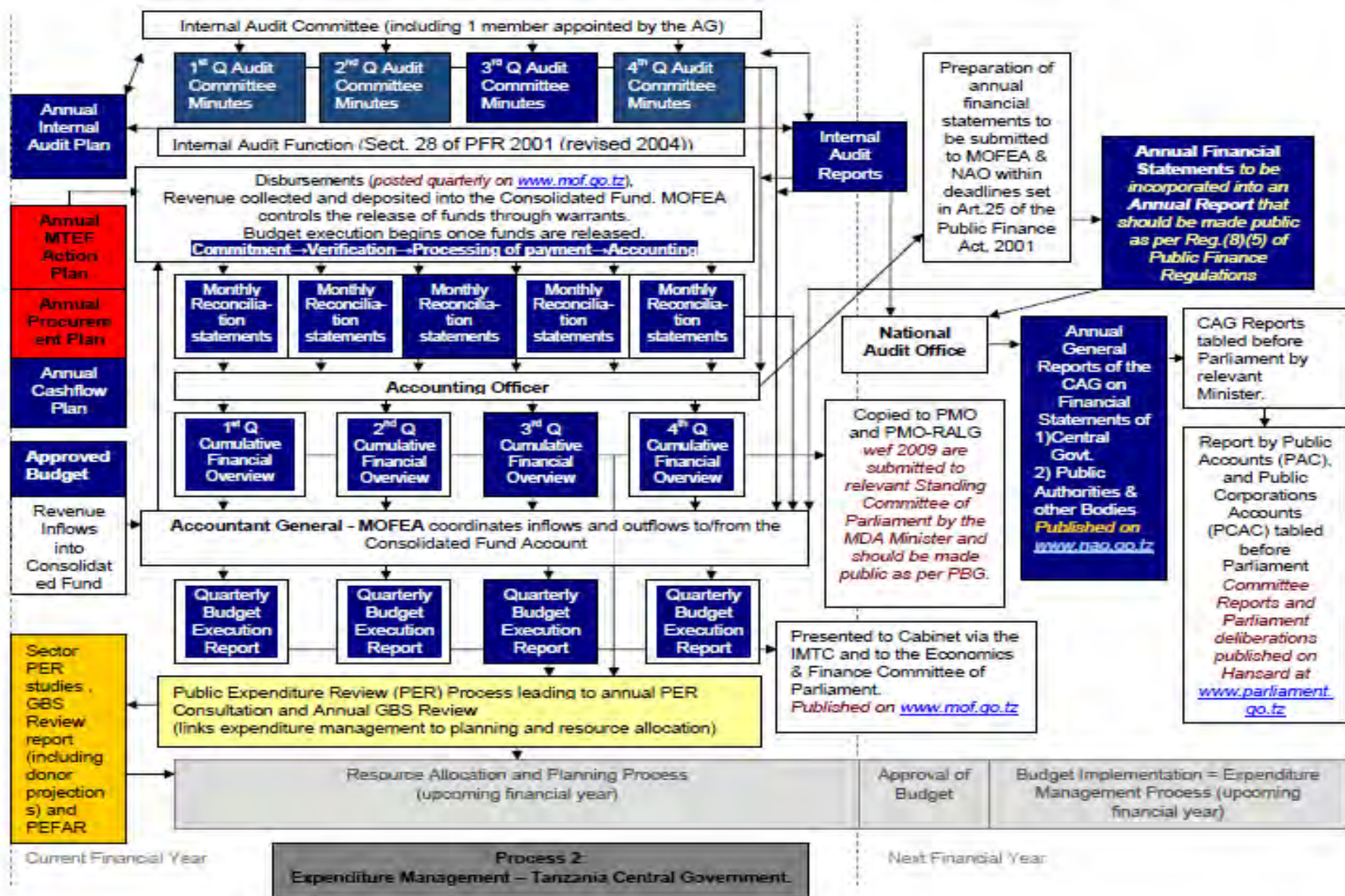[52] Public Audit Act 2008, Article 38.

of the Public Audit Act of 2008 states that, 'All statutory audit reports issued by the Controller and Auditor-General shall be public documents after being tabled in the National Assembly'. An aggregated version of these reports is published on the NAO website.[53] However detailed reports on each government entity are not. The easiest way to access these would be from the audited institutions themselves. However, in many cases, these institutions are reluctant to release this information, particularly if the audit opinion issued was not favourable.

Tanzanian local governments are highly dependent on grants from central government. Most grants from central government are conditional and mostly to be spent on recurrent expenditure. Development (capital) expenditure is heavily donor-funded and this is where most of a local government's discretionary funding is located. In part, due to Tanzania's cash budgeting system, these disbursements can be inconsistent. This, in a context where the budget approved by the local district council is legally binding, presents a problem. On the one hand the budget approved by the Full Council in April is legally binding. On the other hand amounts disbursed are highly unpredictable, particularly in the case of development (capital) budgets; and can be more or less than the approved allocations, thus undermining the integrity of the public resource management cycle. Changes to the originally approved budget can be tabled before the Full Council for approval as a supplementary budget. However, the highly unpredictable nature of disbursements, particularly for development (investment) expenditure and the high proportion of development expenditure that occurs off-budget compromise the integrity of the budget execution process.

Below are two diagrams illustrating the expenditure management processes at central and local government respectively.

Legend For Process 2 Diagram
Dark Blue
☐ Documents produced during the process at the national level
Light Blue
☐ Documents produced during the process at sub-national level.
White
☐ Steps in the Performance Management process at national level.
Grey
☐ Steps in the process at sub-national level.
Red
☐ Anything relating solely to Strategic Planning.
Yellow
☐ Parallel processes (either political or funding–related) that perform functions related to this process
Orange
☐ Documents produced through parallel processes (either political or funding–related)

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[53] www.nao.go.tz .

Internal Audit Committee (including 1 member appointed by the AG)

| 1st Q Audit Committee Minutes | 2nd Q Audit Committee Minutes | 3rd Q Audit Committee Minutes | 4th Q Audit Committee Minutes |

Annual Internal Audit Plan

Internal Audit Function (Sect. 28 of PFR 2001 (revised 2004))

Internal Audit Reports

Preparation of annual financial statements to be submitted to MOFEA & NAO within deadlines set in Art.25 of the Public Finance Act, 2001

Annual Financial Statements *to be incorporated into an Annual Report that should be made public as per Reg.(8)(5) of Public Finance Regulations*

Disbursements (*posted quarterly on www.mof.go.tz*), Revenue collected and deposited into the Consolidated Fund. MOFEA controls the release of funds through warrants. Budget execution begins once funds are released.
Commitment→Verification→Processing of payment→Accounting

Annual MTEF Action Plan

Annual Procurement Plan

Annual Cashflow Plan

| Monthly Reconciliation statements | Monthly Reconciliation statements | Monthly Reconciliation statements | Monthly Reconciliation statements | Monthly Reconciliation statements |

Accounting Officer

National Audit Office

Annual General Reports of the CAG on Financial Statements of 1)Central Govt. 2) Public Authorities & other Bodies *Published on www.nao.go.tz*

CAG Reports tabled before Parliament by relevant Minister.

Approved Budget

Revenue Inflows into Consolidated Fund

| 1st Q Cumulative Financial Overview | 2nd Q Cumulative Financial Overview | 3rd Q Cumulative Financial Overview | 4th Q Cumulative Financial Overview |

Copied to PMO and PMO-RALG *wef 2009 are submitted to relevant Standing Committee of Parliament by the MDA Minister and should be made public as per PBG.*

Report by Public Accounts (PAC), and Public Corporations Accounts (PCAC) tabled before Parliament *Committee Reports and Parliament deliberations published on Hansard at www.parliament.go.tz*

Accountant General - MOFEA coordinates inflows and outflows to/from the Consolidated Fund Account

| Quarterly Budget Execution Report | Quarterly Budget Execution Report | Quarterly Budget Execution Report | Quarterly Budget Execution Report |

Sector PER studies, GBS Review report (including donor projections) and PEFAR

Public Expenditure Review (PER) Process leading to annual PER Consultation and Annual GBS Review (links expenditure management to planning and resource allocation)

Presented to Cabinet via the IMTC and to the Economics & Finance Committee of Parliament. Published on www.mof.go.tz

| Resource Allocation and Planning Process (upcoming financial year) | Approval of Budget | Budget Implementation = Expenditure Management Process (upcoming financial year) |

Current Financial Year

Process 2: Expenditure Management – Tanzania Central Government.

Next Financial Year

Process 2:
Expenditure Management – Tanzania Local Government Authorities

CFR – Council Financial Report
CDR – Council Development Report
LAFM – Local Authorities Financial Memorandum
LGFA – Local Government Finance Act

<center>*   *   *   *</center>

Process 3 – Performance Management (Generic)

Performance Management is the management and use of available resources to deliver services as per the strategic plan in the most efficient, effective and economic way possible so as to progressively realise socioeconomic rights.

In analysing the effectiveness of a social accountability system, social accountability monitoring generally focuses on three essential components of the performance management process:

Managing People

Since performance is about 'doing', making sure that the right people are in the right jobs doing the right things becomes an essential component of success.

Here the SAM tools examine the core documentation used in and resulting from the performance management process to evaluate the management of its human resources, including their performance in using available resources optimally to progressively realise socioeconomic rights.

During the year under review, SAM tools assist one to analyse issues relating to the staff establishment, filling of vacant posts, staff recruitment and retention, and staff performance management among other things.

Managing Processes

Process management is essentially about what is done. In strategic planning it is assumed that if one does what is planned the destination will be optimally reached. The process of implementing what is planned and monitoring to ascertain whether one is on track to the desired destination is the second essential component of performance management.

Here SAM tools assist one to analyse core performance management documentation to:

- evaluate performance against the objectives, activities and performance indicators set out in the MDA/LGA's strategic plan;
- determine whether the MDA/LGA established or maintained an effective internal control environment during the year under review, including risk management;
- evaluate the quality of the Audit Committee's oversight during the year under review; and
- evaluate the quality of the MDA/LGA's performance reporting framework during the year under review

Managing Results

Doing should never be an end in itself. What is achieved by doing that is the ultimate prize. It is therefore important to continually monitor and adjust what is done to ensure that optimal service delivery results are achieved. It is also important to ensure that all potential obstacles to achieving these results are removed or neutralised.

In this component SAM tools are used to evaluate the quality and effectiveness of the MDA/LGA's monitoring of service delivery in the year under review. They also evaluate whether and the extent to which the service delivery outcomes are likely to lead to the progressive realisation of socioeconomic rights.

Process 3 in Tanzania

Institutional and individual performance monitoring and management are guided by the Public Service Act of 2002 and its regulations. The Medium Term Strategic Planning and Budgeting Manual (MTSPBM) of 2005 also provides guidance on how performance should be managed and reported on at the institutional and at the individual level.

Once the budget is approved, the implementation of the plan can begin. Spending units are required to develop a number of plans that are aimed at helping the government to manage its performance throughout the year. Annual Cashflow Plans, Annual Action Plans, Annual Internal Audit Plans and Annual Procurement Plans are developed by spending units once the final budget allocation is received.

The performance management system in Tanzania begins with the implementation of the strategic plan, since all government institutions are required to prepare a strategic plan as per the MTSPBM of 2005. While the plan is being implemented, internal controls must be in place to ensure that the objectives, target, and activities are delivered with the maximum efficiency, effectiveness and economy. The Accounting Officer has the ultimate responsibility for the implementation of the strategic plan within a spending unit. The role of appointing authority for posts with an accounting officer function is vested in the President, facilitated by the Chief Secretary.[54] The various appointing authorities for all government posts, their respective powers, and the procedures through which appointments can be made in the public sector are articulated in the Public Service Regulations (2003) Part II and the Public Service Standing Orders (2009) Section D. The procedures for determining whether a vacant post (be it a new post or a post that has become vacant through attrition) can be filled before recruitment begins are depicted on the following flowcharts.
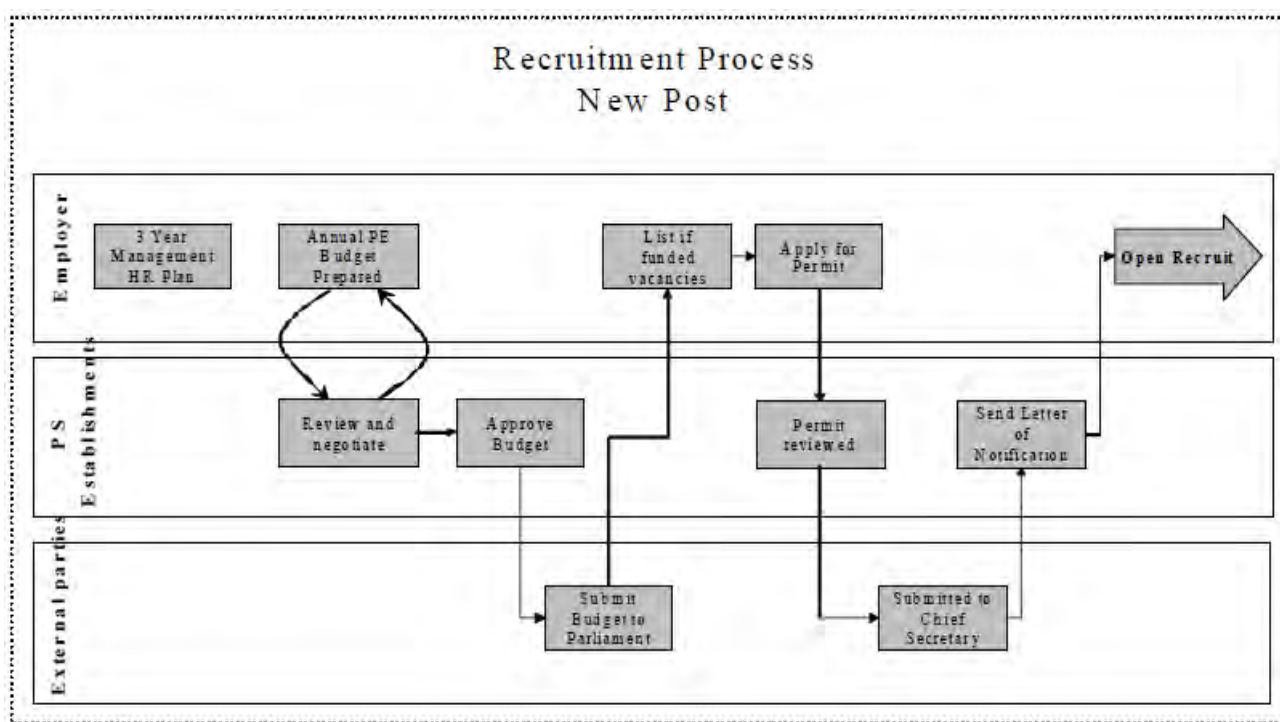
Figure 5: Filling a Vacancy – New Post
Source: *PO-PSM Compliance Inspection Report (2005)*

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[54] *Public Service Regulations (2003) Part II*. 5, p. 13.
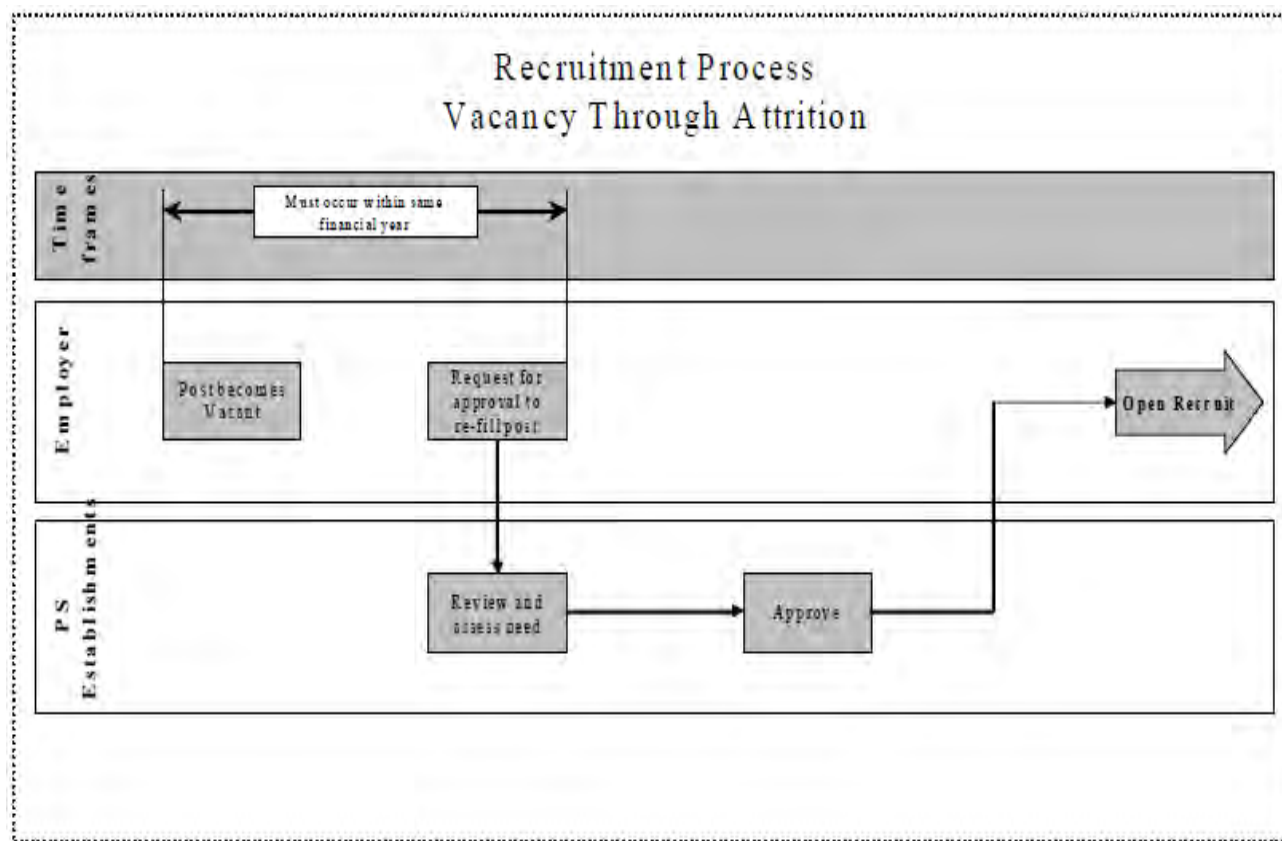
Figure 6: Filling a Vacancy – Through Attrition
Source: *PO-PSM Compliance Inspection Report (2005)*

All vacancies other than those for whom the President is the appointing authority shall be advertised through a process that does not discriminate against gender or disability[55] and selection must have regard primarily for the efficiency of the service to be provided.[56] Open recruitment is facilitated through PO-PSM's Public Service Recruitment Secretariat.[57] The process for open recruitment to fill a vacancy is summarised on the flowchart[58] below:

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[55] Ibid., Part II. 11., p. 16
[56] Ibid., Part II. 12., p. 16
[57] www.ajira.go.tz.
[58] An EB1 Form also known as Personal Records Form is a form on which personal history and all personal details of all appointees are maintained/
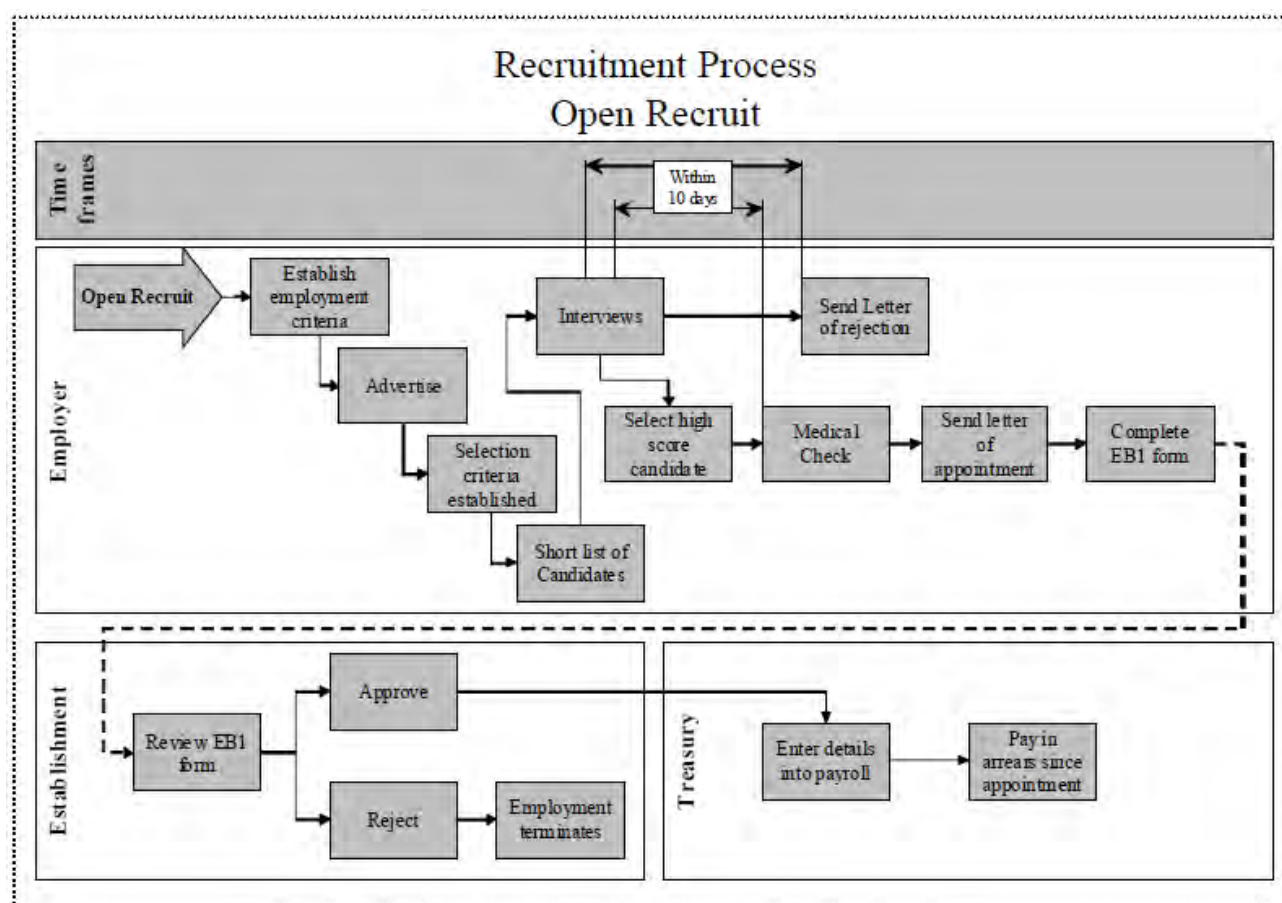
Figure 7: Open Recruitment Process
Source*: PO-PSM Compliance Inspection Report (2005)*

There are also specified timeframes within which certain steps in the above processes must be completed both within the Public Service Regulations and in other documentation produced by the PO-PSM. However, as shown in Figure 7, compliance with these timeframes is inconsistent at best. It was also confirmed by findings from the Policy Forum SAM intervention in Ileje that the problem of compliance with specified timeframes continues to exist. This has a significant negative effect on both the expenditure management and performance management processes as has been noted in previous reports of the Controller and Auditor General.

Process	Note	Required	Actual
Approve an Employment Permit	1	13 days	81 days
Between last interview date and appointment date	2	10 days	102 days
Between filling in EB1 form and data is entered into the HR and Payroll Database		----	8 months

Notes: (1) from PO-PSM Client Service Charter (2) from the Public Service Regulations. The 8 months required to enter data into the payroll creates the large problem of arrears.

Figure 8: Compliance with Prescribed Timeframes
Source*: PO-PSM Compliance Inspection Report (2005)*

The Public Finance Act 2001, the Local Government Finance Act of 1982, and their respective regulations require that effective internal controls are in place to ensure the best use of resources and this is monitored by the internal audit function. This unit is overseen by an audit committee which meets four times a year. The unit produces an internal audit report at the end of the year which is submitted to the accounting officer and copied to the National Audit Office.
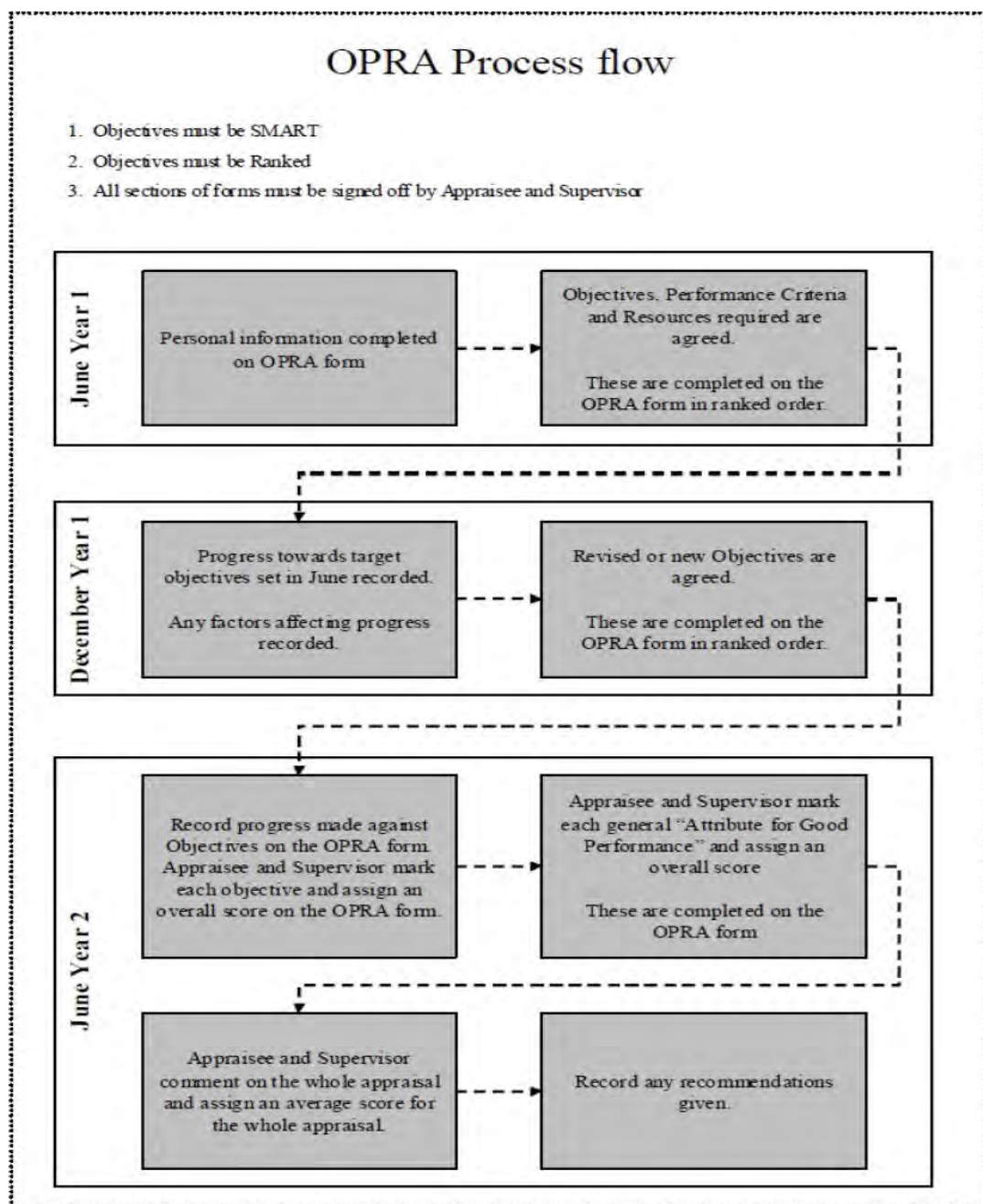
Figure 9: Open Performance Review and Appraisal System (OPRAS)
Source: *POPSM Compliance Inspection Report (2005)*

Implementation is carried out by people and there is a system for monitoring the performance of all public servants which is also overseen by the Accounting Officer with coordination support from the department of human resources. The process of monitoring individual performance of public officials is known as the Open Performance Review and Appraisal System (OPRAS). [59] This system requires that all public servants sign a performance agreement every year. OPRAS also requires that a mid-year review half way through the year and a performance appraisal at the end of the year be conducted for every government employee.

The OPRAS reports feed into the institutional reporting system of the spending unit. Quarterly reports are required for quarters one and three. Half-way through the year the government institution should produce a Mid-year Review Report. These reports inform the Annual Performance Report which is submitted to the NAO along with the financial statements at the end of the year for

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[59] URT, PO-PSM, *Compliance Inspection (2005)*.

audit. The Annual Performance Report contains an account of progress against activities and outputs. It is submitted to MOFEA for MDAs and to the Regional Commissioner for LGAs and is also tabled before the Parliamentary Standing Committee with responsibility for the institution.

To mirror the 3-year budgeting cycle, a 3-Year Outcome Report is produced to monitor progress against outcomes and impact of the strategic plan.

Alongside the formal technocratic processes for performance monitoring there are also parallel political and donor-related processes that include processes for monitoring and reporting on performance and these are presented in yellow on the diagram below. While these processes should align with the existing legal, regulatory and normative framework for public resource management, this is not always the case. A MKUKUTA Monitoring System (MMS) is in place to monitor the implementation of MKUKUTA (National Strategy for Growth and Reduction of Poverty). The MMS comprises four multi-stakeholder working groups that produce a MKUKUTA Annual Implementation Report (MAIR) annually and a Poverty and Human Development Report (PHDR) biannually. Both reports can be found on www.povertymonitoring.go.tz. A Performance Assessment Framework (PAF) sets out a set of indicators against which the use of performance of the General Budget Support (GBS) given by donors is monitored and assessed. The targets in the PAF should support the delivery of MKUKUTA and are monitored during the Public Expenditure Review (PER) process. An Annual GBS Review is held every year to review performance against the PAF. In addition, The Ruling Party has made commitments to voters in its Manifesto. These commitments were the basis on which it was voted into government and against which it must be held to account during and at the end of its term. To give effect to this accountability requirement, the government makes commitments in Parliament regularly in response to questions from MPs. Annual Performance reports should also be produced by each MDA report against the ruling party Manifesto commitments and government commitments made in Parliament. These are consolidated into an Annual Report on the CCM Manifesto produced by the Prime Minister's Office. Elections which take place every five years as per the Tanzanian Constitution are the ultimate test of the performance of government, assuming that they are free and fair.[60]

There is currently no central policy for risk management in the Tanzanian public sector. However, government institutions are expected to develop and monitor risk management strategies within their institutions.

Below is a detailed diagrammatic illustration of Process 3 in Tanzania:

Legend For Process 3 Diagram
Dark Blue
☐Documents produced during the process at the national level
Light Blue
☐Documents produced during the process at sub-national level.
White
☐Steps in the Performance Management process at national level.
Grey
☐Steps in the process at sub-national level.
Red
☐Anything relating solely to Strategic Planning.
Yellow

Process 3: Performance Management in Tanzania

The following reports must be produced by each government institution, including LGAs:

- Annual Performance Reports (APRs) should be prepared every year by 15 August. These should be submitted to the relevant Parliamentary Standing Committee. The Annual Performance Report should be sent, in electronic form, to the Ministry of Finance and Economic Affairs, where it will be posted on a common web-site. Institutions with web-sites should also post their Annual Report.

- Mid-year Performance Report should be prepared by 25 January. This is a shorter and simpler version of the Annual Performance Report. It should be submitted to the Ministry of Finance and Economic Affairs, during the first quarter and third quarter.

- Quarterly Progress Summaries are submitted in the form of a matrix. At local government level, these will include the Council Development Reports (CDRs).

- A three-year outcome report which assesses the degree to which an institution is meeting its objectives (and producing outcomes or impact). This can be considered an 'effectiveness' report. For accountability reasons this report is produced by institutions (not sectors or national bodies). The three year reporting time frame mirrors the three year MTEF planning cycle. Results from this report will generally be derived through surveys and evaluation studies.[61]

The Public Finance Act of 2001 requires that the CAG includes an assessment of performance against targets in his Annual Report. However, his report of 2007/08 stated that to date the quality of reporting has made it difficult for him to do this consistently across government institutions. The NAO has also recently begun to conduct sample performance audits of where the government chooses to conduct such audits. These are all designed to assess issues of efficiency and economy within government institutions and it is expected that this will increase in future. The Planning and Budgeting Guidelines of 2009/10 also referred to economy and efficiency as an area of concern. The latest reporting forms that were issued this year at both central and local level require that government institutions report specifically on measures to address related issues such as the prolific use of *per diems* and allowances as financial incentives for public servants, government vehicles, fuel and maintenance, and unplanned or unnecessary training.

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Process 4 – Public Integrity Management (Generic)

The rights of citizens can only be progressively realized if available resources are used to maximum effect to transform rights in to capabilities. This requires that resources are optimally used for their intended purposes, that duty-bearers maintain a high level of integrity in the allocation and use of these resources. Within the context of a public resource management system, Public Integrity Management is the establishment and enforcement of a framework and a set of practices to prevent and correct the misuse or abuse of public resources. Poor performance, misconduct, corruption, theft, fraud, and the use of office for private gain, all constitute violations of the human rights of those dependent on public services.

A public integrity management system should include a legislative, regulatory and normative framework governing public integrity. This should incorporate amongst other things, legislation and

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[61] PO-PSM, *'Medium Term Strategic Planning and Budgeting Manual'* (MTSPBM), p. .63.

codes of conduct in respect of performance standards, conflicts of interest, misconduct, maladministration, corruption, theft and fraud.

There are two primary questions that would normally be asked by civic actors when monitoring public integrity. These are:

a. What mechanisms exist to address and prevent the ineffective use or abuse of public resources?

b. What corrective action is taken in response to the ineffective use or abuse of public resources?

Process 4 in Tanzania

Legal and Regulatory Framework

The Public Service Act 2002, the Public Service Regulations 2003, the Public Service Scheme of 2003 set out the procedures for management of Public Servants and their performance. In addition, a Code of Ethics and Conduct was issued in 2005 by the President's Office Public Service Management. All Ministries are required to develop Client Service Charters which should be available to the public and widely disseminated. For Public Leaders and Senior Government Officials, the Constitution in chapter 6 Part II calls for the establishment of a Public Leaders Ethics Secretariat. This was set up in accordance with the Public Leaders Code of Ethics Act of 1995 as amended in 2001 and governs the operations of public leaders at all levels of government as defined in Article 4 of the Public Leadership Code of Ethics Act of 1995. The Public Audit Act of 2008 gave the NAO legislative authority to conduct forensic audits in addition to the financial and performance audits it was mandated to conduct previously.

The Prevention and Combating of Corruption Act of 2007 comprehensively sets out the legal framework through which corruption should be addressed. While there are still issues that continue to be debated, the legislation is certainly an improvement from that which previously existed in terms of effectiveness in holding people to account for corrupt acts.

Performance Management for Public Officials

The Public Service Act of 2002 establishes a Public Service Commission with responsibility for overseeing human resource management within the public sector. This includes disciplinary procedures, maintenance of a register of disciplinary offences, recruitment, performance management, pay, etc.

The performance management system used in Tanzania is the Open Performance Review and Appraisal System (OPRAS). According to the MTSPBM, OPRAS extends the SP, Action Plan and Budget to the individual level. All employees want to know what is expected of them, how well they are doing, and how they can improve their work. OPRAS is a process which helps meet these needs, by improving communication between superiors and sub-ordinates. The process is annual, and consists of three main steps:

Performance Agreement: – Where supervisors and subordinates agree on what the sub-ordinate will do, what his or her objectives are, how performance will be assessed, and what resources will be available. Performance agreements should be signed during July.

Mid-Year Review of progress: – Which should occur in December-January. During this stage, the initial agreement is reviewed and, where necessary, revised.

End Year Appraisal: – Which assesses the subordinate's performance. Prior to 2003/04 appraisals in Tanzania were done confidentially and subordinates did not have access to their superior's assessments.[62]

Disciplinary Procedures

Procedures for undertaking disciplinary action against a public servant are contained in Public Service Regulations of 2004 (Part V). The purpose of these regulations is to ensure that breaches in discipline are dealt with fairly and promptly and that employees under investigation are provided an adequate opportunity for their defence.

Depending on the offense involved disciplinary proceedings may be either formal or summary. Summary proceedings concern 'minor offenses' and typically result in written warnings, reprimands or stoppages of annual salary increments. Formal proceedings are more detailed and more serious. In both cases disciplinary action is determined by the MD's Disciplinary Authority, under the Director of Administration and Personnel (DAP).

The procedure involves several key steps, including:

1. Registration: – The offense is documented in a register. It is then determined (by the Disciplinary Authority) whether to take future action, including the initiation of criminal proceedings.

2. Charge and Notification: – A formal charge is raised by the authority and notification is made to the accused of the charge. If a criminal charge is laid, the regulations require that the disciplinary is postponed, pending the outcome of the criminal proceedings. At this point, a decision would be made as to whether to continue with the disciplinary procedure or not.

3. Defense: – The accused prepares a written defence and presents his or her defence to the disciplinary authority. The defense is considered (and documented) and is then either accepted or rejected. If the accused admits guilt disciplinary findings are accepted. If the defence of the accused is rejected then an inquiry is arranged.

4. Inquiry: – If the defence is rejected, and no criminal proceedings are on-going, an inquiry is established. When criminal proceedings are occurring employees are on suspension and thus half pay.[63]

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[62] PO-PSM, *'Medium Term Strategic Planning and Budgeting Manual'* (MTSPBM), p. .55.

[63] PO-PSM, PSRP: *Compliance Inspection: Do Public Servants Follow HR Rules and Regulations? (2005)*.
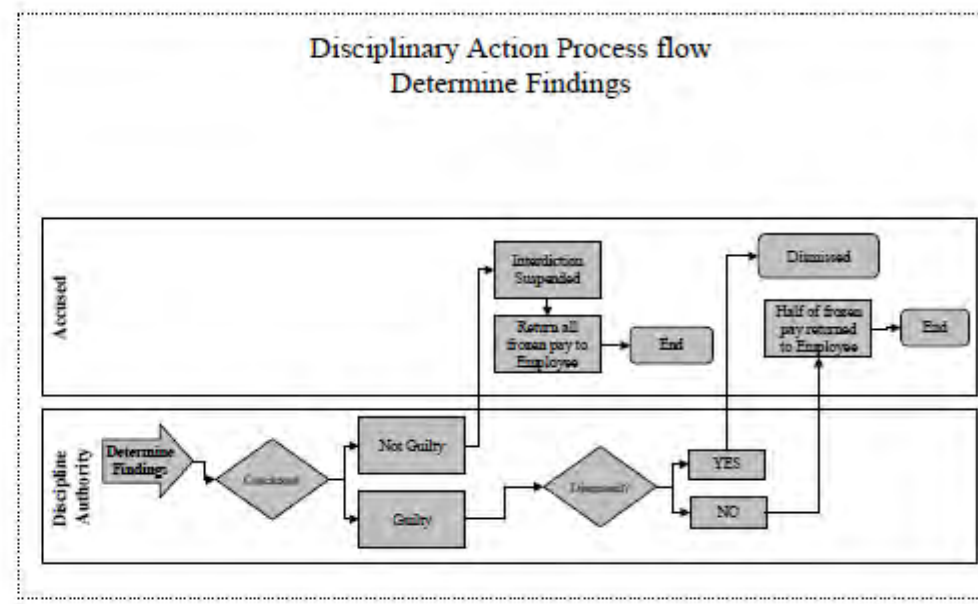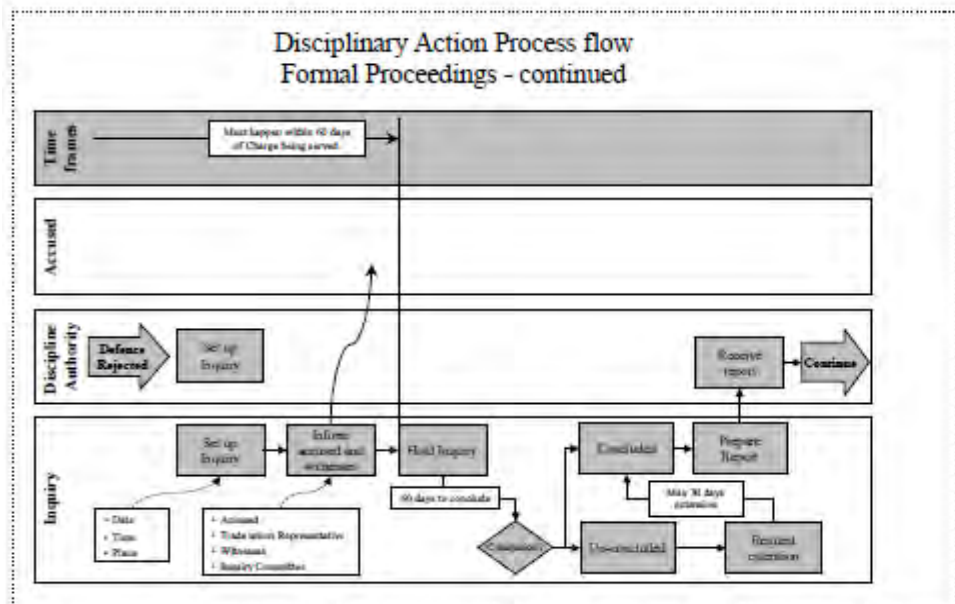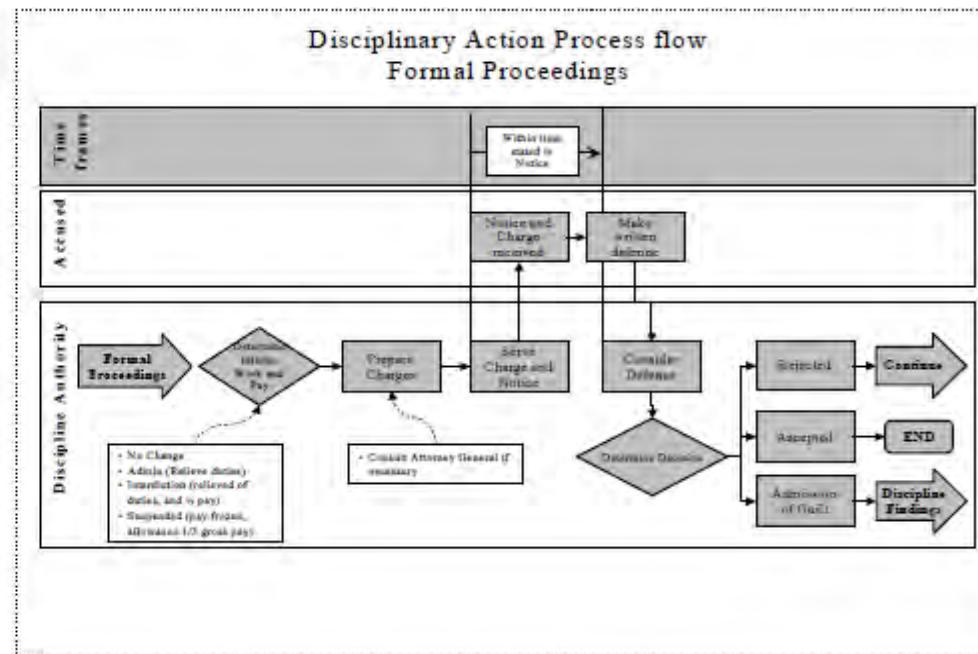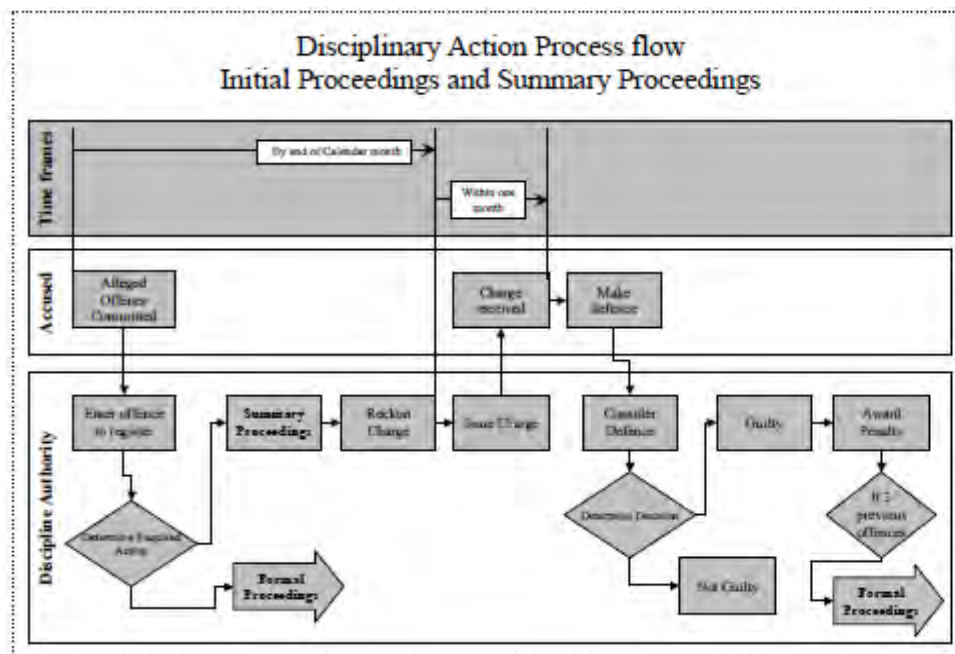
Figure 10: Disciplinary Procedure: Source: *PO-PSM Compliance Inspection Report (2005)*

Declaration of Assets

Under the Public Leadership Code of Ethics Act, Public Leaders are required to register their assets when they enter a position of public leadership, upon termination form a position of public leadership, and on an annual basis while holding that position. Part V of the Act sets out the requirements for fulfilling this obligation. The Code of Ethics and Conduct for Public Servants also mentions that they may be required to declare their interests and assets and should be ready to do so when the time comes. The public Leadership Ethics Secretariat is a constitutional oversight body with the mandate to monitor the declaration of assets by public leaders. They are required to produce a report which is submitted to the President who must in turn ensure that it is tabled before Parliament having been scrutinised by the Parliamentary Powers Privileges and Ethics Committee.

Below is a detailed diagrammatic representation of the Process 4 in Tanzania.

Legend For Process 4 Diagram
Dark Blue
☐Documents produced during the Public Integrity Management Process
White
☐Steps in the Public Integrity Management Process

Process 4: Public Integrity Management in Tanzania
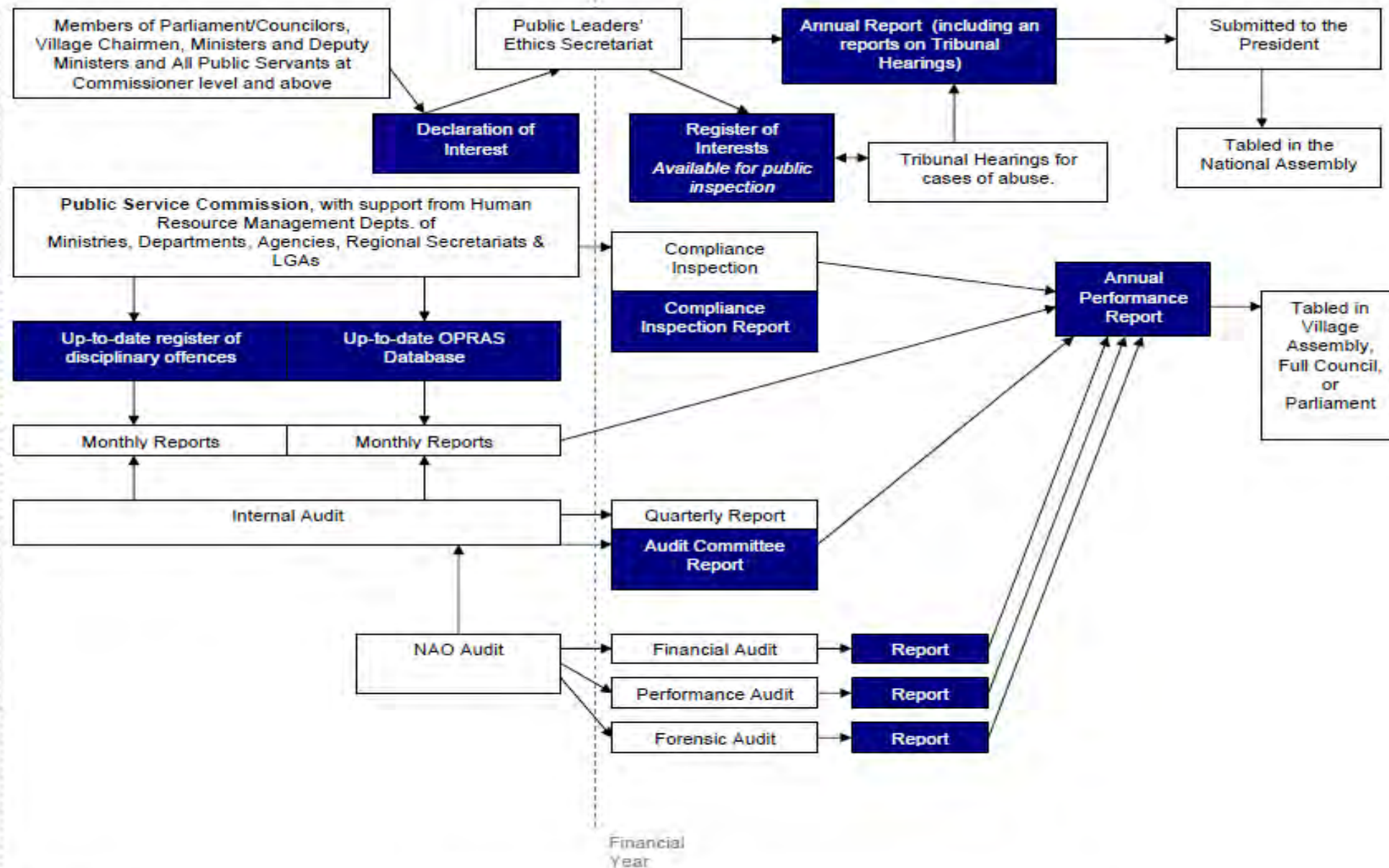
The above diagram presents four mechanisms for monitoring public integrity within the Tanzanian public resource management framework.

The first mechanism we look at is the management of conflict of interest aimed at preventing abuse or misuse of power or resources. There are two ways in which this happens. Public Leaders from the President to the Village Chairman fall within the Public Leaders Code of Ethics Act of 1995 as amended in 2001. Here Public Leaders are required to submit a Declaration of Assets and Interests to the Public Leaders Ethics Secretariat when one assumes a leadership post, every year after that, and finally upon leaving the post. The assets and interests are recorded on a Register of Interests which any member of the public can inspect provided the register is neither copied nor removed from the Ethics Secretariat Offices. It is also illegal to quote or make public any part of this register. The Ethics Secretariat is required to investigate any suspected inconsistencies and inaccuracies in the declarations of officials and where there are material cases it must set up a Tribunal to hear the case. The Ethics Secretariat prepares a report annually which includes any Tribunal hearings. This report is submitted to the President after which it should be tabled before Parliament. All other public officials are also required to declare their interests and assets as per the Code of Ethics and Conduct for Public Servants of 2005.

The second mechanism designed to address Public Integrity Management is the human resource management and disciplinary procedures in place. The management of human resources is coordinated by the President's Office Public Service Management (PO-PSM) and overseen by the Public Service Commission. The records of all public servants for the OPRAS performance management system should be recorded on a database and all serious disciplinary cases should be recorded on a register for disciplinary offenses.[64] Both of these should be kept by the department in charge of human resources within each government institution and there should be a mechanism for reporting on these within in-year and annual performance reports. The Public Service Commission conducts compliance inspections on the compliance of a sample selection of government institutions with human resource laws and regulations and procedures annually. A Compliance Inspection Report is produced as a result. All of these reports should feed into the MDA or LGA's annual performance report.[65]

The third mechanism is an internal audit which should identify any procedural systemic issues relating to public integrity management and any failure to comply with these procedures. The Internal Audit Unit is overseen by an Audit Committee which meets four times a year. An Annual Internal Audit Report is produced at the end of the financial year. This report should inform the Annual Performance Report. Internal Audit Reports are also copied to the National Audit Office (NAO).

The final mechanism on the diagram is an external audit conducted by the NAO. In addition to having a mandate to conduct financial and performance audits, the Public Audit Act of 2008 accorded the NAO the mandate to also perform forensic audits. Again, all these should inform the Annual Performance Report which should be tabled before the relevant legislative body once it is final.[66]

<p style="text-align:center">*   *   *   *</p>

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[64] URT *Public Service Regulations,* p. 74.
[65] URT PO-PSM, *Medium Term Strategic Planning and Budgeting Manual* (2005).
[66] URT, *Public Audit Act* (2008).

Process 5 – Oversight (Generic)

Oversight is the act of limiting the discretion of the executive arm of government by monitoring its decisions/activities and holding it to account for them. Oversight in public resource management is the monitoring, scrutiny and supervision of all activities of the executive and any organ of government, to ensure the optimum use of resources that will address identified needs. It is not a process as such but a cross-cutting function that spans across all the other processes and takes places throughout the year. To ensure that accountability to oversight actually transforms socioeconomic rights into capabilities through the efficient, effective, and accountable delivery of services, the oversight function must be designed and implemented with the following basic premises in mind;

1. Since the oversight function is essentially crosscutting across all other processes, the 'garbage-in-garbage-out' principle applies. Oversight will only be effective if the information obtained by oversight bodies is accurate, rigorous, understandable, relevant, up-to-date and received in a timely manner. The onus is therefore on the other processes in the social accountability system to ensure that the best information possible is produced to enable effective oversight.
2. The coherence of the system in achieving service delivery objectives is just as important as the effective functioning of each process individually. In addition to overseeing each of the other four processes, the oversight function is also responsible for overseeing that the various processes interact effectively to result in a well-functioning, integrated social accountability system.
3. Accountability to oversight is a two-way process. The oversight function can only be effective if it has the power to ensure that its findings and recommendations are implemented by the Executive to improve the effectiveness of the other four processes.

Although a number of bodies are responsible for oversight in a constitutional democracy, the primary constitutionally mandated organs for overseeing public resource management would be:

- Legislature and Legislature oversight committees, responsible for holding the executive to account for the use of public resources and the implementation of an effective accountability system.
- A Supreme Audit Institution (often the Controller and Auditor General), responsible for auditing MDA/LGA's financial statements and performance reports.

Other oversight bodies include:

- **A** National Ombudsman e.g. a Human Rights Commission or Public Protector**.** This body is normally provided for within the constitution or by action of the Legislature. It is headed by an independent, high-level public official, normally accountable to the Legislature. The role of the National Ombudsman is to receive complaints from aggrieved persons against government agencies, officials and employees.
- Independent anticorruption agencies are responsible for coordinating the development and implementation of anti-corruption strategies. Their role is to investigate, report on and prosecute corruption allegations and to educate the public on ways to fight corruption in communities.
- Independent Regulatory Authorities are public authority or government agencies responsible for exercising autonomous authority over some area of human activity in a regulatory or supervisory capacity.

- Law Enforcement Institutions , primarily the police
- The Judiciary ensures that both the Executive and the Legislature remain within their constitutional and legal mandate in performing their duties. It also determines corrective action when impropriety identified by oversight bodies is of a legal nature and ensures that the legal rights of all parties are protected.
- Audit Committees are internal advisory bodies whose role is to oversee the work of the internal auditor and to proactively advise the Accounting Officer on internal control and risk management issues.

SAM tools currently focus on the two primary oversight bodies and assist SAM practitioners to:

- Identify and understand the legislative framework from which the Legislature and the Supreme Audit Institution derive their mandate and powers.
- Evaluate the quality of oversight by the Legislature and the Supreme Audit Institution over each of the other four processes during the year under review.
- Evaluate the responsiveness of the Executive and the government administration to SAI's findings and the recommendations of the Legislature and its Committees for each process during the year under review.
- Evaluate the quality and use of parliamentary and SAI oversight of the collective performance of the other four processes as an integrated system for service delivery and accountability during the year under review.

Process 5 in Tanzania
The Legislature

Chapter 3 of the URT Constitution provides the basis for the existence of the National Assembly in Tanzania, also referred to as Parliament. Its mandate in respect of oversight of government is articulated in Article 63 (2) and (3) of the Constitution as follows:

(1) "The second part of Parliament shall be the principal organ of the United Republic which shall have the authority on behalf of the people to oversee and advise the Government of the United Republic and all its organs in the discharge of their respective responsibilities in accordance with this Constitution.
(2) For the purposes of discharging its functions the National Assembly
  may –
  (a) ask any question to any Minister concerning public affairs in the United Republic which are within his responsibility;
  (b) debate the performance of each Ministry during the annual budget session of the National Assembly;
  (c) deliberate upon and authorize any long or short term plan which is intended to be implemented in the United Republic and enact a law to regulate the implementation of that plan;
  (d) enact law where implementation requires legislation;
  (e) deliberate upon and ratify all treaties and agreements to which the United Republic is a party and the provisions of which require ratification.'

The mandate and responsibilities of oversight bodies extend across the various levels of government. In addition to the Constitution, various laws, regulations and guidelines exist that operationalise the above institutions:

- The Public Finance Act of 2004 and the Public Audit Act of 2008 articulate the powers, responsibilities and functions of the National Audit Office.
- The Parliamentary Powers, Privileges and Immunities Act and the Parliamentary Standing Orders as amended up to 2013 articulate the powers, functions and procedures of the National Assembly.
- The Prevention and Combating of Corruption Act of 2007 legitimises and guides the work of the PCCB as does the Public Leaders' Ethics Act of 1995 in respect of the Public Leaders' Ethics Secretariat.
- The Parliamentary Standing Orders 1977 (as amended up to 2013) serve to operationalize the constitution and legislative framework guiding the functioning of the National Assembly.

There are three levels of representative oversight in Tanzania.

- The National Assembly or Parliament – at the national level, comprising elected and appointed Members of Parliament. [67]
- The District/City/Municipal Council, also referred to as the 'Full Council' comprising elected and appointed Councillors, at the council level.
- The Village/*Mtaa*[68] Assembly – at village level, comprising every adult person over the age of 18, of sound mind and not in jail, who is resident in that village.

These bodies are responsible for approving budgets (and at local government level also plans), overseeing implementation, and reviewing the various reports produced and tabled by the executive at their respective mandated levels.

District Councils derive their mandate from the Tanzanian Constitution[69] delegated authority granted by the central government.[70] Article 67 of the Local Government Act Number 6 of 1982 and Article 34 of Local Government Act Number 8 of 1983 require that all Full Council Meetings be open to the public and to the press. Standing Committees are not subject to this provision. However, each standing committee is required to table a report to the Full Council of its deliberations on all issues. In addition to being allowed to attend Full Council meetings, the minutes of all Full Council proceedings are required to be made available to the public for inspection and a procedure for making this possible should be in place.[71] Council Plans, Budgets, Annual Reports and Audit Reports are all tabled before the Full Council annually. Below is an organisational chart showing the composition of the Full Council.

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[67] URT Constitution, Chapter 3.
[68] *'Mtaa'* is the Swahili word for 'street' and in this case depicts the 10-Cell Unit used for urban councils as the lowest unit of government.
[69] URT Constitution, Chapter 8.
[70] Local Government Laws – Miscellaneous Amendments, 1999, Article 119.
[71] Local Government Acts Number 7 (1982) and 8 (1983).
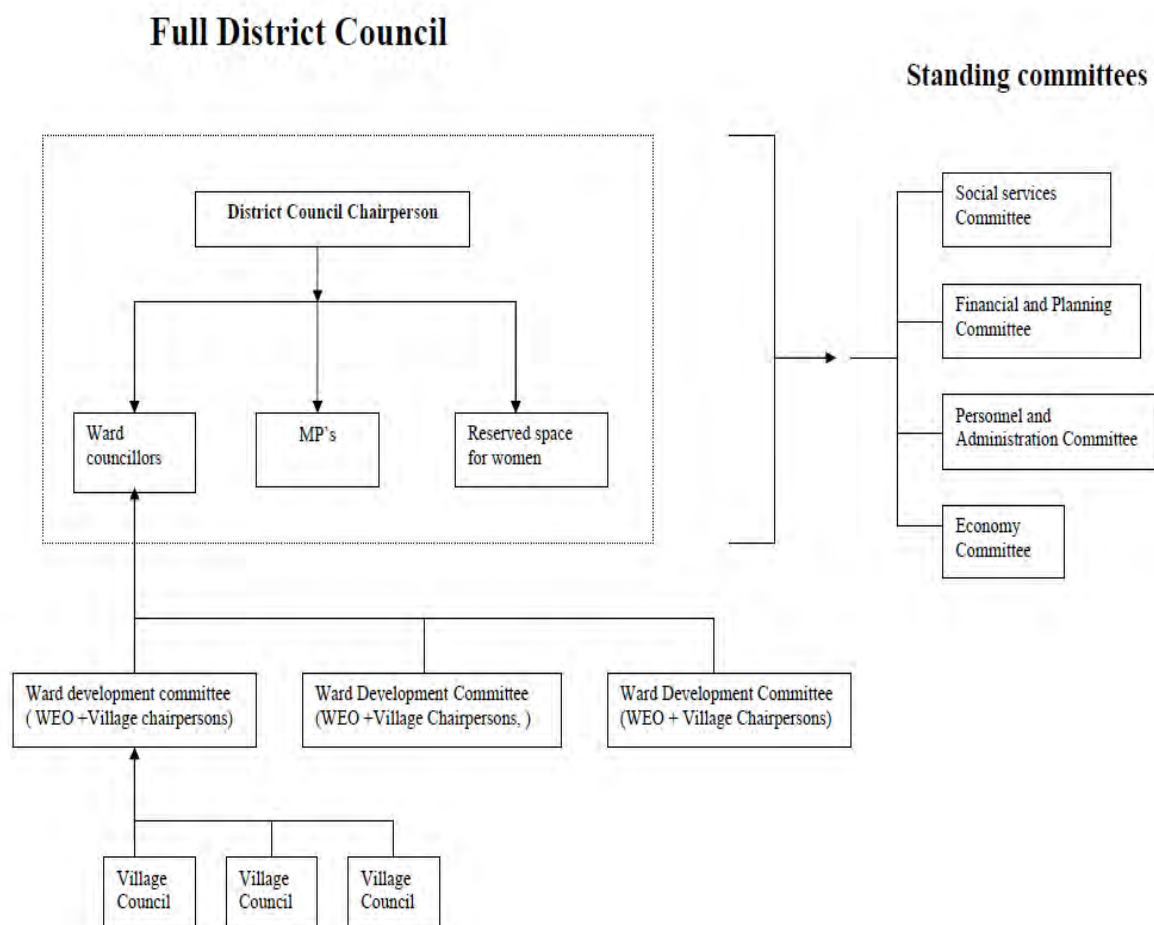
Figure 11: Composition of the Full Council for district councils

The Supreme Audit Institution

The NAO is Tanzania's Supreme Audit Institution. It is led by the Controller and Auditor General (CAG) and its functions are as follows:
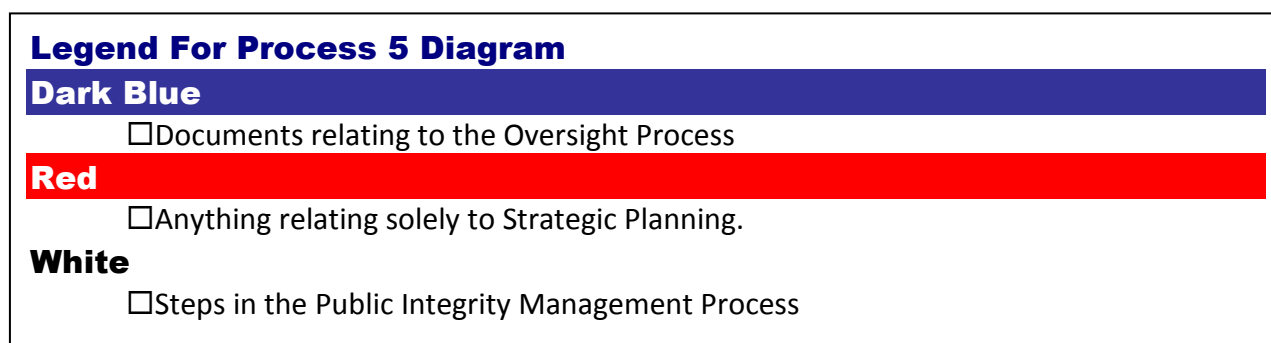
(a) '…to ensure that the use of any moneys proposed to be paid out of the Consolidated Fund has been authorized and that the funds shall be paid out in accordance with the provisions of Article 136 of this Constitution, and where he is satisfied that those provisions shall be duly complied with, then he shall authorize payment of such moneys;

(b) to ensure that all the moneys the payment of which has been authorized to be charged on the Consolidated Fund of the Government of the United Republic, or the moneys the use of which has been authorized by a law enacted by Parliament and which have been spent, have been applied to the purposes connected with the use of such moneys and that such expenditure has been incurred in accordance with the authorization for such expenditure; and

(c) at least once every year to audit and give an audit report in respect of the accounts of the Government of the United Republic, the accounts managed by all officers of the Government of the United Republic and the accounts of all courts of the United Republic and the accounts managed by the Clerk of the National Assembly.' (URT Constitution, Article 143)

The Public Finance Act of 2001 articulates the powers of the NAO to conduct financial and performance audits. The Public Audit Act of 2008 further elaborated on the powers and mandate of the CAG and gave his office further powers to conduct forensic audits. NAO Audit Reports for all LGAs are reviewed by the Local Authorities Accounts Committee of Parliament during which cross-cutting systemic issues are meant to be identified and recommendations regarding corrective/preventive action made to the relevant authorities.[72]

In addition there are a number of other bodies also mandated by the Tanzanian Constitution with an oversight function, some of which are:

1. The Commission for Human Rights and Good Governance (CHRGG).
2. The Prevention and Combating of Corruption Bureau (PCCB).
3. The Public Leaders Ethics Secretariat.
4. Public Procurement Regulatory Authority (PPRA).
5. Audit Committees.

Below is a diagrammatic illustration of the Process 5 in Tanzania.

Legend For Process 5 Diagram

Dark Blue
☐ Documents relating to the Oversight Process

Red
☐ Anything relating solely to Strategic Planning.

White
☐ Steps in the Public Integrity Management Process

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[72] Kanuni za Kudumu za Bunge, Toleo la 2013, Nyongeza ya 8, Sehemu ya 3, Ibara ya 13 *(Parliamentary Standing Orders (2013) Annex VIII Part 3 Clause 13).*

LGA Budget tabled before Full Council

MDA Budget estimates and Money Bills tabled in Parliament

Appropriation Act & Finance Act

Annual Action Plans (as reconciled with approved budgets)

Oversight of Budget and Plans (Standing Committees of Parliament, Finance & Planning Committees of the Full Council, and Village Assemblies)

Legislative Oversight of Resource Allocation Process at Village, LGA and Central Government Levels.

Resource Allocation and Strategic Planning for the upcoming financial year

Approval of Budget

Approval of Plan

Implementation of Budget and Strategic Plan (Expenditure and Performance Management)

Parliament sits as Planning Committee and deliberates on draft MDA Strategic Plans **but does not approve the final version**.

Full Council approves the Medium Term Plan & Budget for LGAs.

Execution of Budget (Expenditure Management Process)

Implementation of Strategic Plan (Performance Management Process)

Legislative Standing Committee Oversight of EM and PM processes

Preparation of Annual Financial Statements & Performance Reports be submitted to NAO no later than 6 months after year end for the Consolidated Fund and no later than 4 months after year end for all other spending units. PFA 2001 Art. 25

Annual Financial Statements and Performance Report

Submitted to the President (who must table instruct relevant body to table before Parliament during next sitting no later than 7 days after the sitting has begun). URT Constitution Art.143(4)

Tabled before Parliament/Full Council after consideration by PAC, LAAC, and PCAC.

Financial Audit and any other audit to be completed & submitted to the President within 9 months of year end. unless otherwise permitted by Parliament PFA 2001 Art. 35

Controller and Auditor General's 3 Annual Reports (Central, Local & Public Authorities and any Performance or Forensic Audit Reports

Committee Reports, Hansard, Recommendations

Committee Reports to Parliament/ Full Council Village Assembly

Performance Audit

Forensic Audit

MDA/Council/Ward & Village Council Responses

MDA, LGA, Village Council Responses

NB: There are 3 levels of legislative oversight in Tanzania legislated for the different levels of govt.
1) National Assembly or Parliament (National)
2) Full Council (District, Town, City)
3) Village Assembly (Village)
The oversight body for each level of government has legally defined areas of jurisdiction.

Process 5: Accountability to Oversight - Tanzania

The PSAM conceptual framework, as articulated in Part I of this report, asserts that the five processes of a government's public resource management framework should operate as a coherent and integrated social accountability system. This is necessary if human needs are to become human capabilities. The analysis of each process individually, conducted in chapter 5 of this report, may lead us to conclude that, in Tanzania, the core elements required within each process for it to function effectively and accountably are present to a large extent. However, it is not only how the five processes function individually but also the extent to which they coherently and supportively inter-relate with each other that makes them an effective vehicle for improved service delivery. When this coherence across processes is examined more closely, the weaknesses in the Tanzanian public resource management framework begin to show. The analysis in this chapter seeks to interrogate possible reasons for some of the case study findings. It is supported by the findings from the four districts that form this case study as well as other independent sources, such as the latest PEFA report and PER studies.

It is important to caution that further investigation and a larger sample of empirical evidence would be required before the experience in the four case studies examined in this report can be generalised across the entire government. It is also the case that the environment within which public resources are managed in Tanzania is extremely dynamic. The analysis below is based on our assessment of the system as at the end of 2012. Since then a number of reforms have been initiated aimed at addressing some of these problems. Failure to access official information about these reforms and legislative changes in time has prevented these from being included in these case studies. It is our hope that this analysis will encourage further investigation to test the hypotheses put forward in this chapter against a larger sample of LGAs and possible even across the various levels of government to determine whether generalizable conclusions may be drawn from these findings.

Needs Analysis in Strategic Planning and Resource Allocation

Needs analysis is generally weak at all levels of government. In every SAM intervention there was a disconnect between needs, as identified by citizens through the O&OD process, and priorities listed in strategic plans.[74] There was also a disconnect between strategic plans and budget allocations. This is despite the lengthy bottom-up participatory planning process at LGA level. The MTSPBM[75] mentions that needs of stakeholders and institutional needs must be taken into account in planning. However, despite making every effort to find a document that guides government institutions on how to identify, prioritise, analyse and reconcile needs that span across the hierarchy of government structures in the planning process beyond the O&OD guidelines, we were not able to locate any. In reality, O&OD is only implemented once every five years at village level, although in theory these plans should be updated on an annual basis in a participatory manner. This begs the question 'what is the basis on which needs are prioritised and analysed within

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[74]MIICO and Policy Forum (2012), Handeni SAM Committee (2010).
[75] *Medium Term Strategic Planning and Budgeting Manual 2005* , p. 3.

government?' If a basis exists at all, how consistently is it applied and why is it not transparent so that all Tanzanians can be aware of how these decisions are being made on their behalf?

Oversight of Resource Allocation and Strategic Planning

The approval of budgets without final strategic plans or MTEFs means that Legislators approve the budgets without scrutinising allocations against a detailed and costed strategy showing what the money being approved is expected to achieve. While it is a requirement in the Tanzanian Constitution that budgets must be approved by the relevant elected legislative body, final institutional strategic plans for MDAs at central government level are not subject to this requirement. In fact, we were not even able to locate in any of the documents we examined any requirement for final MDA strategic plans to be submitted to the National Assembly. Draft strategic plans are presented to Parliament which sits as a Planning Committee, normally in February, to deliberate on draft strategic plans and provide input. However, until the new Parliamentary Standing Orders were passed in April 2013 which formalised this process in the Parliamentary timetable, this is more a normative practice than a legislated or regulated requirement. There is still no requirement for the final version to be tabled in Parliament at all leave alone to accompany the budget to facilitate budget scrutiny. Budget estimates are tabled in Parliament as four large volumes referred to as the Budget Books. These contain a detailed breakdown of projected spending for the year in which the budget is to be implemented using a combination of administrative and economic classifications as well as a breakdown of the likely outturn for the current financial year. They do not contain a functional classification of expenditure and while they do include some past expenditure information, they do not include multi-year projections as one would find in the MTEF. While the Budget Books are very detailed, they do not show a breakdown of allocations against activities, objectives, goals and policy priorities. Detailed MTEFs are prepared by MDAs in which 3-year expenditure projections are linked to the hierarchy of objectives and activities in their strategic plans. MTEFs essentially cost the strategy through which the government intends to meet its policy objectives. These are not tabled in Parliament with the budget estimates nor are they generally made available to the public. This is a concern because the strategic plan should be the basis on which budget allocations are approved. Members of Parliament are mandated by citizens to approve the budget having considered what that budget is expected to achieve, how this will be achieved, by whom, and within which timeframe. This is the only way that they would know whether or not the expenditure they are approving is likely to achieve the policy priorities articulated in the budget speech and whether the distribution of resources across programmes has been done in the most efficient, effective, equitable and economic way possible. If any of this information is not thoroughly considered by the legislature prior to approving the budget, approval is little more than rubber-stamping and therefore the role of oversight in the resource allocation process is compromised.

Before the revised Parliamentary Standing Orders were passed in April 2013, the process for Parliamentary approval of the budget was not designed to enable effective oversight of resource allocation within government. Process 1 has experienced the most significant changes since the partnership began. The process as it was formerly carried out was diagnosed by the partnership in the development of its first Training of Trainers' course in 2009 to have the following shortcomings:

> 'Budget Estimates are submitted to the Clerk of Parliament for distribution to all MPs at least twenty one days before presentation in Parliament. Once the Committees complete their deliberations, the two budget speeches are read before Parliament and tabled with

the Budget Estimates no later than 20 June[76]. Parliament deliberates on the Budget for five days and then votes to approve or reject it[77]. It is only after the Budget has been approved that Ministerial Budgets are tabled. One would ask, then what is the purpose of tabling and deliberating on Ministerial budget speeches if the budget has already been approved? Furthermore, how can legislators approve a budget prior to knowing what the spending is actually aiming to achieve and how this will be done? Ministerial Budget Speeches are accompanied by a report from the relevant Standing Committee and a shadow speech from the opposition camp. According to the Parliamentary Standing Orders the Minister's speech must be accompanied by the relevant budget memorandum and be provided to MPs at least one day prior to the tabling of the ministry's budget. After deliberations for a period that should not exceed 50 days, Parliament then becomes a Budget Committee (Kamati ya Matumizi) and votes on each budget item. During this time, any Member of Parliament can propose to reduce the budget item by one shilling in order to symbolically express dissatisfaction with any aspect of the Ministry's performance. If a majority of MPs agree, the relevant budget item will be reduced by one shilling. The Budget Committee then presents its findings to Parliament which approves the Vote.[78] Once each Budget Vote has been deliberated on, Parliament votes to pass the Appropriation Bill. This is a very long and expensive process to go through for a budget that has already been passed. It is also unclear whether or not it is possible not to pass the Appropriation Bill if the budget has essentially already been approved. The Appropriation Act also does not contain any real detail on the content of Ministerial budgets. If it did, this might justify this additional deliberation process and its related expense. Appropriations in the Act are highly aggregated and the only disaggregation within a Vote is between recurrent and development expenditure. This together with the fact that budgets are scrutinised without detailed strategic plans or MTEFs demonstrates that oversight of the resource allocation process is at best weak and at worst not really taken seriously. Once this deliberation on each budget vote is complete, Parliament votes to approve the two Money Bills. (The Finance Bill deals with revenue and the Appropriations Bill deals with expenditure). Once passed, these two Acts operationalise the budget.'[79]

Furthermore, while it is a requirement in the Tanzanian Constitution that budgets must be approved by the relevant elected legislative body, final strategic plans at central government level are not subject to this requirement. In fact, we were not even able to locate in any of the documents we examined any requirement for final MDA strategic plans to be submitted to the National Assembly. While draft strategic plans are presented to Parliament which sits as a Planning Committee, normally in February, to deliberate on draft strategic plans, this is more a normative practice than a legislated or regulated requirement. There is also no requirement for the final version to be tabled in Parliament.

The above concerns have been raise in all SAM courses and have become an integral part of Policy Forum advocacy engagement with central government since 2010. The new Parliamentary Standing Orders passed in April 2013 have improved coherence within the resource allocation process considerably and have to a large extent addressed the above concerns. The only shortcoming identified in the above paragraph that has not been addressed is that while Parliament is required to approve the overall strategic plan for the nation, it still does not approve final strategic plans for government institutions. However, the requirement that Parliament input into strategic plans has

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[76] Kanuni za Kudumu za Bunge, Toleo la 2013, Sehemu ya Tisa (*Parliamentary Standing Orders (2013) Part 9*.
[77] Ibid.
[78] Ibid.
[79] Ibid.

been formalised in the Parliamentary Standing Orders and the session during which this must be placed on the agenda has been specified.

Resource Allocation and Expenditure Management

While estimates that are tabled in Parliament are very detailed, the enacted Appropriation Act is highly aggregated and contains none of the detail in the budget estimates. This is of concern because the

4 No. 6	*Appropriation Act*	2011

Issue of Shs. 13,525,895,350,000 out of Consolidated Fund

3. The Treasury may issue out of the Consolidated Fund and apply towards the supply granted for the service of the year ending on the thirtieth day of June, 2012, the sum of Thirteen Trillion, Five Hundred Twenty-Five Billion, Eight Hundred Ninety-Five Million, Three Hundred Fifty Thousand Shillings.

Appropriation of moneys voted

4. The sum granted by section 3 shall be appropriated to the purposes and in the amounts specified in the third, fourth and fifth columns respectively of the Schedule to this Act.

Figure 12: Excerpt from The Appropriation Act 2011

6 No. 6	*Appropriation Act*	2011

SCHEDULE

Vote No. (1)	Ambit (2)	Recurrent Expenditure (3)	Development Expenditure (4)	Total Shs. (5)
12.	The Salaries and expenses of the Judicial Service Commission	1,122,305,000	-	**1,122,305,000**
14.	The Salaries, expenses and Development Expenditure of the Fire and Rescue Force	3,025,992,000	-	**3,025,992,000**
15.	The Salaries, expenses and Development Expenditure of the Commission for Mediation and Arbitration	1,810,280,000	1,004,500,000	**2,814,780,000**
16.	The Salaries, expenses and Development Expenditure of the Attorney General's Office	9,202,501,000	1,401,000,000	**10,603,501,000**

Figure 13: Excerpt from The Appropriation Act 2011 - Schedule

budget should set strict and credible boundaries within which expenditure can occur and revenue can be collected. It is the Appropriation Act and not the budget estimates that sets these

boundaries. Figure 12 shows an excerpt from the Appropriation Act for the financial year 2011/2012 in which Articles 3 and 4 set the basic parameters within which normal expenditure can occur. Article 4 refers to the Schedule under this Act which sets out aggregate allocations for recurrent and development expenditure under each budget vote. This means that within his/her budget, an Accounting Officer is free to spend any part of the budget however he/she pleases as long as the amount of money is allocated to recurrent expenditure and the combined allocations to recurrent and development expenditure are not exceeded. There is nothing in the Act other than this requiring the Accounting Officer to spend according to the estimates that were tabled in and approved by Parliament. It is therefore possible for an Accounting Officer to spend the budget of an MDA on items that have no relation to the sub-allocations within budget votes presented in the Budget Books without going back to Parliament for approval and still be totally within his/her legal rights as long as spending remains within the aggregate limits for recurrent and development expenditure.

The Appropriation Act grants the Minister for Finance extensive powers to spend beyond the current means of the country. The Appropriation Act grants the Minister for Finance further powers to borrow on behalf of the nation and commit the nation to future debt servicing as long as the principle amount borrowed does not exceed the country's total budget allocation for the year. This Act does not include measures to limit the total cost of the debt or a requirement to assess affordability of the principle and interest in future years. The Minister may charge this loan to any of the assets belonging to the United Republic of Tanzania including assets contained within the Consolidated Fund. The power of the Minister for Finance to borrow is nevertheless limited by other legislation, such as the Governments Loans, Guarantees and Grants Act of 1974 and the Governments Loans, Guarantees and Grants (Amendment) Act, 2003. These laws provide Parliament with the opportunity to amend the parameters within which the executive is allowed to borrow and provide for a National Debt Management Committee chaired by the Permanent Secretary for the Treasury to advise the Minister for Finance on debt management. The Treasury is also required to report semi-annually to Parliament on its debt management. The assumption is that the public would be made aware if the debt situation was getting out of hand. However, the fact that government debt as a proportion of GDP has been rising steadily since the government obtained HIPC debt relief in the mid-2000s, the inconsistent quality of government reporting, the low quality and comprehensiveness
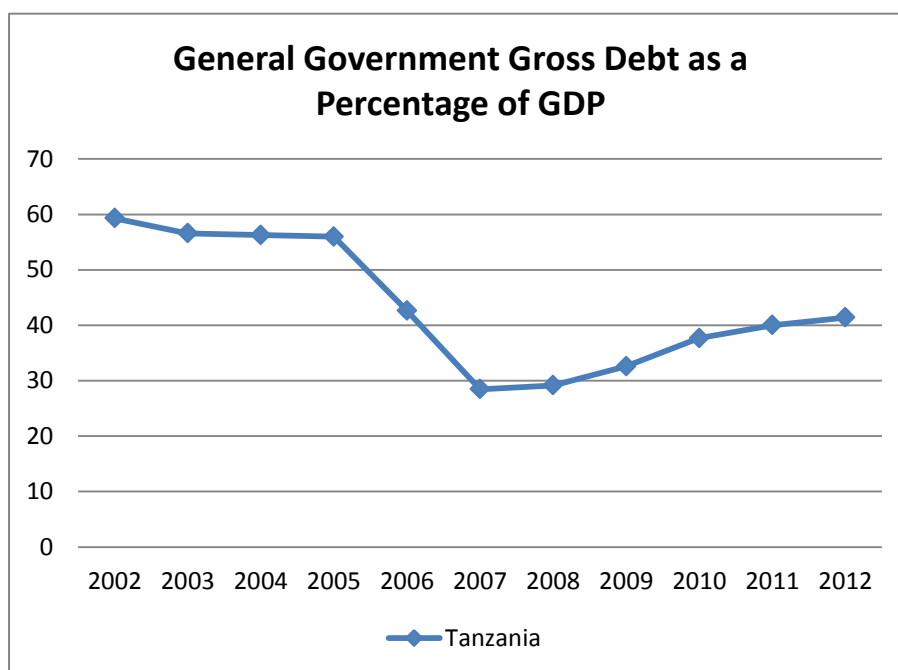
Figure 5: Government Debt as a % of GDP (Internaltional Monetary Fund, 2013)

of debate in Parliament on public finances, and an Appropriation Act that gives almost blanket powers to the Minister, does not inspire confidence in the extent to which debt management is overseen in Parliament. It is therefore not surprising that debt levels are beginning to rise again.

Strategic Planning and Expenditure Management

Procurement Plans and Annual Cashflow Plans are not uploaded on the EPICOR (the government's electronic accounting system) IFMS. Government does not have a pot of money from which it begins to spend at the beginning of a financial year. Approval of the budget gives government permission to collect money which is also the money that will be spent during the year. In order for a government to manage its spending in a way that ensures aggregate fiscal discipline (i.e. only spending what it can afford) it needs to know how much money has been collected at any given time and manage spending throughout the year to ensure that the amount collected at any given point in the year is enough to meet its spending commitments in the short term. This is not an easy thing to do, particularly given the volume of spending that occurs within government. A single treasury account (known as the Consolidated Fund) enables government to know how much money it has collected at any given time because all on-budget revenue goes through it. Cash budgeting was introduced to enable government to manage the expenditure side and thus ensure aggregate fiscal discipline. In the absence of a rigorous system for managing government commitments throughout the year, it becomes difficult for government to know how much money it owes and to know when payment will be due. This is why there is a need for Procurement Plans and Annual Cashflow Plans. These should help MOFEA extract this information and use it to ensure that all government spending units have the right amount of cash at any given point in the year to honour their payment commitments as they become due. EPICOR should help it to manage its cashflow. However, as with any electronic system, the garbage-in-garbage-out principle applies. The system can only help one to perform a task if the necessary information is uploaded and if it is entered accurately and in a timely manner. The PEFA report published in 2009[80] indicated that while Procurement Plans and Cashflow Plans are prepared by spending units and submitted to MOFEA, they are not uploaded onto the EPICOR system at central level. This may help to explain why the Public Expenditure Review (PER) Report of 2011 highlighted the problem of commitment control[81], referring to over-commitment of over 100 billion Shillings in the roads sector in the 2009/10 financial year.[82] In an environment where there is poor central management of commitments, over-spending and under-spending are commonplace (Kibaha, Handeni). There is also the concern that when a sector of government overspends, disbursements to other priorities must be reduced to cover the shortfall either in the current year or in the following year as arrears. LGAs, given their remoteness and their status in the hierarchy of government, are therefore likely to bear a disproportionate part of this burden. Poor commitment control is also a primary reason for payment arrears, late disbursement of funds and disbursements that are inconsistent with budget allocations.

There is still considerable spending, particularly at the LGA level, that is off-budget and off-plan. For a number of years, there has been a stated commitment by government and donors to integrated and comprehensive planning and budgeting at institutional level. This means that aid should be on plan and on budget to enable government institutions to have a comprehensive picture of what is to be done in the relevant sector, by whom and when. This enables them to make better plans, to

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[80] PEFA report 2009, p. 29.
[81] PER 2011, p. 17.
[82] PER 2011, p. 42.

avoid duplication and to make sure that resources are allocated optimally to avoid spending gaps. While progress in this area has been made at central government level (the latest PEFA report indicated that only about 5% of government spending was extra-budgetary)[83], our engagement with the local government level seems to indicate that the results are not as encouraging at that level. All Planning Officers asked during SAM interventions indicated that they do not include donor funds that do not pass through the Consolidated Fund in their MTEFs or their plans because this would commit them to accounting for funds whose predictability was more uncertain than funds transferred from central government. Projects implemented by non-government actors that perform functions for which LGAs have direct responsibility are not taken into account in LGA plans and budgets which may lead to duplication in some cases. Even more concerning is the failure by some LGAs to re-budget unspent funds at the end of the year as is required in the Council Financial Instructions of 2009. It was unclear to us what happened to this money, where it was recorded and what it was eventually used for. The problem is compounded when off-budget funds exceed on-budget transfers, as is the reality in some sectors at LGA level. This undermines planning because off-budget funds are essentially not planned for at LGA level until they are received either in cash or in kind. This in turn undermines integrated comprehensive planning, results in hand-to-mouth performance management, and is not conducive to strategic, efficient and effective service delivery.

Extra-budgetary spending has traditionally not been subjected to the same level of scrutiny by the CAG as are on-budget transactions. Beginning with the 2011/12 financial year this problem has largely been addressed since the NAO has begun to conduct a separate audit of donor funded projects.

Strategic Planning and Performance Management

Performance reports do not report effectively against strategic plan objectives and activities. Examination of a number of government reports revealed that what is planned and what is reported to have been done are often completely different at LGA level. There are several possible reasons for this. First of all, the Local Government Finance Act requires that budgets at the local government level are passed by the Full Council at least two months before the end of the financial year[84] (in April). According to this Act, the budget passed by the Full Council at this time is legally binding. This would not be a problem if the primary source of LGA revenue was within the control of the LGA. The problem arises because typically at LGA level own source revenues account for about 10% of total spending, although measures could be taken to increase this proportion (Mwanza). LGAs are therefore dependent on inter-governmental transfers, mostly from central government, for about 90% of their revenue. The national level budget is tabled in Parliament in June and the Appropriation Act is typically not passed until August. On what basis then is an integrated budget passed at the LGA level, one might ask, if at the time of passing their budget only 10% of an LGA's budget is within its control and how can this budget then be legally binding? LGA budgets are typically prepared based on expenditure ceilings within the Budget Guidelines. This presents two problems:

1. It is not uncommon for the budget guidelines to be issued late, in which case budgets are prepared based on the previous year's budget plus an inflationary increase (incremental budgeting).

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[83] PEFA 2009, p. 18.
[84] Local Government Finance Act (LGFA), 1982, Article 43(1)

2. Even if the Budget Guidelines are issued on time, the ceilings can change frequently and sometimes drastically (either upwards or downwards) after the Budget Guidelines are issued and before budget estimates are tabled.

The result would be that the planning and budgeting process at LGA level is normally undertaken without a clear idea of the anticipated resource envelope. If changes occur after the LGA budget is passed, the LGA is required to reprioritise activities within its Annual Action Plan once it receives its final allocation in August ,and to table the revised plan and budget in the Full Council for approval in order for spending to be legal. (Remember it is only the Full Council that has the legal mandate to approve LGA spending.) In reality, this does not happen consistently. By the time they receive their confirmation about how much has been allocated to their respective Councils after the national level budget has passed, LGAs are already at least four months into their financial year. As a result there are often several different versions of the budget and the plan at LGA level and with current staff vacancy and attrition rates (Ileje), there is often confusion within LGAs as to which is the final version. To make matters worse, in-year disbursements are often different from plans and budgets (Kibaha, Handeni, Ileje). Furthermore, off-budget funds are not included in medium term plans and budgets and come with their own set of activities and conditions. In this environment, it is hardly surprising that activities undertaken during the year often bear no relation to priorities articulated in LGA strategic plans. The result is that LGAs are no longer planning but instead they are managing and spending money that comes in from a variety of sources under fairly haphazard conditions. We should therefore not be surprised that O&OD priorities are not reflected in plans and that performance reports do not report on planned activities. Service delivery could not possibly be efficient or effective under such circumstances. The new LAFM that became effective in 2010, states that LGA budgets should be passed by the end of June of the preceding year. While this is preferable to what existed earlier, it still does not provide adequate time for the integrated budget to be scrutinised and passed since the national budget must also be passed by the end of June. Furthermore, Article 43(1) of the Local Government Finance Act no. 9 of 1982 (Cap 290) as amended up to 2000, from which the LAFM derives authority, has not been amended and still reads as follows:

> 'Every local government authority shall, not less than two months before the beginning of every financial year, at a meeting specially convened for the purpose, pass a detailed budget (in this Act called "the annual budget") of the estimates of the amounts respectively:
>> (a) expected to be received; and
>> (b) expected to be disbursed, by the authority during the financial year, and whenever circumstances so re quire, an authority may pass a supplementary budget in any financial year'.

Expenditure Management and Performance Management

Cash budgeting has become cash rationing and is not consistent with Annual Cashflow Plans which undermines performance management and the entire system. While warrants are supposed to be issued in accordance with Annual Cashflow Plans as prepared and submitted by spending units, in reality, non-salary disbursements and hence expenditure are rarely in accordance with cashflow plans and variances between budget line allocations and actual expenditure tend to be significant.[85] Significant reallocation within MDA and LGA budgets occurs throughout the year due to their inability to predict how much money they are likely to receive in any given month. This

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[85] URT Ministry of Finance and Economic Affairs, 2009.

being the case, it is hardly surprising that Tanzania faces the same problem as many other developing countries where cash budgeting has become cash rationing. As Tanzanians, we should be extremely concerned about this finding because we expect allocated resources to be spent and managed in such a way as to deliver our service delivery priorities as have been agreed through participatory planning and budgeting processes. When disbursements (particularly in relation to development budgets) are persistently different from plans and budget allocations (Handeni), performance management will be equally haphazard. It is therefore not surprising that annual reports do not report on planned activities, that there are significant variances between what is planned and what is actually done (Kibaha, Handeni), that public officials do not take the planning and budgeting process seriously and simply cut and paste activities from previous years or from the documents of other LGAs (as in Ileje). Given the interdependence of the five public resource management processes, this systemic weakness undermines the entire public resource management system making it impossible for government institutions to manage their service delivery commitments coherently. Eventually, as has been seen in our case studies, public officials stop taking the resource allocation process seriously since allocations will have no bearing on the eventual disbursements they will receive and activities undertaken will have no relation to strategic plans. This is how budgeting becomes a mechanical exercise leading to future unrealistic planning and budgeting thus continuing the cycle.

Expenditure Management, Performance Management and Public Integrity Management

Weak compliance with performance management, human resource and disciplinary procedures undermines accountability in the delivery of services. This was also highlighted in the PO-PSM Compliance Inspection Report of 2005. While it would be easy to assert that procedures exist for a reason and government officials should simply comply because those are the terms of the contract they signed, widespread non-compliance is almost always the result of a deeper systemic problem. When conducting SAM training, these issues are normally raised with public officials. The response we have received from them repeatedly is that they would not be opposed to undergoing a fair and consistent assessment of their performance if they were operating in an environment that was conducive to their meeting their targets. They claim that they experience both official and unofficial obstacles that undermine their efforts to perform their duties. The erratic disbursement situation is the most commonly cited cause of this. The complaint was that they cannot be held responsible for circumstances that are beyond their control. While the official constraints, such as late disbursements or other extenuating circumstances, could be taken into account during the OPRAs process, at least one public official mentioned other unofficial constraints, such as having to surrender a portion of one's budget to 'contribute' to unplanned activities. These might not be raised in the OPRAS process due to their 'unofficial' nature. When compliance with performance management systems is poor, this makes it impossible to implement disciplinary procedures fairly, particularly if the disciplinary issue is performance-related. The result is that there is poor compliance with disciplinary procedures as well. An environment where it is known that one is unlikely to be held to account for his/her performance creates the incentive not to set or comply with performance targets. When this continues to be the case at the individual level, it eventually affects the institutional level and service delivery is adversely affected.

Oversight and Public Integrity Management

Compliance with recommendations and directives from oversight bodies is weak and inconsistent at all levels. CAG reports for the period ending in June 2011 for both central and local government listed non-compliance with previous CAG recommendations as a key area for concern. They also listed failure to respond to and non-compliance with the recommendations of the Public Accounts Committee and the Local Authority Accounts Committee as a major concern affecting financial management in government entities. This has been a repeated concern for decades and despite the passing of a Public Audit Act in 2008 in part to address this issue, the problem persists. While mechanisms do exist to enforce compliance and to penalise those who fail to comply,[86] for some reason there is a lack of political will to enforce them. The oversight function is meaningless if it can be blatantly ignored by the executive and its administration.

A recent move by Members of Parliament to table a vote of no confidence in the Prime Minister for failing to hold his ministers to account for the findings in the CAG reports was encouraging because it shows us that oversight bodies are no longer willing to accept the impunity with which incompetence, non-compliance and misconduct are tolerated within government. Hopefully this trend will persist and maybe it will result in the systemic change we seek.

Progressive Realisation of Socioeconomic Rights

Implementation of and reporting on all five processes does not seem to take account of the core purpose that underpins each of these processes. All reports examined seemed to be primarily concerned about compliance with the numerous requirements of legislation, regulations, guidelines instructions and manuals coming from higher levels of government. To this extent the purpose of the process itself in relation to addressing needs and delivering services that turn rights into capabilities has been lost in all the box-ticking and form-filling that is required of them. The resulting incentive structure does little to encourage government institutions to develop well-thought through strategies that progressively realise the human rights obligations of the state. All four case studies identified 'the quality of decision-making and reporting within the respective LGAs' as a weakness. It is unclear to us whether this is due to capacity constraints or whether it is a deeper problem relating to the incentive structure currently in place. It would seem that there is a need to go back to the purpose of each process as outlined at the beginning of each section in chapter 5 and to review all the instructions that are given to lower level government institutions currently. This should be done with a view to ensuring that instructions in their entirety are only what is necessary and sufficient to achieve the core purpose of each process, to remove any duplication, to reconcile any inconsistencies, and to identify where the real gaps are. Directives should enable, encourage and require government entities to be strategic in their interventions and to have 'the achievement of results that are important to citizens' as their primary objective. The incentive structure should also proactively reward such behaviour and sanction entities that do not behave in this way. Most importantly, entities should understand and consistently bear in mind why they do what they do, what should be achieved at the end of the day and whether they are on track towards achieving these goals.

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[86] E.g. URT, *Public Finance (Surcharge and Penalties) Regulations* (2005).

PART III
The Policy Forum/ PSAM Partnership
…..and what we have learnt from it!

PART III: The Policy Forum/PSAM Learning Partnership...and what we have learnt from it!

Chapter 7.	The Social Accountability Monitoring Programme in Tanzania

According to the CSA's Framework of Change, the Training Programme aimed to achieve the following short term outcomes:

1. Civic actors in the region are aware of the right to social accountability.
2. Civic actors in the region are aware of the five processes of the social accountability system.
3. Civic actors in the region have the capacity to engage in evidence-based monitoring and advocacy on the five processes in order to give effect to the right to social accountability.

These short-term outcomes were expected to contribute towards the realisation of the training programme's short-to-medium-term outcomes which were:

1. Civic actors demand justifications for the use of public resources and for corrective action to be taken where resources are misused or abused.
2. Civic actors share effective evidence-based social accountability monitoring and advocacy tools and best practices.
3. Civic actors engage in joint advocacy on social accountability issues.

The Policy Forum partnership with the then CSA was originally established within the above framework and therefore was designed to contribute towards the above changes. The design of the programme at the time therefore adopted a purely 'capacity building' focus as the basis for the partnership. The move towards a research focus that now underpins the work of the programme was only shared with Policy Forum in 2012 during the final year of its 3-year collaboration with the RLP.

The partnership with Policy Forum was the RLP's first learning partnership in the Sub-Saharan Africa region. The primary purpose of this partnership is to assist Policy Forum members and partners to adapt the PSAM tools to the Tanzanian public resource management context, particularly at the local government level and to do so in a manner that tests the applicability and promotes the propagation and the sustainability of the approach. While the then Centre for Social Accountability and Policy Forum had collaborated informally since 2008, the formal partnership began with a Memorandum of Understanding which was signed in August 2009. The terms of the MOU were as follows:

1. The PSAM would develop a Tanzania-specific Social Accountability Monitoring course, replacing the fictional country practical case study with a Tanzanian district council through the five processes within the framework of the Tanzanian legislative, regulatory and normative framework.
2. The PSAM would design and present a Training of Trainers course for the Tanzanian SAM Course aimed at a selected group of candidates who have attended the Fundamentals of Social Accountability course, submitted an assignment, found competent, and who commit to be available to present the Tanzanian SAM course locally.

3. During the first course delivered by the newly trained SAM Trainers, one person from the PSAM would be present throughout the course to observe the new trainers as they deliver the course and to give verbal and written feedback to the trainers.
4. In order to ensure that the pool of potential trainers is large enough to enable Policy Forum to obtain an adequate selection of potential trainers, the PSAM would reserve five spaces on the Fundamentals of Social Accountability Course for members and partners of Policy Forum during 2009 and 2010. Policy Forum would contribute towards logistical costs for its participants at the Fundamentals course.
5. The PSAM and Policy Forum would jointly monitor the outcomes of their joint engagement between 2007 and 2010 through a joint impact assessment exercise during the partnership.

Policy Forum SAM Strategy

Policy Forum incorporated Social Accountability Monitoring into an addendum to its strategic plan approved at its Annual General Meeting of April 2008 after having sent a member of the secretariat and several network members to attend the first Fundamentals of Social Accountability Monitoring course presented in Grahamstown in August 2007. The approach and tools were seen as a strategy to more effectively enhance the capability of CSOs to influence public officials and institutions. As is stated in Policy Forum's report on its social accountability monitoring (SAM) activities for 2008 and 2009, this change in approach aimed to address a number of issues the network was facing some of which are listed as follows:

'Years of attempting to implement a bottom-up approach to influencing accountability has resulted in activities that are still predominantly "top-down". Furthermore, the PF monitoring and accountability activities were mainly uncoordinated and often reactive. This made it easy for the network to be dismissed by government and hindered its ability to effectively hold government to account. In confronting this challenge, SAM was seen as a more holistic, integrated and systematic approach to tracking accountability mechanisms and, through the five processes for governance, a method that would assist PF to attain a more balanced "bottom-up" method of monitoring.

Moreover, there were repeated calls by PF member organisations for the Secretariat to be focused more concretely on supporting work by members outside of Dar es Salaam. By partnering with regional and district networks, SAM offered the opportunity to pro-actively and concretely support the advocacy, governance and accountability work already happening in non-urban parts of the country'.[87]

While the original intention was to initiate SAM activities at the local level which would influence the network's activities at the national level, the first phase of Policy Forum SAM initiative has focused on the LGA level strategies. According to an addendum to its Strategic Plan for 2008-2010, as approved at its Annual General Meeting (AGM) held in April 2008, the purpose of the SAM initiative at LGA level was envisaged as follows:

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[87] Policy Forum, *Our Resources: Whose Decisions? Social Accountability Monitoring Report 2008/09.*

'At local level, one partner network will be assisted initially with tools and information that will strengthen their engagement in existing statutory processes for participatory planning, budgeting and monitoring. These include Village Assembly Meetings, Ward Development Committee meetings, District Development Committees, making presentations at full Council Meetings (where local by-laws allow for this, public hearings etc). Policy Forum Support will focus on civil society groups. While constructive interaction with local government is necessary, there must be a clear separation of roles, which is currently not always the case, to safeguard the independence of the process and to guard against co-optation. Therefore the primary aim of Policy Forum support will be to help civil society better monitor the local government in performing its role. Once the pressure is felt, the highly resourced capacity building mechanisms within government will have to orient themselves towards meeting this demand. The support is aimed at empowering and enabling people at community level to ask the right questions in order to sustainably influence the systems that affect social accountability in their own communities. To facilitate this, Policy Forum will enter into a collaborative agreement with one partner network working at regional level outside of Dar es Salaam for two years with the aim of supporting its SAM work. At the end of the first cycle, (the Policy Forum network would) undergo a social learning process whereby members are facilitated to assess how the process has worked and to learn from the experience of those who have undergone this process. If at this time, this approach is assessed to be useful, Policy Forum will consider the possibility of adding an additional partner network during 2009 to work with for a further two years'.[88]

Since the Addendum was approved, the Policy Forum Sam approach has been refined in several ways:

1. The network decided to increase the number of partnerships entered into each year from one to two due to demand from members.

2. The selection of partners is now a competitive process where applications are invited from members prior to the network's AGM and members make the final selection during the AGM based on clearly articulated selection criteria.

3. While the addendum maintained that the focus of Policy Forum SAM interventions would be civil society, SAM training and resulting interventions now include a combination of actors ranging from civic actors to LGA officials to Councillors (LGA-level oversight bodies).

Currently, the Policy Forum's SAM interventions generally follow the standard SAM strategy adopted by Policy Forum which has been modified and refined with time. This methodology is summarised in the following table:

Step	Duration	Intervention
1	3 to 4 weeks	Identification of partner network – The partner network for SAM initiatives is chosen democratically by network members through a competitive selection process in which a call for proposals is sent out by the Secretariat and interested member organisations submit applications to the Secretariat. The final

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[88] Policy Forum, 'Addendum to Policy Forum Strategic Plan for 2008-2010' April 2008.

		decision is made by Policy Forum members at the Annual General Meeting based on a set of criteria developed by the Policy Forum Secretariat and approved by its members. These criteria are listed in Annex 3.
2	8 to 10 days (depending on budget of partner network)	Orientation training – An initial workshop is held to introduce partner network members to the concepts and the five processes. During this workshop an implementation team is selected which will be primarily responsible for undertaking the actual SAM assessments. It is also during this training when the specific advocacy issue to be monitored through the SAM assessment is identified. The training is meant to enhance local knowledge of PRM Processes, areas of responsibility within government, the entitlements of citizens, and what can be done by civic actors to ensure participatory and responsive governance.
3	3 weeks to 4 months depending on accessibility of information	Undertaking of accountability assessments – Actual monitoring is undertaken using the following process: 1. Introducing the exercise to the relevant local government officials. 2. Collecting information as per the SA Score Card. 3. A four to five day training workshop for the Implementation team on the use of SAM tools to interrogate government public resource management documentation. Analysis of information in documents obtained also occurs during this time. 4. Synthesis and documentation of analytical findings and assimilation of this information through an accountability monitoring score card. 5. Verifying findings with Council officials, relevant Council Committees and peer review by core stakeholders prior to dissemination.
4	1 day	Dissemination of findings – This is normally done through a public meeting including a broad group of stakeholders (community members, civic actors, councillors, local government officials, the political head of local government, media).
5	Ongoing	Follow-up advocacy on findings – The partner network and the implementation team are responsible for advocacy at the local level. Policy Forum is responsible for linking the local level findings with its national-level advocacy and monitoring of systemic public resource management weaknesses. The aim is to work together to address service delivery problems identified at the local level in a sustainable manner.

6	Ongoing	Sustainability of SAM initiatives – Sustainability of the initiative is the primary responsibility of the partner network. However, Policy Forum has and will continue to support this by influencing an enabling environment for the sustainability of SAM initiatives. For example, Policy Forum in collaboration with the PSAM has negotiated with the Foundation for Civil Society (FCS) the inclusion of SAM as a priority area for funding in their strategic plan. Since then, MACSNET and TAWIF have managed to secure funding from FCS for their on-going SAM activities.

Table 2: The Policy Forum SAM Process

Initially, the local training that Policy Forum provided to its partner networks had been a shorter and simpler version (4-5 days) of the original course followed by some technical assistance during the analysis. Policy Forum decided to change its capacity building approach to the one presented in Table 1. Policy Forum trainers report that this new approach seems to be showing promise in that active participation from course participants and the types of questions asked seem to be demonstrating a deeper understanding of the concepts and material which is important for sustainability of the initiative. As time progresses, there will be a need to monitor whether this new approach yields a better outcome in terms of real capacity built.

Between 2008 and 2012, Policy Forum initiated SAM interventions in collaboration with partner networks in 10 councils. These were Mwanza City Council, Kibaha District and Town Councils, Babati and Kiteto District Councils, Handeni District Council, Ileje District Council, Morogoro Rural District Council, Ulanga District Council and Karagwe District Council. This report will examine four of these interventions as case studies. These are Mwanza City Council, Kibaha Town Council, Handeni District Council and Ileje District Council. Mwanza is a large relatively well-resourced urban council; Kibaha is a small poor urban council in close proximity to Dar es Salaam; and Handeni and Ileje are both rural councils and similar in terms of level of development. However, both are included in this case study due to the differing approaches used in the implementation of their SAM interventions.

The Case Studies

Mwanza

In July 2008, Policy Forum signed an agreement with Mwanza Policy Initiative (MPI), a CSO/CBO network operating in Mwanza region, to work with them to develop their social accountability monitoring programme. A four-day orientation training workshop was conducted during which the issue of the Mwaloni Fish Market proposed increase in levy came up as a topic of concern to many MPI members. An implementation team of eight people was formed, comprising members of staff and volunteers from NGOs and CBOs who were members of MPI.

The Mwaloni issue was initially raised by the Fishers Union Organisation (FUO), a member of MPI. This association comprises fishermen and those who sell fish at the Mwaloni Fish Market. In September 2008, Mwanza City Council announced that the fish market levy would be increased by 100% with effect from September 2008. FUO did not feel that this was fair because they felt they were already taxed very heavily and yet the plumbing in the fish market had been dilapidated for several years and the local government was not doing anything to rectify this situation despite the

sanitation and health issues they faced as a result. Poor sanitation within the fish market was contributing to the cholera and typhoid outbreaks that were a regular occurrence in Mwanza.

The team began by collecting the relevant documentation or outputs for Process 1: Resource Allocation and Strategic Planning.

After about three months of following up, the Social Accountability Monitoring team was able to obtain the following documents:

- Mwanza City Council Strategic Plan 2005/06 – 2007/08.
- Mwanza City Council Medium Term Expenditure Framework (MTEF) 2005/06 – 2007/08.
- Annual Plan and Budget 2005/06.
- Annual Plan and Budget 2006/07.
- Annual Report of the Controller and Auditor General for Mwanza City Council 2006/07

The team then began its analysis of the information that was obtained.

The analysis was conducted by asking a set of questions of the information contained in the official outputs from this process. These questions were developed by Policy Forum, adapted from the analysis tools used by PSAM to suit the local context (see Policy Forum analysis tool in Annex 4). The answers to these questions enabled the MPI Team, assisted by Policy Forum to draw a set of conclusions that were shared with the wider MPI network as well as the relevant government officials and local councillors in a public hearing, and which formed the basis for a joint advocacy initiative between MPI and Policy Forum from the national to the local level.

By participating in this analysis, FUO made a number of discoveries that were able to help them in addressing their problem:

1. The analysis revealed that of the council's revenue collected locally from Mwanza city (own source revenue), taxes, duties and levies collected from the fish market contributed 14%. This did not include grants from external sources, such as grants from central government, donors etc. When all of the Mwanza City Council's revenue sources were examined, it was discovered that even when all revenue sources were taken into consideration the contribution of the Fish market still amounted to 3% of the city council budget. Despite the significant contribution of the fish market to the city council's budget, they were excluded from the city council's participatory planning and budgeting process (O&OD), which was accessible to civic actors by invitation only from the Council. Other civic organisations, contributing significantly less to the Council's coffers, were invited to participate in this process. When asked why this was the case, Council officials responded that people who worked at the fish market tended to have low education levels and therefore were unlikely to have much that is of substance to contribute to the process.

2. The second discovery was that despite promises to the contrary from Council officials, there was no budget allocation in the Council's capital budget during 2007/08 to rehabilitate the water and sanitation infrastructure at the fish market. This was excluded despite its proportional contribution to the budget and the significant implications poor sanitation could have on the Council's potential income should a major health problem arise, such as typhoid outbreaks (a common occurrence in Mwanza city). Issues prioritised for capital spending included renovation of the Council Treasurer's office (25%) and renovation of the Mayor's office (7%) of the capital budget.

3. Thirdly FUO discovered a discrepancy of over 10 million Tanzanian shillings between the amount the Mwaloni Fish Market vendors had recorded as having paid to the company contracted to perform the job of revenue collection, and the amount the Council reported to have received from the revenue collection agent. Furthermore, the association claimed that if given the role of collecting the fish market levy themselves, they would be able to exceed the amount collected by the revenue collection agent, and would be willing to agree a quota with the Council that was higher than the current quota agreed with the revenue collection agent provided that their service delivery problems were addressed in the plan and budget. Assuming that these were not record-keeping inaccuracies, this would imply that approximately two thirds of the revenue collected from the fish market did not appear on the City Council's financial records.

As a result of the above findings, FUO decided that it had enough evidence to compel the City Council to come to the negotiation table. After failing to persuade the Council to hold discussions with them regarding the increased levy, they staged an organised civil disobedience action where they refused to pay any levies until the Council agreed to meet with them. MPI and Policy Forum also assisted in publicising the issue at the regional and national levels respectively. In December 2008, the Mwanza City Council finally agreed to meet with FUO and negotiated a way forward. The City Council agreed to retain the levy at its original rate. FUO was included on the list of civic actors invited to participate in the participatory planning and budgeting processes. A budget was allocated in the 2009/10 financial year to rehabilitate infrastructure at the Mwaloni fish market as per instruction from the Ministry of Livestock Development and Fisheries.[89] However upon following up progress in June 2012, FUO informed Policy Forum that they have never actually received an invitation to formal council meetings since they were included on the list. They did, however, initiate a meeting with councillors to discuss the hygiene issue at the Mwaloni Market in May 2012.

The findings of this case study were made public through a DVD recording of the public hearing that was part of the SAM intervention, a number of presentations made by MPI, Policy Forum, and the PSAM to local, national, and international stakeholders and two briefs produced by Policy Forum and the PSAM respectively. The findings were also shared with PMO-RALG and the NAO.

Since 2008, this case study has been widely shared and advocacy has been conducted in respect of the findings. In 2012, the NAO conducted a Performance Audit on the outsourcing of the revenue collection function in 14 LGAs in its 'General Report on the Performance and Forensic Audits Conducted for the Period Ending 31 March 2012' which included a special audit on the outsourcing of revenue collection at the local government level. This audit not only confirmed the findings of the Mwanza SAM initiative in this regard but also identified a number of systemic problems that created an environment conducive to under-collection and mismanagement of revenues collected. The findings from this audit report were the subject of considerable debate in the Local Authorities Accounts Committee of Parliament and contributed towards the call for the resignation of eight Cabinet Ministers, including the Minister for Regional Administration and Local Government from both the Opposition Camp and the CCM Ruling Party's National Executive Committee and a vote of no confidence in the Prime Minister from the Opposition led by the CHADEMA Party. This political crisis led to a Cabinet reshuffle in which six of the eight Ministers whose resignation had been demanded were removed from their positions. The Minister for Regional Administration and Local Government was transferred to another Cabinet position.

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[89] Policy Forum, *Our Resources: Whose Decisions? Social Accountability Monitoring Report 2008/09*, .

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Kibaha

As part of an initiative to foster collaboration and complementarities between its two working groups (the Budget Working Group and the Local Governance Working Group), Policy Forum decided to pilot a test case for its SAM work in Kibaha as a joint initiative of the two working groups in early 2008. Kibaha was chosen partly for its socioeconomic profile, partly for its proximity to Dar es Salaam and partly for the availability of a district-level network that was a member of both working groups and willing to host the initiative. In mid-2008 Policy Forum entered into a partnership with Kibaha Network of CSOs (KNC), a network of about 34 mostly CBOs operating in Kibaha. A five-day orientation workshop was conducted in June 2008 during which an implementation team of 18 KNC members was selected to support the working groups and to facilitate the initiative. Sourcing of documentation and data collection began in July of that year. Subsequently, analysis was conducted, and in this case the service delivery issue on which the intervention focused was identified from the following analytical findings:

1. During 2007/08, the approved budget for Kibaha Town Council was about 2.3 billion Tanzanian shillings. Only 1.3 billion of this was actually received from all of its funding sources. Of the amount received the council was not able to spend the full amount, remaining with about 335 million Tanzanian shillings of unspent funds at the end of the financial year. No justification was found for this under-spending in the Council's expenditure reports.

2. Despite a highly participatory planning and budgeting process at local government level in Tanzania, 54.4% of the KTC budget during 2005/06, 56.01% during 2006/07 and 48% during 2007/08 did not relate to the priorities identified during the O&OD planning process.

3. In the KTC development budget for 2007/08, of the 23,993,857 Tanzanian shillings allocated to agriculture, 19,497,178 had been allocated for renovation of the abattoir in Kibaha town. Yet a visit to the site revealed that the abattoir itself was dilapidated, unhygienic and had certainly not been renovated during that financial year.

These findings were shared by KNC at its monthly public debate held in Kibaha on 25 November 2009. This sparked media interest and a number of journalists published articles on the issue in the local and national press.[90] Following the press coverage on this issue, the District Commissioner decided to inspect the abattoir and upon inspection, she ordered its immediate closure, citing its dire state and unsanitary condition as reasons. This resulted in a meat shortage in Kibaha, which caused residents to complain. The complaints led to another inspection visit, this time from the Regional Commissioner. She in turn ordered the immediate repair of the abattoir and that it be temporarily re-opened while renovations and construction of a new abattoir were being undertaken. As of October 2010, some modest renovations had been made to the abattoir; provisions had been made for daily hygiene maintenance; and construction had begun for the new abattoir at an alternative location.[91] However, further follow-up has revealed that the construction has halted and the structure is still at the foundation stage, as was the case in October 2010.

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[90] Featured Video clips on the TBC News, 27 November 2009 PM and 28 November 2009 AM, also article in *Tanzania Daima* on 28 November 2009.

[91] Policy Forum, *Our Resources: Whose Decisions? Social Accountability Monitoring Report 2008/09*, .

Handeni

Since Policy Forum began to focus its capacity-building for members in the area of social accountability, demand for Policy Forum capacity-building in this area has been steadily increasing. The Handeni case did not follow the typical Policy Forum process. Tanzania Women for Impact Foundation (TAWIF), a Policy Forum member, approached the Policy Forum secretariat for assistance to train a team of TAWIF members who wanted to establish a SAM initiative in Handeni. TAWIF was not officially a SAM partner of Policy Forum. However, having established a need in the water sector and having secured funding from the FCS to undertake this initiative, they were not able to wait until the next Policy Forum Annual General Meeting at which time the next SAM partnership selection process would take place. The TAWIF Director asked that the Policy Forum secretariat make an exception in this case, as long as the burden on the secretariat would be limited to facilitating a training course. The Policy Forum Secretariat, noting the commitment of TAWIF having already secured its own funds and the limited input required, agreed to assist TAWIF on this basis. In addition, the Director of TAWIF had attended the Fundamentals course in Grahamstown, South Africa in September 2009 and a Training of Trainers course in Morogoro, Tanzania, in November/December 2009 both facilitated by the PSAM. Another member of staff at TAWIF attended the Tanzanian Social Accountability course organised by Policy Forum and delivered in Morogoro in March 2010.

With financial assistance from the FCS, TAWIF-Handeni initiated a project to monitor social accountability in Handeni district, specifically in the water sector. The project began in September 2009 and was completed in mid-2010. The intervention began with a 4-day workshop for the SAM implementation team organised by TAWIF and facilitated by the Policy Forum secretariat after which the team collected data and analysed findings.

The team collected information using a number of different sources. Obtaining information from the Handeni district Council proved to be a challenge. Nevertheless they managed to obtain the Medium Term Plan and Budget 2008/9 and 2009/10 as well as the O&OD Report for Handeni district. The team also collected information from the ward and village levels and was able to obtain village O&OD plans for 15 of the 17 villages falling within the TAWIF project area. The team also met with villagers and water committees. The remaining information obtained was sourced from the internet.

The team undertook analysis of the information gathered and came up with the following findings:

1. The spending profile for Handeni District Council during 2007/08 is as follows:

	Budgeted Amount	Disbursed Amount	Amount spent
Amount in TSH	7,620,772,935/=	6,630,999,801/=	5,910,820,825/=

Source: MTEF 2009/10

Despite receiving less than was approved in the budget, the team was surprised that Handeni DistrictCouncil was not even able to spend the reduced amount that was received. There was no explanation or justification of this under-spending in the reports received.

2. When the Team examined the recurrent and the development budgets for the water sector, it discovered the following:

	Budgeted Amount	Disbursed Amount	Amount spent
Amount in TSH	542,177,000/=	137,734,570/=	128,103,252/=

Source: MTEF 2009/10

Despite receiving just over a quarter of its approved budget, the Team questioned why the Council was not able to spend the entire amount received.

(Note: It should be acknowledged that in both of the above cases the amount spent was in excess of 85% of the amount received which by all intents and purposes would not normally be classified as poor performance. However, the team was looking at the money that was rolled over in relation to the urgent need for water within Handeni District Council and the repeated excuse that their needs are not met due to a lack of funds).

3. In the section of the report referring to the Council's achievements in the water sector, it was stated that the Handeni district Council had spent 807,417,023/= in the water sector. Given that the approved budget was only 542,177,000/= and no explanation was provided to explain the discrepancy, the team was wondering where the additional money came from. All of the above findings raised serious concerns among the team members particularly in relation to the vast difference between the budgeted and disbursed amounts and the Council's inability to plan and budget realistically and spend effectively.

4. Of the 15 villages in Vibaoni and Chanika wards, seven of the O&OD plans[92] for 2007/08 – 2010/11 identified water supply as the first priority and five villages[93] identified water supply as their second priority. Plans for the two remaining villages were not available.[94] It is clear that access to clean and safe water is a major area of concern to citizens in Handeni. Given this fact, one would have thought that when funds became available in keeping with Tanzania's cash budgeting system, the water sector would have been given priority for disbursement as funds became available during the year. Yet only 25% of the budgeted amount for the water sector was received by the council while almost 84% of the total budget for Handeni district council was disbursed. The team therefore questioned the integrity of the participatory planning and budgeting processes, particularly at the lower levels of government and saw the blatant disregard for citizens' priorities as a major challenge in Handeni.

5 When the team visited a number of villages they found that many villages were not able to provide them with the information requested nor did they have village notice boards, where planning, budgeting, expenditure and auditing information should be posted, as is the statutory requirement.

6. Finally, the council's implementation report stated that 14 water points had been built in the Makelele Village (Kwenjugo Magharibi) dam project area. However, when the team asked the villagers to show them these water points they were only able to show them seven and said that there were no more water points in these wards.

The Team attempted to verify the findings with Council officials but failed to get a response from them. After following up for several weeks, the findings were presented at a public hearing that was attended by Council officials, Councillors (including the Council Chairman) and the Member of Parliament for Handeni constituency. Of the concerns raised during this meeting, the representative of the Council Director could not respond to any, raising a claim that these needed be attended by the Director himself after giving him the findings two weeks prior to the meeting in order to provide ample time for preparation. When he was informed that there had been attempts to do this but no response was obtained, he requested a further two weeks to provide responses. The Councillors present, including the Council Chairman and the Handeni Member of Parliament, were also not able to respond. The Member of Parliament for Handeni constituency questioned

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[92] Vibaoni, Malezi, Kwenjugo Magharibi, Kideleko, Mdoe, Konje and Kwamngumi O&OD Plans for 2008-11.
[93] Kwediyamba, Kwedizando, Kwakivesa, Kwenjugo Mashariki and Kwekambala O&OD Plans for 2008-11.
[94] Kilimalang'ombe and Msasa.

whether local villagers really had the capacity to do all this analysis and raise these technical questions, and accused TAWIF and the CIT of attempting to sabotage the ruling party's political campaigns. It was agreed at the meeting that the findings would not be publicized further pending a response from the council officials within two weeks of the meeting. However, at the time of publishing this report, no response had been received from the Council officials. Nevertheless, some of the water points identified in the TAWIF analysis were reported to have begun functioning between July (when the public hearing took place) and October 2010.[95]

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Ileje

The Mbozi, Ileje and Isangati Consortium (MIICO) is a registered non-governmental and non-profit making Organization formed by three non-governmental organizations that are Actions for Development Programmes in Mbozi (ADP-Mbozi), Ileje Rural Development Organization (IRDO) and Isangati Agricultural Development Organization (IADO). The three organizations forming the Consortium began as individual Agricultural Development Projects in the 1980s. They were registered as NGOs in 1995, 2000 and 2001 respectively. Because of the close relationship that existed among them, they decided to form a consortium in 2002. Generally the consortium is committed to making sure that people in rural areas live a harmonious life and improve their livelihood. The programmes implemented by the Consortium aim to empower communities to spearhead their own development and include the following sectors: market access, gender development, HIV/AIDS, human rights and good governance.

MIICO was selected as one of Policy Forum's SAM implementing partner organisations at its AGM held in April 2010. The consortium chose health, agriculture and natural resources as their areas of focus for their pilot SAM intervention. The timeline for the intervention was as follows:

May 2010	MOU signed with the Policy Forum to collaborate in a SAM partnership.
July 2010	SAM Orientation Training for MIICO staff during which Ileje district was chosen as the location for the SAM intervention.
July 2010	Protocol meetings with council officials in Ileje to introduce the intervention. This included meetings with the District Commissioner, the acting Council Director, officers from the intervention's sectors of focus, civic actors from faith-based organisations (FBO)s, community-based organisations (CBO)s, and NGOs operating in Ileje district.
November 2010	In-depth SAM Training for 11 participants from a selection of organisations as follows: three FBOs, three LGA officials, five members of the MIICO consortium. During the in-depth training, a seven-member Council Implementation Team (CIT) was selected on the basis of willingness to participate actively in SAM activities, geographical location, and individual capacity to analyse documents produced from the five PRM processes. The role of the CIT was:

[95] This section draws heavily from: Kamati ya Ufuatiliaji wa Uwajibikaji Katika Jamii - Handeni 'Zero Draft Ripoti ya Ufuatiliaji wa Uwajibikaji Katika Jamii (USU) – Secta ya Maji Halmashauri ya Wilaya ya Handeni September 2009-June 2010', (Social Accountability Monitoring Team – Handeni *'Zero Draft SAM Report – Water Sector – Handeni District Council'*).

- Participation in training.
- Sourcing of documents and follow up.
- Analysis of findings.
- Verification of findings
- Assisting in dissemination of findings.
- Involvement in developing an advocacy and sustainability strategy.

Once the CIT was selected, sourcing of documents for analysis began. The process of sourcing documents, analysis and verification of findings took almost a year.

October 2011   The CIT met with LGA officials on 18 October to obtain clarifications, explanations and justifications for its findings after engaging with the documents obtained and with Councillors (oversight body at LGA level) on 19 October to share its findings and to discuss their oversight role in the SAM process. The team then produced a report incorporating the responses received from the LGA officials and comments from the councillors.

October 2011   A public hearing was held to publicise findings.

The documents that were used for analysis were as follows:

1. District Council Strategic Plan 2006/7-2009/11.
2. Medium Term Expenditure Framework (MTEF 2009/10-2011/12).
3. Comprehensive Council Health Plan (CCHP) 2009;.
4. Primary Health Services Development Programme (PHSDP),
5. Annual Report of the Controller and Auditor General for Ileje District Council (2009/2010).
6. District Council Expenditure Report (2009/2010).
7. Agriculture Department 3rd Quarter Implementation Report, Ileje district council (2010).
8. Contract for construction of Chabu dispensary.
9. Health department 3rd Quarter Implementation Report (2010).
10. PMO-RALG website: www.pmoralg.tz.

The findings of the CIT analysis were as follows:

Health

1. The CCHP identified a critical shortage of staff as one of the major health challenges in the district. This had been the case in Ileje district for many years. Table 4[96] below illustrates the extent of the problem.

Table 3: Health Vacancies in Ileje 2009/10

Health Post	Vacancies (with approved budget allocations and permit to recruit during 2009/10)	Number of posts filled during 2009/10
Medical Attendants	9	2
Clinical Officers	16	0

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[96] Information from Ileje CCHP, pp. 13-14.

Assistant Nursing Officers	14	0

The team questioned why, if there was a budget allocation for these posts, they could not be filled during the financial year. It was even speculated that perhaps the budget allocation was inadequate. The response obtained from the Council officials was that the process for recruitment for health posts is long, involves several steps including PO-PSM and the Ministry of Health and Social Welfare, and the mandates for each stage of the process are unclear due to conflicting messages from current legislation and regulations. It was stated that even the number of posts in the staff establishment did not meet the staff requirements that they had in the health sector

2. The CCHP identified malaria as the leading cause of death in the district accounting for 68% of the total mortality rate. Yet there was no budget allocation for malaria. When asked for clarification, Council officials explained that since most malaria-related activities were concerned with purchase of anti-malaria medication, raising public awareness about preventative methods (including the distribution of insecticide treated bednets) and new malaria treatment protocols, the budget for these activities was either included in other budgets line items, such as equipment, drugs, or campaigns, or not included in the budget because they were undertaken through donor-funded projects such as the one managed by Population Services International (PSI)

3. Two dispensaries had been built, one in Chabu Village and the other in Shinji Village and completed since 2009 but were yet to begin operations. Villagers told the team that there was no dispensary nearby and they had to travel across the border to Malawi for medical treatment. This required crossing the Songwe River which was uncomfortable and dangerous, particularly for pregnant women. Furthermore, the dispensary in Chabu had a problem with termites despite a requirement in the Bill of Quantities for construction of dispensaries that only treated timber should be used.

Agriculture

Although the budget allocation for the agricultural sector for Ileje District has been increasing in nominal terms for the past three years, there has been little improvement in the lives of the majority of farmers in Ileje. The budget allocation for agriculture has increased by 17% from 195,264,000.00/= in 2007/08 financial year to 229,140,400.00/= in 2008/09 financial year. In the 2009/10 financial year the budget increased to 543,761,844.00/=, an increase of about 137%. From the expenditure analysis it was revealed that the Agriculture Department had overspent against its 'other charges' (goods and services) allocation within its recurrent budget by about 64.4% in 2009/2010, as the allocation was 27,883,000.00/= but the amount spent was 78,751,873.63/=.[97]

Furthermore the team noted the poor quality of reporting in the council. For example, in the implementation report it was reported that the council had planned to conserve six hectares of land without mentioning the location of this land. In their annual report, this activity was reported as complete and yet the location of the land was still not mentioned.

In the Agriculture Department the team also found that, according to the reports 29,173,000.00/= was spent to cover motor vehicle maintenance costs. This amount was seen to be excessive and if it had been used more efficiently, some of it could have been used for other activities, such as to

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[97] MTEF 2009/10-2011/12, p 12.

train paddy growers, an activity which cost had been estimated at 16,126,650.00/= but was not undertaken because there was no allocation for it despite the fact that it was identified in the district council's strategic plan as a need.

Natural Resources

When the CIT examined internal coherence within the Strategic Plan, it was found that an objective in the plan was to increase sustainable utilisation of fishing products from zero tonnes per year in 2004/05 to five tonnes per year in 2009/10. The planned activity to achieve this objective was to purchase a 40 horsepower boat engine by 2008/09.[98] This surprised the team because there was no body of water within or adjacent to the district with the capacity to accommodate a fishing boat of this size. When questioned, Council officials confirmed that this had been included in error as it was unrealistic and did not reflect local priorities.

Even though the SAM intervention in Ileje is relatively recent, there have already been some visible areas of success.

- Staff Recruitment: During the site visits by the CIT team on 31 January 2012 at both Chabu and Shinji dispensaries, the team were told that staff had already been recruited. Therefore, pending the completion of staff housing and registration, the dispensary would be able to begin operating immediately. Currently recruited staff are working at Itumba dispensary.

- Repair of faulty construction: Because the construction of Chabu dispensary took a long time, its structure had begun dilapidating, including crumbling door frames and eroding paint. However, during the site visit on 31 January 2012, the team found the door frames had been changed and the process of painting the building with a new colour was on-going.

- Dispensary Registration: Shinji Dispensary has now been registered. However it is yet to begin operating due to the on-going construction of staff housing.

- Behavioural change of the councils' Accounting Officers: After the feedback meeting with stakeholders, district officials (Council Director & District Commissioner) have been visiting the villagers of Chabu dispensary frequently and discussing issues regarding the operation of the dispensary.

- Behavioural change of citizens: The implementation of SAM in Ileje district to some extent has influenced the citizen perception towards holding their leaders accountable. During the course of implementation the team witnessed citizens demanding explanations regarding the use of public funds drawing from evidence in the councils plans, a behaviour which had not been common prior to the intervention.[99]

MIICO has now incorporated SAM as a key component of its Strategic Plan for 2012-2015.

Chapter 8. What have we learnt from the SAM interventions?

The analysis so far supports the hypothesis presented in the RLP research questions in Part I, but only up to a point and under the right conducive circumstances. This chapter proposes some of the general circumstances that may influence the success of SAM interventions in addressing public resource management challenges, adjusting the power balance between the state and citizens in the social accountability relationship, and ultimately improving service delivery outcomes.

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[98] *Strategic Plan,* pp. 65 and 121.
[99] Drawn from *Ileje Strategy Journal* prepared by Policy Forum and MIICO as well as MIICO and Policy Forum, 2012.

1. **While there has certainly been an impact from SAM activities, a longer implementation timeframe and more implementation sites are needed to determine whether the major systemic change that is required in our public resource management system can occur and be sustained.** In the past there has not been consistent and rigorous monitoring of experience within the network. Monitoring and evaluation of its work was done to fulfil external obligations and was not seen as a process for continued learning and improvement. As a result, documentation has been inconsistent and not always rigorous. After some deliberation internally and externally, both Policy Forum and the PSAM RLP have adopted a mechanism for monitoring and documenting interventions, adjustments, outputs, outcomes and lessons using an adaptation of the outcome mapping monitoring tools with effect from 2011. Monitoring will need to be done consistently over a number of years to establish attributable and sustainable impact of the network's SAM initiative.

2. **Progressive improvement of SAM interventions requires a pragmatic approach to refining the SAM tools and a rigorous yet manageable system of real-time monitoring of SAM interventions to ensure that lessons can be learnt in time to inform any necessary adjustments.** The methodology and tools are continually being refined to determine contextual factors affecting the relevance, appropriateness and effectiveness of SAM approach in strengthening public resource management within Tanzania. Monitoring at this stage should have as a core purpose to provide useful and easily extractable information to improve SAM implementation. If a rigorous and consistent monitoring methodology is being applied, there is no need to rush evaluation until the approach has had time to produce reliable results be they positive or negative. This will require monitoring to be sustained beyond the partnership. It will also require the Policy Forum Secretariat to continue to support the monitoring of the SAM activities of its partner networks, long after the partnership has ended. Whatever monitoring methodology is adopted for the longer term, it will need to be simple enough, user-friendly enough and useful enough to partner networks for them to sustain the considerable investment in time that is required for effective monitoring. Most importantly, the learning from the real-time monitoring should be clearly documented, incorporated into programme design, and reviewed on an on-going basis to improve the effectiveness of SAM interventions in enabling systemic improvements in public resource management and accountability.

3. **The case studies show that the strategic and responsible use of evidence is a powerful tool that can assist civic groups to have a significant influence on public sector decision-making at local level using the PSAM approach to social accountability monitoring.** The proactive interest shown by central government institutions in SAM findings and the scaling up of local-level monitoring work also indicates that the central government in Tanzania is interested in gaining independent information on the performance of its institutions at the local government level. This was largely an unexpected development as the assumption from civil society groups has traditionally been that central government is ambivalent about their work if not actively opposed to it. However, perhaps this development should not be so surprising. The use of evidence from the government's own documents to support SAM analysis in turn empowers civic actors to be more confident in demanding explanations and justifications from government. This presents a challenge to CSOs to be more rigorous in their monitoring and to be careful to present findings that are credible and evidence-based in order for their work to have the intended influence on systemic public resource management weaknesses. One must remember that it takes much longer to build credibility than it does to destroy it and that once it is tarnished, rebuilding it is an even longer and more arduous process.

4. **The SAM approach and tools can apply across different contexts within a country provided that appropriate and relevant advocacy strategies are developed that suit the context.** The MIICO intervention in Ileje has been the only case where the SAM intervention was conducted in collaboration with the LGA and its oversight body, the district council. This facilitated easier access to government documents. It also encouraged the team to probe into the service delivery problems with greater depth and to uncover systemic problems, such as the lengthy and cumbersome process for staff recruitment that resulted in the persistent vacancy rate for health personnel in Ileje. The other interventions that did not involve public officials tended to end with the identification of primary-level problems and struggled to obtain adequate clarifications from public officials. FUO in Mwanza adopted a confrontational approach through civil disobedience and this elicited an immediate and decisive reaction from government to a problem that had previously been persistent. However, the process for addressing the systemic issues underlying the problems identified has been much slower and required the proactive involvement of other stakeholders within their networks. In both Mwanza and Kibaha, strategic use of the media played a key role in the success of the advocacy interventions. Mwanza being an urban centre with a strong media presence and Kibaha's proximity to Dar es Salaam made the use of media a powerful tool. For Handeni and Ileje, on the other hand, being remote rural districts addressing highly localised problems that were not as 'likely to sell newspapers', the use of media was considered less likely to bring about the change that was being sought. In such cases, it was most effective to empower these communities to engage with their local government structures directly but more assertively and persistently.

   All the above approaches have pros and cons. The collaborative approach used in Ileje could lead to co-optation and a blurring of mandates between demand and supply-side actors with negative implications for the accountability relationship. A confrontational approach could have led to an explosive and violent situation whose cost in terms of injuries and lives would far outweigh any benefits. The media is a valuable tool in advocacy if used strategically and appropriately. It is more successful in certain contexts (Kibaha) than in others (Handeni) where issues are more localised or less newsworthy. The attention span of the media is also brief. If the objective is systemic change maintaining media interest for long enough to achieve real impact would be a challenge that would require a high level of capacity for long-term strategic campaigning. Most CSOs would find this to be quite challenging given the current funding climate for civil society. An appropriate context and power analysis, as well as a focused commitment to clear advocacy objectives are key determinants of success in any advocacy strategy. In SAM interventions, where the ultimate goal is systemic change, this is particularly important.

5. **The strategic use of evidence from government's own documents in a rights-based manner is a key determinant of the success of a SAM intervention.** There is a view held by some in civil society that it is not the role of citizens to understand how government works. Citizens should instead be vocal about what their needs are and should express either satisfaction when the needs are met or dissatisfaction when they are not. The view is that governing should be left to governments. However, this approach is most effective when addressing highly controversial issues or issues that can incite a significantly broad public reaction. Even so, there is a risk that the public reaction elicited may not be the correct one to address the issue in the longer term. For this to be the case, demand-side actors need to become more sophisticated in the questions that they ask of government. The only way they can do this is to become more informed about how the system works, what their entitlements are, and where they should direct their interventions. Empowered with this

information, citizens have shown that when an issue affects them directly, given a certain level of capacity, and the right support:

    a. They are ready to be active holders of rights rather than passive users of services.

    b. They can acquire the basic capacity, with some initial assistance, to engage with the information produced by the system in order to successfully access their entitlements.

    c. Capacity to undertake SAM activities, if persistently applied, can increase with time.

6. **SAM is not merely another name for public expenditure tracking (PETS).** SAM interventions have a clear and solid basis in the human rights commitments that a government has made, making it difficult for officials to credibly question the legitimacy of such interventions by citizens on the basis of relevance. Civic actors using this approach in turn make a conscious effort to understand and engage with government as an integrated system for service delivery rather than as a set of individual institutions and processes. This is the primary difference between SAM and PETS. PETS focus primarily if not entirely on Processes 1 and 2. In doing so, one approaches government as a vehicle for managing resources. Those who implement SAM see government as a vehicle for recognising needs as rights and transforming these rights into capabilities. Therefore while PETS can be an important component of a SAM intervention, SAM as an approach, takes a more holistic view of government, its role, and its relationship to citizens than PETS. This distinction is supported by evidence from the findings in this case study and is particularly important due to the complex systemic environment within which services are delivered. Having made this distinction, the question that remains is: – Can we credibly claim that one methodological approach is superior to the other in this case? The answer to this question can only be that it depends on a number of things. Ultimately we must ask ourselves whether initiating a debate on methodological processes for monitoring is ultimately the best use of our limited time to achieve our social change objectives? The most important thing that we must all bear in mind is that the path to social change is complex and depends on a number of often very different actors often using very different methodologies to eventually arrive at a common destination. The more useful question would therefore be: – How can we manage the plethora of monitoring methodologies out there and take advantage of the diversity and specific role that each methodology plays to leverage the advantages and mitigate the disadvantages of the different types of interventions being used? At the end of the day we want to embark on the most efficient, effective and sustainable path to our social change objective. This would require a recognition that it takes a number of different approaches that act in a mutually supportive and interdependent manner to navigate the complexity of this journey rather than being caught up in a debate about the superiority of one approach over another.

7. **SAM is dependent on consistent access to public information and can be used to improve this access with time.** Access to information was cited as a major challenge across all case studies. Many accountability stakeholders are advocating for access to information legislation in the hopes that it will address this problem. While it is true that good access to information legislation can make it easier for citizens to enforce the provision of information held by government, it is by no means a silver bullet solution to the access to information problem. Even in countries where such legislation exists, such as Malawi and South Africa, civic actors still face similar constraints in accessing information to those in countries where no such legislation exists. Perhaps even more important than the legislation, is an institutional culture and a regulatory and normative framework that

guarantees and proactively ensures the enforceability of the constitutional right to access information for all citizens. For information to be accessible, it must first exist and it must exist in a form that is complete, rigorous, current enough to make it relevant, and in language that is accessible to its target audience. In an environment where recordkeeping is poor, data is unreliable, and documentation is outdated and of poor quality, access to information becomes meaningless. One of the core purposes of demanding justifications and explanations persistently is the assumption that doing so will improve the quality of public resource management outputs with time. Moreover, it is often the case that the resources in terms of capacity, time and finances that would be required to enable community members to access the benefits of such legislation would be prohibitively high. Therefore, while CSOs should advocate for such legislation, they should be mindful about the environment that would be required to make such legislation meaningful. Civic actors also need to be realistic about its potential benefits, limitations, and other advocacy opportunities that may be pursued to influence greater and more reliable access to public information. Other issues that prevent effective access to information include the quality and reliability of the information produced, the timeliness of its production, poor recordkeeping, inconsistent availability of council staff, and inconsistency/opaqueness of internal procedures for accessing information. The required use of notice-boards for publishing information has been widely promoted in Tanzania. The Public Expenditure Tracking Systems (PETS) Guidelines issued by PMO-RALG to all LGAs provide clear instructions regarding how citizens monitoring government should be able to access information for monitoring public finance management at the local level. However, even these guidelines have been misinterpreted by some at lower levels to justify not providing information to civic actors. Ultimately it is the mindset and culture (consciousness) of both demand- and supply-side actors that needs to change because laws and regulations can usually be circumvented. The PSAM rights-based framework provides a framework within which this debate can begin to happen.

8. **SAM can and should be used to identify and address systemic public resource management weaknesses.** There have been a number of technocratic reforms introduced to address systemic weaknesses at national and local government level and yet the fundamental problems persist. Coherence of reforms across government institutions and across levels of government is weak. At times, solving a problem in one area creates additional problems in other areas. One example of this is cash budgeting which was introduced for good reasons and has managed to create sustained aggregate fiscal discipline, the 2009/10 financial year being the exception to this. However, the primary excuse that citizens and civic actors obtained for government's failure to deliver on its promises (particularly at the LGA level) has been a shortage of funds or delayed disbursements. Evidence shows that aggregate fiscal discipline has not been accompanied by an improved ability by government to predict the resource envelope from one year to the next and to manage cashflow within a given financial year. The nature of the Policy Forum SAM initiative puts it in a unique position to do some more focused research into this problem from a bottom-up perspective, to identify the specific reasons for this systemic failure as well as how this affects the rest of the public resource management cycle and ultimately service delivery. Perhaps in future focusing on one systemic issue for in-depth study across the levels of government would add a further dimension to broader learning within civil society, which is the primary objective of the SAM initiative at the local level. This would be a concrete way to link community monitoring with systemic improvements in public resource management and could also further enhance the coherence across the

network's activities by connecting its SAM work to the more in-depth governance study that is mentioned in the Policy Forum strategic plan.

9. **Sustaining SAM work is key to generating the depth of learning that can be obtained from SAM initiatives.** To influence the sustainability of initiatives which one does not control is no easy task. Yet sustainability of such initiatives is largely dependent on two main factors: interest and capacity. There is no greater way to sustain interest than the ability to generate significant, consistent and sustainable results. The four case studies examined show that this is possible in the short term. The question will be whether these can be sustained in the longer term through systemic improvements in the management of public resources. As long as SAM initiatives can continue to do this, the likelihood of sustaining interest in SAM initiatives in the longer term will be relatively high. The second issue of capacity is just as tricky. Sustainable capacity cannot be built for someone else. The only way to influence sustainable capacity enhancement in another person is to support an already existing commitment within that person to build his/her own capacity. This principle also applies to institutional partnerships. The longer a partnership is dependent on Policy Forum for support the less likely it is to be viable and sustainable in the longer term. A responsible exit strategy should be an integral part of SAM partnership agreements from the outset and should be gradual enough to allow for a seamless transition leaving the partner with the confidence and the capacity to take the lead in sustaining the initiative. This does not mean that it should be inflexible and cannot change during the partnership. However, any changes will be the result of new knowledge acquired during the partnership. This is the primary reason why Policy Forum originally chose not to provide direct financial support to its SAM partners. Financial support inevitably creates a relationship of dependency in which the balance of power (and therefore ownership of the initiative) is uneven. This does not mean that partners' financial sustainability cannot be supported in other ways. Policy Forum has, for example, negotiated with the FCS, a local grant-making organisation for CSOs, the inclusion of social accountability monitoring in its current strategic plan as one of its priority areas for funding. This has increased the funding opportunities available for SAM activities from a foundation that specialises in nurturing the institutional capacity of younger less experienced organisations.

10. **Clear partner selection criteria and a competitive partner selection process can have an influence on the sustainability and effectiveness of a SAM Initiative.** It is interesting to note that the SAM initiative that has not been able to sustain itself beyond the partnership is the one that was not subjected to a competitive process. One must not forget that SAM is just as susceptible to institutional weaknesses as any other initiative. Involving the network members in the partnership selection process can reduce the risk of selecting an inappropriate partner network. Because member organisations interact with each other on a regular basis, involving them may assist in bringing up issues that the secretariat may not be aware of and therefore would not have considered in partner selection. The selection criteria should also require that applicants demonstrate a level of institutional maturity as evidence that the organisation will be able to sustain the initiative in the longer term. Having said that, all organisations, no matter how seemingly sound their management and governance systems may be, could show signs of institutional weakness further down the line. It is important to maintain constant communication between mentor and mentee as well as to initiate and sustain a risk management mechanism for partnerships so that problems can be identified and addressed before they become crises.

11. **Effectiveness in addressing systemic weaknesses requires a coordinated and networked advocacy strategy that spans across multiple levels of government and that makes use of**

multiple entry points. Not all service delivery problems can be resolved by engaging government at the LGA level. In fact most systemic issues span across multiple levels of government. Community level monitoring groups can become discouraged if they repeatedly encounter problems which they are unable to influence as was the case in Handeni. While early successes in correcting immediate service delivery failures such as the ones in Mwanza and Kibaha are empowering and encouraging, it would be unrealistic to expect this to happen consistently. Such early successes do not necessarily mean that the systemic issue that caused the problem has been addressed. A quick reaction from government could be an effective way to diffuse the situation with a 'quick fix'. In such cases because the systemic weakness still exists, the problem is likely to reoccur. However, the better one understands the system, the more one will be able to understand where to apply pressure in order to see results and the more sophisticated the advocacy strategies that will be employed. It is important to make clear from the very beginning that social accountability monitoring is a long term endeavour and to emphasise the benefits of addressing the issue systemically when introducing the approach.

The approach is also dependent on collaboration among different types of actors with different mandates, capacities and networks working across the different levels of government in order to have a significant impact on systemic weaknesses. Policy Forum being a network that represents a large constituency, was able to use its leverage to negotiate for the government to agree to make most of the key information required for SAM available to CSOs on request. This is a significant achievement, particularly in an environment that does not have an access to information law. The use of the Policy Forum network to convince PMO-RALG to issue a directive to all LGAs to release most of the documentation required for SAM activities to CSOs on request has been a significant step forward in creating an enabling environment not only for SAM activities but also for other types of monitoring as well.

The significance that is being attributed to SAM in the Policy Forum Strategic Plan as an overarching framework for all of the network's activities is a bold but astute move that may lead to further learning in relation to SAM and its application. The integration of SAM as a crosscutting theme across all Policy Forum programmes is an interesting development. While this is a bold move given that not all Policy Forum Members are involved in SAM work, there must be a solid group of members in support of this for the Strategic Plan to have been approved at the Annual General Meeting. Most systemic public resource management weaknesses span across levels of government and it is rare that they can be addressed sustainably by solely focusing on the local government level. The purpose of a network in this case would be to facilitate the linkages that would enable a problem to be understood from its systemic origin to its manifestation at the service delivery level. This way advocacy can be better targeted, more evidence-based and constructively useful not only in solving the problem but in preventing it from reoccurring. It would be worth monitoring this to see how it affects the network's advocacy and its effectiveness in linking issues and findings across the levels of government and beyond its traditional group of stakeholders. Furthermore, SAM through the five-process approach is broad enough to incorporate all of Policy Forum's previous activities. This decision can potentially bring coherence and complementarity to the network's activities. Evidence of this is already beginning to show in the way its SAM work has shaped the network's engagement with PMOR-ALG and the NAO.

Part IV
Analysis of Findings
…and some emerging success factors to guide SAM interventions

Part IV: Analysis of Findings and Emerging Success Factors

| Chapter 9. | So What Does All This Tell Us about our Research Questions? |

A distinguishing feature of the PSAM approach to social accountability monitoring is its systems approach to analysing public resource management for better service delivery. A number of systemic issues were identified in chapter 6. The analysis of the public resource management framework in Part II of this report undertakes a deeper examination of the public resource management framework in order to better understand the reasons for these chronic systemic problems. The PSAM Fundamentals of Social Accountability Course and its localised version teaches participants to use a set of tools to analyse each of the five processes and the extent to which they interact to form a coherent and effective social accountability system. It is this systemic approach that underpins the four research questions to be tested in each of PSAM's learning partnerships. We would not be able to conclude this case study without considering the findings in relation to the four research questions discussed in Part I. In case a reminder is necessary, these are listed again below:

1. Whether and how improved understanding of the five public resource management (PRM) processes as a coherent and integrated social accountability system empowers demand-side actors to extract meaningful evidence from the outputs of the system that they, in turn, use to interact more confidently, strategically and assertively with PRM processes to influence service delivery within their local contexts?

2. Whether and how the resulting interaction between demand-side actors and duty bearers leads to a better mutual understanding of the systemic PRM weaknesses leading to service delivery problems?

3. Whether and how the identified and acknowledged systemic weaknesses result in changes to the systemic environment within which PRM occurs?

4. Whether and how the resulting changes to the PRM context lead to more efficient, effective, and equitable service delivery?

Research Question 1: Whether and how improved understanding of the five public resource management (PRM) processes as a coherent and integrated social accountability system empowers demand-side actors to extract meaningful evidence from the outputs of the system that they, in turn, use to interact more confidently, strategically and assertively with PRM processes to influence service delivery within their local contexts.

In all cases, knowledge of their entitlements in terms of the budget and revenue allocations, strategic plan objectives, expenditure and performance empowered the SAM Teams to more assertively and confidently demand that their identified needs be addressed. FUO in Mwanza was the most assertive, going as far as to threaten to withhold their levies unless the government addressed their grievances relating to the tax hikes. The use of the media by KNC to publicise the issue of their abattoir was a strategic move that prompted a swift reaction from the Kibaha Town Council. In Handeni, the CIT members held their own in the public hearing and remained calmly assertive despite clear and aggressive push-back from their Member of Parliament. Of the four cases examined in this report, the MIICO case in Ileje is the one where the Council Implementation

Team (CIT), a community-level team, has begun to engage with the systemic issues emerging from SAM findings. Not only did this CIT relate the identified service delivery problem (the absence of accessible quality health care) to the absence of a functioning dispensary that was easily accessible to members of the community, the team went further to link the lack of medical services to the vacancy rate and failure to fill professional posts (performance management). The CIT went further still and compared the failure to fill vacant posts with budget allocations and budget priorities (resource allocation) and with the failure to spend budget allocations that had been approved for a number of the posts that were vacant (expenditure management). Most impressive though, considering this was a community level group, was the fact that the team even questioned the process through which vacant posts are filled and highlighted how this was affecting service delivery. While all four cases demonstrated increased confidence and assertiveness from the use of evidence extracted from the SAM analysis, the others were largely event driven and when systemic issues (such as institutionalised participation in planning and budgeting processes by FUO) were requested and agreed to, there was no subsequent follow up by either FUO or the Mwanza City Council. None of the other cases demonstrated this level of interrogation of the system through which services are delivered. Nor did they manage to use the evidence as strategically to achieve tangible and lasting results as in Ileje, where dispensaries which had previously failed to function due to the Council's inability to recruit staff to the vacant posts managed to place sufficient pressure on the recruitment process. The posts have since been filled and the dispensaries of Chabu and Shinji are functioning.

The Ileje case benefitted from several changes to the approach taken by Policy Forum in conducting SAM at the local government level which were made as a result of lessons learnt from implementing SAM in other districts:

1. The CIT included several local government officials.
2. The verification stage became a double tier process in which the district council's management team was consulted followed by a consultation with the Full Council and its relevant committees to verify the accuracy of findings and to seek explanations and justifications prior to the public hearing.
3. The membership on the CIT was limited to a small number of committed individuals and a Form IV level of education was included among the criteria for selection.

It was surprising that despite the inclusion of LGA officials, it still took almost a year to collect and analyse the documents. This suggests that the problem of information access may have as much to do with its production and availability as with any deliberate intention by officials to be opaque. However, the CIT's access to LGA officials was notably easier and officials were considerably more forthcoming with clarifications, justifications and explanations for the SAM findings. It seems as though including officials in the process made them less adversarial than in the other cases. The Ileje case also demonstrates signs of sustainability since, although it is the most recent case, it is the only one among the four chosen cases where there has been evidence of effective and sustained follow up of issues by both the CITs and the local government after the SAM exercise ended. Citizens in turn, having seen that interventions of this nature can bear fruit in terms of real tangible service delivery results, have been empowered to the extent that they now question government more on the decisions made as was noted in the case study findings. MIICO having institutionalised SAM within its longer term strategy has also provided sustained support for the follow-up process.

Research Question 2: Whether and how the resulting interaction between demand-side actors and duty bearers leads to a better mutual understanding of the systemic PRM weaknesses leading to service delivery problems.

In Mwanza, the intervention at the local level focused on rectifying a localised event which was a hike in the fish market levy that was perceived to be unfair. However in the process of analysing the documents from the public resource management processes and interviewing relevant officials to clarify findings, it was discovered that there was no common agreement as to how much was actually being collected from the fish market. Further interrogation of those paying the levy revealed that they did not trust the collection process and suspected that a significant amount of the total collected levy did not reach local government coffers. While this was not the service delivery issue that was being addressed, it turned out to be a systemic weakness identified unintentionally during the process of analysis. After over a year of publicising the findings of the Mwanza case, the processes governing the outsourcing of revenue collection at the LGA level, which had not featured prominently in the development discourse for a number of years, re-emerged to the extent that they were chosen as the subject of a performance audit by the CAG. We must acknowledge at this point that the CAG has not cited this case study as a reason for their decision to conduct this performance audit. While it would be unrealistic to assume that publicity relating to the Mwanza case is likely to have been the sole or even necessarily the primary reason for this decision, the chronology of events and the subsequent interest in Policy Forum by the CAG's office does seem to suggest that the CAG's office has been following the work of Policy Forum and has been sufficiently impressed to solicit input from the network into future performance audits. Arguably, the resulting performance audit has led to a considerably improved understanding of the systemic reasons for failure to meet revenue targets at the local government level, particularly in councils where local revenue collection is outsourced.

The adoption of social accountability as a crosscutting issue within the Policy Forum network that is articulated in its most recent strategic plan, has been key in enabling the network to identify and incorporate systemic issues emerging from its SAM work into its mainstream national level advocacy. Many of these systemic issues have been taken up by Policy Forum as well as by civil society networks working at the regional and national levels. Several points have been particularly striking in regard to this research question and these are elaborated as follows:

A collective action as opposed to a principal/agent approach to SAM work (Booth, 2012). PSAM's original thinking assumed that the demand-side (the principal) had both a responsibility and a vested interest in getting the supply-side (the agent) to deliver on its mandated commitments. After conducting the initial SAM interventions between 2008 and 2010, Policy Forum and its partners concluded that the resistance and defensiveness of this approach was not conducive to creating a common understanding of the issue that would lead to lasting conclusions. After much debate within the network and no real consensus on the matter, it was decided that a collaborative approach would be explored at the very least to get all actors to the same understanding about the intention of the exercise. This approach has not been without challenges. Mistrust among the diverse actors still exists; there have been some reports by civic actors that government participants in CITs are there to spy and report back to the other LGA officials; and the effect of the inclusion of LGA officials on CITs has had mixed results in terms of access to government documents. An interesting comment that was made, surprisingly in the form of a complaint, was that government officials would participate in CIT meetings and then go back and inform their colleagues so that the problems could be addressed before they came up in a public

hearing at the end of the SAM exercise. While this could serve to portray the SAM findings as outdated and therefore less credible, should we not be happy that the issue has been addressed, even though attribution for highlighting the issue will go to someone else? Nevertheless, the inclusion of government officials in CITs has been a key factor in raising the level of interest in and follow-up of systemic issues beyond the immediate service delivery concern by both demand- and supply-side actors. While there continues to be heated debate within CITs, the safe space that was created allowed people to be less guarded and more likely to be open about the constraints they were facing and the root causes of persistent service delivery problems. This helped civic actors in Ileje, for example, and other Policy Forum SAM partnerships that are not part of this case study to target their advocacy more appropriately at the level of government that had the power to effect change. It also demonstrated to supply-side actors that there is some value in engaging with community level demand-side actors beyond merely informing them of what they are doing. From the interaction in Ileje, demand-side actors within the CIT gained a better understanding of the constraints faced by local government officials and systemic problems that surrounded the filling of vacant posts originating from conflicting legislation and inefficiencies in other levels of government as articulated in Part II of this report. On the other hand, a clearer recognition of the nature and extent to which the service delivery failure affected and support and pressure form the demand-side at local and national level, provided local government officials with the legitimacy and evidence required to confront the issues at higher levels of government. A more comprehensive understanding of the nature of the constraints raised the level of discussion and analysis within the CIT because once the initial defensiveness was overcome, officials were able to contextualise their internal advocacy aimed at central government institutions and provide real service delivery consequences to support their arguments. This created a win-win situation for all concerned. Now both parties share the incentive to continue with SAM as a way to address other issues as well. We should be mindful that in the particular case of Ileje, both demand- and supply-side actors shared a common concern albeit for different reasons. The situation that emerged in Ileje will not always be the case and, where a common goal cannot be reached, collaboration in this way might not lead to the intended result. Under certain circumstances, some of the more confrontational approaches such as the approach undertaken by FUO in Mwanza may be more appropriate.

A second point would be that in Ileje, the inclusion of both demand- and supply-side actors within the CIT seems to have enabled the group to better understand and to delve into the underlying systemic causes that prevented the relevant posts at Chabu and Shinji from being filled rather than ending with the identification of the problem itself. The support of demand-side actors appears to have enabled Council officials to more assertively question shortcomings at higher levels of government. In Mwanza, once promises were made by the local government that their immediate demands would be met, the group no longer sustained its interest in pursuing the systemic issues that had been identified in the analysis. Subsequent SAM initiatives in Mwanza have moved on to identify new service delivery problems, while systemic weaknesses, such as the problem with the management of outsourced revenue collection, seems to have been forgotten by the MPI actors. It was eventually raised by the NAO which took on the issue at the national level. On the other hand, in the case of MIICO and its partners, there has been subsequent follow up by both the demand- and the supply-side actors at all levels of government even after the dispensaries began to operate.

This case study seeks to demonstrate the range of options available to citizens and to interrogate when various approaches are likely to be successful so that citizens and demand-side actors may be able to make informed decisions about how to use their power to make government accountable to them. There could be alternative explanations for this occurrence, such as the nature of the problems faced in either context or in the type of organisation doing the monitoring. However, since a key focus of the PSAM approach is to develop the type of interaction between demand- and

supply-side actors that leads to improved and sustained development outcomes, the hypothesis that the combination of demand- and supply-side actors on monitoring teams is worth exploring further as we continue to interrogate these research questions in this and other contexts.

Association of Local Authorities in Tanzania. In May 2011, Policy Forum was invited by the Association of Local Authorities in Tanzania (ALAT) and PMO-RALG to contribute to the finalization of the new Local Councillor's Handbook *(Masuala ya Msingi na Ujuzi Juu ya Uendeshaji wa Serikali za Mitaa).* Of particular interest to the organisers, was Policy Forum's input into the section of the handbook on 'Downward Accountability Mechanisms' intended to equip councillors with skills to enhance their oversight role by collaborating with CSOs. The section provides a framework for social accountability and cites some key Articles of the Constitution that ensure downward accountability, which tally with the SAM rights-based approach to accountability. The handbook also defines accountability as broader than just expenditure tracking and performance assessment. Below is a textbox that appears in the final handbook with language that is noticeably taken from the PSAM and Policy Forum SAM manuals:

Accountability as a right and duty
The model is based on an understanding of social accountability as a citizen's right:

All persons have a fundamental right to obtain justifications and explanations for:
- the allocation and use of public resources from duty-bearers entrusted with responsibility for these resources
- the performance of duty-bearers in progressively realizing the human rights of those they serve.

Conversely, duty-bearers have a duty to:
- provide justifications regarding their decisions and performance and
- to take corrective action in instances where public resources have not been used effectively to realise human rights and capabilities.[100]

This is a significant success in the SAM intervention because it represents the core language of SAM entering into the rationale for official guidance to public officials and oversight bodies at the local government level..

It is important to note that during the consultation the SAM approach was, however, highly contested by some government officials present as they felt it would confuse councillors who were now only just beginning to understand PETS. Nonetheless, there have been subsequent meetings between Policy Forum and the management team of PMO-RALG where they revealed that they are open to formal training on SAM. A Principal Economist from PMO-RALG attended the Fundamentals course in Grahamstown but he has since been promoted to the post of Council Director for a district council in Kilimanjaro region. He has assisted Policy Forum considerably by volunteering his district to be used as a case study for the updated Tanzania SAM course and making documents available to be used for training. While he can still influence the implementation of SAM in his particular district council, the influence he would have had on the instructions being given to councils from the centre is now diminished.

A number of other systemic issues have emerged during the course of the SAM partnership in Tanzania, most of which have been further analysed in Part II of this report. Some of these have been taken up within the government reform system since the first draft of this report was shared. Others have been investigated further in recent CAG reports.

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[100] See PSAM Fundamentals Course – Session 8, *Introduction to Expenditure Management.*

Research Question 3: Whether and how the identified and acknowledged systemic weaknesses result in changes to the systemic environment within which PRM occurs.

In most cases it is too early to tell whether a better understanding of systemic weaknesses has led to any specific action by government and the local government level. The one area where this has been evident is in the case of access to information for SAM activities. PMO-RALG has understood the significance of SAM to the extent that training on the PSAM methodology has been requested for PMO-RALG staff, and more importantly, that a directive has been issued to all LGAs to make documents necessary for SAM available to CSOs on demand. This is a recent development, and, if implementation happens as directed, is likely to lead to a change in the systemic environment within which accountability is exercised. It will be important to follow up on the implementation of this directive to assess whether and to what extent it will impact on actual access to information by citizens and civic actors at the local government level.

Nevertheless there have been some systemic reforms correcting specific issues with regard to weaknesses that have been highlighted through the partnership. Two examples in particular are highlighted in this section.

Parliamentary oversight of the budget: One example of this is the extent to which the incoherence in the process of parliamentary oversight of budget approval that has been highlighted in the localised SAM course and on numerous occasions in subsequent advocacy interventions by Policy Forum (including a face to face meeting with the NAO held at their request), has been almost completely addressed in the new Parliamentary Standing orders passed in April 2013. According to the previous Parliamentary Standing Orders as amended up to 2007, the process for oversight of the budget preparation process happened as per the following excerpt from previous drafts of this case study circulated for comment since July 2012:

> Budget Estimates are submitted to the Clerk of Parliament for distribution to all MPs at least twenty one days before presentation in Parliament. Once the Committees complete their deliberations, the two budget speeches are read before Parliament and tabled with the Budget Estimates no later than 20 June.[101] Parliament deliberates on the Budget for five days and then votes to approve or reject it.[102] It is only after the Budget has been approved that Ministerial Budgets are tabled. One would ask, then what is the purpose of tabling and deliberating on Ministerial budget speeches if the budget has already been approved? Furthermore, how can legislators approve a budget prior to knowing what the spending is actually aiming to achieve and how this will be done? Ministerial Budget Speeches are accompanied by a report from the relevant Standing Committee and a shadow speech from the opposition camp. According to the Parliamentary Standing Orders the Minister's speech must be accompanied by the relevant budget memorandum and be provided to MPs at least one day prior to the tabling of the ministry's budget. After deliberations for a period that should not exceed 50 days, Parliament then becomes a Budget Committee *(Kamati ya Matumizi)* and votes on each budget item. During this time, any Member of Parliament can propose to reduce the budget item by one shilling in order to symbolically express dissatisfaction with any aspect of the Ministry's performance. If a majority of MPs agree, the relevant budget item will be reduced by one shilling. The Budget Committee then

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[101] Kanuni za Kudumu za Bunge, Toleo la 2013, Sehemu ya Tisa (*Parliamentary Standing Orders (2013) Part 9.*
[102] Ibid.

presents its findings to Parliament which approves the Vote.[103] During the last three years, the process for deliberating the budget has exceeded 50 days. Once each Budget Vote has been deliberated on, Parliament votes to pass the Appropriation Bill. This is a very long and expensive process to go through for a budget that has already been passed. It is also unclear whether it is possible not to pass the Appropriation Bill if the budget has essentially already been approved. The Appropriation Act also does not contain any real detail on the content of Ministerial budgets. If it did, this might justify this additional deliberation process and its related expense. Appropriations in the Act are highly aggregated and the only disaggregation within a Vote is between recurrent and development expenditure. This together with the fact that budgets are scrutinised without detailed strategic plans or MTEFs demonstrates that oversight of the resource allocation process is at best weak and at worst not really taken seriously. Once this deliberation on each budget vote is complete, Parliament votes to approve the two Money Bills. (The Finance Bill deals with revenue and the Appropriations Bill deals with expenditure). Once passed, these two Acts operationalise the budget.[104]

As is described in detail in the section of chapter 5 of this report that describes Process 1 and the changes that have occurred within it during the partnership period, the above-mentioned incoherence in the system is almost entirely addressed in the new Parliamentary Standing Orders passed in April 2013. This incoherence has existed for a long time and was not addressed in recent amendments in 2004 and 2007. Furthermore, in a letter to Policy Forum dated 7 May 2012, the National Audit Office stated that Policy Forum has been identified as 'one of the key sources of information' for their next performance audit to be conducted on the 'Management of the Budget System in Tanzania' and requesting that any relevant information in their possession be made available to the NAO.[105] At the request of the NAO, a meeting was held on 25 May 2012 at Policy Forum offices between Policy Forum secretariat staff and the NAO. The aim of the meeting was to input on a Performance Audit Study on Management of Budget System in Tanzania and, according to Policy Forum, the following points were discussed:-

1. 'Flow of the Budget process specifically on the challenges and what should be done.
2. Timing of *Bunge*[106] to discuss Budget and its implication on disbursement of fund whereby we advised *Bunge* session on budget to end June.
3. Relationship with CAG on how best we can collaborate.
4. Simplified version of CAG report.
5. Last was the establishment of Parliamentary Budget Office'.

On 10 April 2013 Parliament approved new Parliamentary Standing Orders in which the process for parliamentary oversight of the resource allocation process, specifically for the approval of the budget, was completely reconfigured and almost all of the concerns raised in the Policy Forum meeting with the NAO were addressed. In a press statement from Parliament[107] issued on 11 April, the Deputy Speaker announced that changes to the budget schedule changes had been made at the recommendation of the Controller and Auditor General. While the chronology of events provides circumstantial evidence of a connection between the Policy Forum intervention and

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[103] Ibid.
[104] Ibid.
[105] Letter to Policy Forum from Wendy Massoy, National Audit Office, 7 May, 2012.
[106] *Bunge* means Parliament in Kiswahili.
[107] Tanzania Daily News, Tanzania: *Bunge Okays Budget Session Schedule Changes*, 11 April 2013.

recent changes in the budget approval process, there has been no direct attribution to Policy Forum by the relevant bodies.

Access to Public Resource Management Documentation at the Local Government Level: A second issue that should be highlighted is that Policy Forum has been engaging with the PMO-RALG on their social accountability findings both formally and informally since 2009. One of the issues that they have repeatedly highlighted through their formal and informal spaces is the difficulty in accessing public resource management documents at the local government level.

In October 2010, Policy Forum participated in the Annual Local Government Sector Review meeting and shared evidence of where civic actors were denied information as they implemented SAM.[108] This resulted in the PMO-RALG management team calling for a side meeting with representatives of the CSOs who were present on the day. In the side meeting it was resolved among other things that Policy Forum would lead in compiling a list of documents that CSOs require to undertake budget tracking exercises at the LG level and that a circular be sent to LGAs to recall to them their obligations to release information according to the existing statutes. It was also agreed that an MoU be drafted that outlines further structured collaboration between PMO-RALG and CSOs. The MoU and list of documentation were prepared by Policy Forum and presented to PMO-RALG in 2010.

The issue of access to information was also shared at the General Budget Support dialogue level of 2011 and PMO-RALG was thereafter requested to issue a circular to all LGAs and the public clarifying which documents can be publically accessed at local level (in accordance with the list that was developed). This was a criterion in the Performance Assessment Framework (PAF) of 2011. Although this was not achieved in 2011, this commitment was carried forward to the 2012 PAF in which it was stated that by May 2012 the circular be issued. Implementation of this is monitored and assessed under the 'Accountable Governance Assessment Criteria'.[109] In the status of implementation report on agreed assessment criteria for 2012 PMO-RALG reported this commitment under Assessment Criteria 2 as follows:

	ASSESSMENT CRITERIA	IMPLEMENTATION
2	PMO-RALG need to issue a circular to all LGAs and the public clarifying which documents can be publically accessed at local level (in accordance with the list that was developed and agreed jointly between CSOs and PMO-RALG).	A letter with Ref. Na. BA. 254/307/01 dated 4th October, 2012 was issued to Regional Administrative Secretaries for transmission to LGAs for implementation. A list of 19 reports was agreed between PMO-RALG and CSOs to be availed to CSOs.

The list of documents to be availed to CSOs by all LGAs according to the PMO-RALG circular can be found in Annex 4. In this list 19 of the 22 documents on the list prepared by Policy Forum in collaboration with other CSO stakeholders and submitted to PMO-RALG were included on the final list.

It will be important to continue to track whether and how the other systemic issues highlighted in chapter 6 are taken up by demand-side actors and the extent to which the findings of this report are acknowledged by and acted upon by supply-side actors.

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[108] PF Speech At The Local Government Sector Review Meeting 2010: http://www.policyforum-tz.org/files/PFStatementPMORALG.pdf (downloaded January 2011).
[109] Accountable Governance Assessment Criteria, 2012 Performance Assessment Framework.

Research Question 4: Whether and how the resulting changes to the PRM context lead to more efficient, effective, and equitable service delivery.

While service delivery improvements have been identified in each of the districts examined as a result of SAM activities, whether these improvements are isolated cases or whether they are likely to have an impact on sustainable systemic improvements is yet to be determined. It will be important to continue to monitor closely whether those systemic issues that have been identified where action has been taken eventually result in service delivery improvements.

Chapter 10.   Some emerging considerations for the design and implementation of SAM Interventions

While there has been some movement in at least three of the four research questions that frame the RLP's country work, the real question that remains is: 'What should be done differently?' Below are a number of factors to consider in this regard.

Nature of the Service Delivery Problem: The type of service delivery failure that spans across a number of processes or originates from a different level of government from its point of manifestation is better suited to a systems-based intervention than a problem that originates, manifests and can be resolved at the same point. One should note, however, that few service delivery problems are this simple. It is therefore important to be mindful of the system and how it works before beginning to tackle the often complex process of trying to address public service delivery failure.

Timely Access to Information: The success or failure of a SAM intervention is inextricably linked to the SAM implementer's access to the relevant information and being able to access it early enough to enable its use to impact on the decisions and actions of other actors. In an environment where this is impossible, this monitoring methodology may not be the optimum choice without preceding it with an initiative to address this crucial precondition to success.

Capacity: Once information is accessed, it must be understood. This understanding should enable the SAM implementer to recognise and understand how the pieces of the public resource management puzzle should fit together to eventually deliver a quality service to the appropriate target group in a timely manner. This is a core overarching component of the PSAM training. However, one should note that the selection criteria for courses assumes a certain minimum level of pre-existing capacity that is not always present among civic actors. While it is true that the course could be simplified, there is a risk that its simplification may be accompanied by a deviation from its core focus on systemic issues. This is a choice that can be made depending on the learning and advocacy objectives to be addressed in the training. There is also the issue of the nature, intensity and duration of technical support.

Technical assistance: An issue that came up in the interviews with SAM teams is the value of having continued technical support from Policy Forum and the need to extend this beyond the partnership. Policy Forum has also mentioned a number of times the need for continued technical support from PSAM. In addition, several members of staff Policy Forum secretariat have expressed concern about the quality of analysis undertaken by CITs after their partnerships have ended. The nature, intensity and duration of partnerships are all important factors for consideration in the design and implementation of SAM initiatives. Unfortunately at the moment there are more questions than answers. It is anticipated that the process of learning, documenting that learning

and incorporating lessons into the continuous improvement of SAM initiatives will yield some concrete lessons in this regard.

Awareness and understanding the relevant incentives structures: People will generally choose the least complicated route to resolving a problem. This would be the logical decision to make. Due to the complexity of addressing systemic causes of service delivery failure, one can expect that it will be difficult to motivate most demand-side actors (particularly without other additional incentives) to continue to follow up on systemic issues once their primary objective, the service delivery failure, is addressed. This understanding could help to at least partially explain why, in Mwanza and Kibaha, government was so quick to act in the face of loud protest. In Mwanza, at least, the systemic disfunctionalities ran much deeper than the simple increase in levy and many government officials were benefiting from systemic inefficiencies in the process for outsourced revenue collection. In such a case, the incentive would be to backtrack on the levy, knowing that people would be less likely to keep digging into the deeper problems once their primary issue has been addressed. It is also interesting to note that once the noise had died down, there was little movement in delivering what had been promised. An explicit understanding of this incentive structure may lead demand-side actors to re-think their choice of intervention and the amount of time they are willing to invest in getting the problem addressed for the longer term.

Context: In addition to understanding the information analysed, SAM implementers must also be able to use this information to develop an effective strategy to bring about the desired change under often hostile circumstances. Context is a significant determinant in the success of a chosen strategy. It cannot be assumed that an effective strategy in one context will be equally effective in another, even if the contexts have similar characteristics. Contextual factors are many and can sometimes be difficult to pinpoint. This makes it difficult to determine the appropriate time to scale up SAM interventions and what factors to take into consideration when scaling up.

Organisational readiness: Several donors in Tanzania have taken and interest in SAM and some are considering scaling up their SAM interventions. Unfortunately scaling up comes with a whole new set of complications that need careful management. For example, organisations that have a good understanding of a context may not have the necessary structures, systems, and/or capacity to manage rapid growth. The problem is that it takes a mature organisation to recognise that it has this shortcoming. As a result, when organisations are asked what prevents them from undertaking SAM activities, most would identify a lack of funding as the primary reason. Yet this may be one of many obstacles and often is quite low in the hierarchical scheme of obstacles. Scaling up effectively is actually quite difficult and is rarely done in a way that supports effective wide scale change. Both MPI and KNC have subsequently suffered from governance setbacks that have adversely affected the continuation of their SAM work. Their early SAM successes attracted additional funding. However, the funding distracted them and removed the incentive to address persistent organisational development issues which a lack of funding normally forces an organisation to address.

Cost: When Policy Forum began its SAM initiative, there was an implicit assumption that this would be a more cost-effective and hence sustainable way of monitoring. This was based on the experience that often PETS-based activities were generally not linked to specific socioeconomic rights and often could not be directly linked to a specific service delivery problems felt by communities. The assumption was that monitoring of money that people did not feel was theirs to eventually deliver services that they did not feel entitled to, created a detachment from the purpose of monitoring and caused people to demand upfront payment for participating in monitoring activities. It was also assumed that the level of empowerment provided by training and tools that enabled people to locate the origin of a service delivery problem and link it to a specific service delivery failure, would enable people to determine whether or not those providing service

delivery were responding truthfully to their complaints – and would help them to know whether to increase pressure and where to direct that pressure to get these problems addressed. The assumption of greater empowerment with SAM than PETS activities has proven to be correct. Empowerment is, in fact, the single most often cited value added for those who experience the PSAM -SAM process. While the culture of demanding payment continues to exist in Tanzania, it should be noted that CIT members are not remunerated for conducting SAM activities. Furthermore, the willingness of CSOs to allocate their own resources to obtain the training when faced with a shortage of funded spaces which, in Tanzania, has increasingly been the case, should also be acknowledged. This speaks to the value placed by communities and civic actors on acquiring these skills. Nevertheless, cost continues to be an impediment to conducting SAM activities. The numerous lengthy documents required usually cannot be obtained in soft copy at Council offices. SAM implementers are therefore required to make copies of the documents at their own cost. The extensive follow up that can take months before documents are acquired also leads to significant transport costs, time away from one's productive activities and the cost of having to pay for meals away from home due to the need to travel long distances to Council offices and required waiting times.

Timing of interventions: Timing, as one would expect, can have a significant impact on the success or failure of any demand-side intervention. We also found that the impact of timing on a SAM intervention can be positive or negative when other factors, such as context for example, come into play. To illustrate this, both MIICO and TAWIF initiated their SAM interventions during 2010 (shortly prior to elections) with quite different results. The main distinction seems to have been how the supply-side viewed the intervention. Where the supply-side viewed the intervention as an opportunity, they were essentially supportive. When the intervention was viewed as a threat, there was opposition. While timing of an intervention is best controlled, one does not always have that luxury. At any rate, it is important for SAM interventions to take account of the timing in the design of an intervention and to manage strategy in such a way as to make timing an asset rather than a liability in achieving the end result.

How change happens: Social change is a complex process involving a number of often very different actors all behaving in often unrelated ways that eventually brings about the change encountered. It is therefore important to outgrow the belief that change comes from a large number of related or similar actors behaving in the same way and be open to the possibility that it could and often does happen as a result of unconnected and unrelated variables whose unrelated decisions and/or actions form a system that leads to a shift in a society's thinking, discourse and/or actions. This does not mean that change cannot be supported. However, the design of supportive interventions should have a good understanding of the context and of the incentive structures (good and bad) that these distinct yet supportive interventions often inadvertently create. The importance of oversight bodies to the success of SAM interventions is one illustration of this. The NAO in obtaining better coherence within Parliamentary oversight of the budget process is another. The way in which the success or failure of SAM interventions are designed, monitored and evaluated will need to take account of this if real change is to occur from the interaction between demand- and supply-side interventions.

Chapter 11.   Broader Lessons for the PSAM

The RLP aims to embark on partnerships in a number of country contexts. An important element of its theory of change is therefore to identify lessons from each of its partnerships that that can be learnt across its various partnerships as well as those that can help to guide its thinking and inform any changes to its overall programme strategy. These broader lessons are discussed in this chapter.

1. Learning partnerships should be designed so as to facilitate and encourage equal accountability relationships among partners and care should be taken to ensure that this remains the case throughout the partnership. There has been much pressure from within and outside the partnership for PSAM to source and provide funding for partnership activities. The RLP has continuously resisted the temptation to take on the role of funder within the partnership. The partnership must be one where all partners have an equal voice. Should it ever arise that membership to the partnership is no longer the optimum way to achieve that partner's organisational objectives, the partner should be free to exit the partnership without the added complication of a funding relationship. It is also important to avoid introducing a hierarchical relationship in which one or more partner organisation has a greater voice (either real or perceived) in decision-making within the partnership because this partner provides funding to others in the partnership. Furthermore, the sustainability of partnership activities are also dependent on real ownership of the activities by each partner as well as coherent and effective integration of the partnership strategy within the overall strategic direction of each organisation. Funding of activities undertaken by partner organisations would leave the strategy vulnerable to being discontinued once the partnership ends and the funding stops. PSAM has therefore opted to work with partners where funding was identified as a prohibitive challenge in order to identify appropriate funding sources and to address any barriers to obtaining sustainable funding in whatever way it can. However, the primary onus to solicit and secure funding for its commitments as agreed in the partnership strategy.

2. While the PSAM's primary interest in SAM is its capacity to generate knowledge for broader learning and academic purposes, the primary motivation for civic actors in using the approach and tools is their potential capacity to provide lasting solutions to real and immediate service delivery problems. From a traditionally academic perspective, the theoretical framework determines the structure of an initiative. PSAM's location within an academic institution has therefore resulted in an incentive structure that values the justification of the theory behind its initiatives over the actual changes achieved in the systemic environment within which public resources are managed, not to mention improvements in service delivery. Policy makers and activists, on the other hand, adopt a more pragmatic approach in which theory is seen as a continuously evolving result of what works in practice. The service delivery result of an initiative is vastly more important to activists and policy makers alike than the theoretical framework from which an initiative is derived. To them, a conceptual framework is best viewed as a perpetual work in progress to be adapted and updated as new evidence comes to light from actual implementation. This is important to be aware of because it cuts to the core of the institutional tensions experienced by PSAM over the years arising from its institutional location.

3. As was observed in Handeni, community members are generally pragmatic and will choose the methodology or tool most likely to achieve the service delivery result that is sought, regardless of which methodological approach guided the initiative originally. Empirical research, on the other hand, requires that one remains consistent in a methodological approach for long enough to generate indisputable evidence as to whether the approach works or does not, and why. The PSAM will need to remember this when establishing partnerships. To require the partner organisation to 'buy in' to the PSAM approach in a wholesale 'dogmatic' manner would not be something that can be realistically achieved before the approach has demonstrated that it is useful in achieving the advocacy objectives of its target groups. It is the responsibility of the Lead Person for each partnership within the RLP to understand the strengths and weaknesses of the approach in various contexts or circumstances well enough to present the approach honestly and to be open about its strengths and weaknesses. This has to

be the basis for a healthy learning partnership. It is also the role of the RLP in collaboration with the Advocacy Impact Programme to interrogate, analyse and share the lessons learnt to facilitate broader learning in the sector. This way the hindsight of one context can contribute to foresight in another.

4. The contexts within which public resource management occurs are dynamic. If the PSAM is to develop a rigorous and credible conceptual framework, it needs to invest in acquiring a more in-depth understanding of the different contexts within which SAM is applied and the role that context plays in determining the effectiveness of social accountability initiatives. This cannot be done by sitting in one's office in Grahamstown and waiting for partners to send information. An understanding of the public resource management context in Tanzania both within the PSAM and within Policy Forum has been a critical success factor for the Tanzanian SAM initiative. The partnership has, in turn, provided a framework within which this understanding could improve and an environment within which new learning could be tested. Understanding of the concepts and tools of the PSAM monitoring approach can be acquired within a relatively short time. However, a real understanding of the context can take years to develop. Furthermore, the country mapping exercise conducted by the PSAM at the beginning of a partnership is useful but not adequate to be used as an overview of the context throughout the partnership, particularly because both the context and the partnership's understanding of it are continuously evolving. For this reason, the RLP has decided to make the original country mapping information a baseline exercise. This would produce a 'living document' in which the original findings are adjusted and amended throughout the partnership culminating in a more rigorous, accurate and relevant country mapping report to be published as a section of the case study report during the final year of the partnership.

5. While a focus on empowerment of citizens through a better understanding of the public resource management framework is certainly a powerful tool for balancing state authority with citizens' demand for accountability, this approach is dependent on a certain level of pre-existing capacity on the supply-side as well as the demand-side.. First of all, it is highly dependent on the ability of stakeholders to attain a basic understanding of the public resource management framework. This will by its nature exclude some actors who are not interested in investing the time or do not have the ability to grasp the concepts. Policy Forum Trainers found they had to set a minimum level of education of Form 4 (O-level equivalent) for those members of the implementation teams who would engage in actual analysis. It is true that the more easily understood the concepts and tools can become, the larger the number of actors that will be able to make use of them. It is also important not to simplify the tools or the approach to the point that they lose their meaning. There are multiple levels of action involved in SAM activities. As was shown in the Mwanza case, FUO needed support from MPI and Policy Forum to conduct analysis but once this was done, they were very capable of using the findings to compel the government to address their issue. It is therefore important to recognise that not all components of the approach can be applied by everyone independently. In an environment where support is limited, a simpler tool may well be preferable to community groups interested in monitoring governance and service delivery at the community level.

6. Social accountability does not have to be about 'us' versus 'them'. In the Handeni case, there was much heated debate about whether or not government officials should be included in the CIT. When PSAM was asked to provide guidance on this issue, the answer given was perceived to be an evasive 'it depends'. There are cases where including government on a CIT could be extremely detrimental for a SAM initiative. This is most likely in cases where the objective is not shared, where mutual trust cannot be built, or where there are strong incentives for one

side not to achieve the stated objective. There are also cases where it is desirable and sometimes even necessary to include some kind of representation from government in a SAM intervention. At a recent training workshop, an official from MIICO expressed the view that while he understands the reasons why CSOs may not want to include government in their SAM interventions, he does not see how a SAM intervention can be sustainably successful without involving government. The reasoning he put forward was that in addition to the fact that they hold the bulk of the information, the success of such interventions are too dependent on the decisions they make and the actions they take. Even when CITs include both demand- and supply-side actors, it is important to continue to be mindful of the respective roles, interests and agendas of all parties at the table and to use this awareness to manage the relationships carefully in order to arrive at a conclusion that has broad legitimacy and thus can be sustained.

7. The tension between scale and depth in the design and evolution of SAM partnerships is one that the RLP will need to consider carefully. While the Policy Forum partnership has been very successful in demonstrating the applicability of the approach in a real context, in demonstrating its usefulness in assisting demand-side actors to better understand how the government organises itself to deliver services, in beginning to inform and improve the focus and target of advocacy interventions and to begin to extract some lessons about the factors that determine the success of a SAM intervention, Policy Forum is currently rethinking its decision to deviate from the original plan by expanding its reach more rapidly than was originally intended. There two main things that drive this shift in thinking. The first is that there are questions about the ability of SAM teams to continue with the SAM process after the two-year partnership has ended without the added technical support provided by Policy Forum. The second is that there is not enough time built into the two-year partnership to allow for structured and rigorous reflection that can be sustained beyond the partnership, given that their SAM programme is essentially two people who are managing several partnerships at once. Greater priority is given to training and the implementation of the SAM intervention, which is understandably given greater priority by the regional partners and reflection tends to be largely neglected. The RLP has, since 2012, begun to include an annual reflection exercise in each of its partnerships. While this should help, the value of an annual exercise will only be optimised if it is accompanied by internal reflection within the local partnerships between Policy Forum and its partners at the sub-national level. Then the annual exercise would be able to focus on broader issues that span across SAM teams and the issues expected to have the most significant impact on the evolution of SAM interventions. For this to happen the SAM teams will need to develop a culture of reflection that is prioritised in their day-to-day work.

8. The issue of partnership duration has been a continuous point of debate within the PSAM's partnership with Policy Forum as well as between Policy Forum and its partners at the subnational level. Particularly since the duration of a partnership in this case has up to now been defined as the period during which technical support is provided at a relatively high level of intensity. This may eventually be redefined once a community of practice (COP) is established by the RLP, particularly since more widely accessible technical support is one of the expected outcomes of the COP. It is also true that a certain amount of technical support has generally preceded the establishment of RLP partnerships, primarily to develop a common understanding of the approach and the benefits of this type of collaboration. The RLP and its partners in the region will need to continue to explore this issue to develop a better common understanding of the optimal nature, intensity and duration of a partnership initiative. A number of questions arise from this issue:

a). Should this support be indefinite or should it be restricted to a specific time frame?

b). Is it possible to structure the support given to enable the time frame during which support is required to be reduced? If so, how?

c). To what extent and in what way is the nature, intensity and duration of technical support required context- or partner-specific?

d). Is there a certain type/level of core support that is required for a partnership of this nature regardless of context? If so, what does this look like?

e). Is there a relationship between the nature, intensity and/or duration of technical assistance and sustainability in terms of the application of the approach in a context?

These are important questions for the RLP to continue to interrogate as it explores partnerships in a number of contexts.

9. Finally, the Tanzanian case shows that the PSAM approach and tools can be adapted for application to a real country context outside of South Africa. The main question now is to distinguish between the generic factors and the contextual factors relevant to the adaptation and application of the approach in order to generate practical lessons about how impact can be achieved and measured. This is a potential area for further research in the PSAM's new Advocacy Impact Programme.

CONCLUSION

In the executive summary we referred to this case study as an exploration of what our experience in Tanzania can teach us about the extent to which citizens can influence what happens in their communities between elections and what can be done to improve this. The most interesting lesson that the Learning Partnership would like to explore further is how the approach can be used to change the nature of power relations in the service delivery dialogue between demand-side actors (civic actors, media practitioners and oversight bodies) and the state. As we indicated in Part I of this report, a core assumption of this approach is that development happens as a consequence of a progressively informed and increasingly sophisticated negotiation between the state and citizens (or their designated groups). We have learnt that SAM can be particularly useful in identifying systemic issues within public resource management and provides a framework within which these can be brought to light. We have learnt that SAM is a useful methodology to link systemic issues in public resource management with service delivery and ultimately the progressive realisation of socioeconomic rights. We have learnt that the success of SAM interventions is highly dependent on the appropriateness of the strategies used in relation to the context. We have learnt that coherence within the public resource management framework across institutions and across levels of government has a significant influence on the extent to which the framework is able to be accountable and to manage resources in such a way as to deliver intended services accountably and consistently. We have ascertained that adherence to accountability systems is influenced by the systemic environment within which public resource management happens. Finally, a finding that applied across all four case studies most consistently was that the PSAM approach can empower citizens with a basis for claiming their legitimate role in demanding justifications and explanations from government under certain contextual conditions discussed in chapters 8, 10 and 11 and that through this interaction, it is possible to compel government to act in certain ways. In environments where the patronage mindset is pervasive, this is a particularly important finding

because of its potential to affect the nature of the negotiation within the citizen-state relationship. Citizens are more likely to use their 'voice' between elections when:

1. They know that they have the legitimate right to do so.
2. They know that its use does have the power to compel government to listen, to respond, and ultimately to act.
3. They believe that the resulting action by the state can address their identified service delivery issue(s).

Government officials in turn are to a certain extent a product of the environment within which they function and the incentive structure that is in place. While a lot does rest on individual decisions, actions, and personalities, the systemic environment can have a significant impact on the way in which government officials perform their respective functions. Therefore in developing reforms, one must always be mindful of how reform efforts will affect this environment and its internal coherence as well as the incentive structure. This view favours a systemic approach to analysing government over a compartmentalised approach to looking at specific problems.

The PSAM and Policy Forum hope that this candid and detailed analysis of their experience will provide valuable information to others with an interest in social accountability monitoring initiatives.

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Annex 2: Policy Forum Selection Criteria for SAM Implementing Partners

Criteria for the selection of a partner network to work with for Social Accountability Monitoring (SAM):

1. Must be a registered, not for profit, Non-Governmental/Civil Society Organization network;

2. Strictly a non Dar es Salaam based organization;

3. Regional body with members and/or member organizations covering a (political/administrative) region, specifically with physical and operational presence in the Districts Organization's Longterm Strategic Plan;

4. Must demonstrate potential advocacy skills in improving SAM within their designated region either by introducing or re-enforcing principles of SAM towards the public and/or government;

5. The CSO must be able to demonstrate the ability to take initiative and provide evidence of having conducted a complete or ongoing creative, dynamic and innovative performance and/or public financial/expenditure tracking/ monitoring program;

6. Demonstrated adherence to sound financial management, including externally audited accounts;

7. Must be willing and able to apply a set of social accountability and monitoring tools to their current work practices and organisation-specific strategy;

8. Must be able to evaluate the effectiveness of resource allocations to key areas;

9. A demonstrated experience/ knowledge of Social Accountability Monitoring, Public Expenditure Tracking System/Strategies, Participatory Performance Monitoring, Participatory Rapid Appraisal, Public Expenditure Reviews, Citizen's Juries, or Independent Budget Analysis at either Regional or Local level (Regional Secretariat Budget or Local Government Authorities Budget);

10. Must demonstrate how Social Accountability Monitoring is compatible with the organization's Longterm Strategic Plan;

11. A demonstrated experience in handling Donor Funds;

12. A demonstrated commitment to and compliance with NGO Code of Ethics and the needs of the POLICY FORUM *NGOs,* Code of Ethics (see attachment);

13. The willingness and capacity to Organize, Coordinate and Supervise the implementation of Social Accountability Monitoring in its area of operation;

14. A demonstrated willingness to commit one member of its staff of a sufficiently qualified level for at least 2 years (2008 -2009) to coordinate SAM activities at local level (Please provide a CV);

15. Being a registered member of Policy Forum and possessing a functional M&E unit manned with adequate professional staff, as well as having strategic plans that illustrate clear vision and commitment to SAM will be an added advantage.

Annex 3: Synthesis of Findings

1. Composition of SAM Implementation Team:

Mwanza: 8   **Kibaha:** 18   **Handeni:** 17   **Ileje:** 7

Generally implementation teams were composed primarily from organised civil society. In Mwanza, the team was composed of MPI members (generally NGOs and CBOs). Kibaha was the Policy Forum test case, so that members of Policy Forum's two working groups (Budget Working Group (BWG) and Local Governance Working Group (LGWG)) could have the opportunity to experience SAM in a real setting. However, due to difficulties in securing consistent participation from working group members, the role of implementation team had to revert to a team of community members from Kibaha chosen by KNC. The Handeni implementation team was entirely composed of CBOs and community groups led by TAWIF. While the size of the implementation teams in Mwanza and Ileje are markedly different from those in Kibaha and Handeni, the size was determined by context, availability and interest rather than a conscious choice regarding the optimal size. In Ileje, the team was selected on the basis of willingness to participate actively in SAM activities, geographical location, and individual capacity to analyse documents produced from the five PRM processes.

2. Specific sector/policy focus:

1. General governance/Corruption   Mwanza, Kibaha
2. Access to Water   Handeni
3. Agriculture   Kibaha, Ileje
4. Sanitation and Infrastructure   Mwanza, Kibaha
5. Capacity Building   Mwanza, Kibaha, Handeni
6. Health   Ileje
7. Natural Resources   Ileje

2.1. Process for selecting the issue/intervention:

In Mwanza and Handeni, the community had identified a clear service delivery issue prior to deciding to embark on SAM work which guided their motivation to conduct SAM in that district. In Kibaha, the sector or area of focus only became apparent during analysis. In these cases, the original intention was a more general investigation into the management of public resources and the issue was selected by the regional partner network. In the case of Kibaha, this was in collaboration with the Policy Forum working groups. There is considerable variation in the sectors chosen for monitoring. In Ileje, the implementing partner, MIICO chose the sectors to focus on based on their experience of sectors where service delivery problems were identified and their organisational areas of focus.

2.2. Intended service delivery result:

1. Mwanza –   Improved sanitation infrastructure at Mwaloni Fish market.

2.	Kibaha –	A functioning and hygienic abattoir in Kibaha Town Council
3.	Handeni –	Better and consistent availability of water in Vibaoni and Chanika wards
4.	Ileje –	Functioning Health Centres and better Agricultural extension services

3. Process followed for the SAM intervention:

3.1. Role of Policy Forum:

Intended role as per Addendum to Policy Forum Strategic Plan:

- To proactively seek and provide (in accessible formats wherever possible) information and analyses to be used for SAM that is difficult to access at local level. This will be done through the provision of one resource pack per process for the first four of the five SAM processes. The fifth process evolves from the information collected during the other four processes and is done throughout the cycle.
- To provide a trainer/facilitator to train and mentor trainer/facilitators within district networks 4 times per year at strategic points in the accountability cycle.
- To coordinate inputs into, produce and publish a written report in accessible language after each learning session to be used primarily for learning and advocacy at the level at which the monitoring is done. These reports will also be used to compile and package the final product into a comprehensive 'state of governance' report, consolidating key issues arising and lessons from the local and central level monitoring. It will also inform strategic advocacy messages to be used in a joint communications and advocacy strategy of both Policy Forum and the partner networks through the national media, the policy dialogue structure and other avenues.
- To produce a 'State of Governance' report on an annual basis compiling the results of SAM work throughout the year. Since the report will be produced on an annual basis, it will be possible to track any changes in performance over time. This report will be launched publicly in the press and will be shared widely with other key development stakeholders.
- To assist and support partner networks in the use of local FM radio to raise awareness of and promote SAM in an interesting way throughout the community.
- To assist in linking partner networks with potential sources of technical or financial support for SAM work. This will include identification of potential sources, introductions, references and commenting on funding proposals as required.
- To assist in linking partner networks with any opportunities that may arise for sharing lessons from this initiative locally and internationally.

Actual role played:

- Introduced the approach and tools: – For the cases cited here, this was done in a five-day workshop. However, in the latest partnership in Ulanga a decision has been made to make the training a more intense introduction to the SAM concepts and each process in detail. This was done in 8 days although the trainers felt that 10 days would have enabled them to cover the material and check understanding more rigorously.
- Linked with PSAM training (the coordinator and a board member of MPI were trained on the Fundamentals Course in 2008 and 2007 respectively).
- Guide the process of analysis conducted by the implementation team.
- Assisted in dissemination of findings at the national and international levels.
- Follow up on systemic issues identified with national level actors.

3.2. Role of Partner Network:

Intended role as per Addendum to Policy Forum Strategy:

- Community radio to promote SAM and its use in promoting accountability at local level.
- If additional resources are required, prepare viable proposals for submission to relevant sources, enter into agreements with any such sources, and ensure that the resources are properly used and accounted for as per respective agreements.
- Proactively contribute to and comment on the reports produced and provide up to 10 members with an interest in monitoring budgets and service delivery either generally or in a particular sector to become community facilitators of SAM work in a particular district or village.
- Host and meet all logistical costs (venue, food, any relevant participant reimbursements or allowances, etc) for training and mentoring sessions that take place in their home territory.
- Identify interested community groups and work with them to identify specific sectors/issues/problems to be monitored throughout the cycle.
- Coordinate and facilitate actual SAM at community level and compile lessons and issues to be shared and addressed during the learning/mentoring sessions.
- Proactively contribute to the production of media messages, particularly radio.
- Engage in lesson-learning and sharing at local, national, regional and international levels.

Actual role played:

- Institutional home for the initiative.
- Providing any official documentation required (eg formal letters requesting documents, formal invitations to public hearings, etc).
- Selection of trainees for orientation training.
- Logistical and administrative arrangements for training and their costs.
- Sustainability of SAM in locality.
- Participation in analysis of documents as part of implementation team.
- Verification of findings with relevant Council officials.
- Organising public hearing for local dissemination of findings.
- Linking groups with other partners who provide continued technical and financial assistance to promote sustainability and expansion of SAM work.

3.3. Role of the Implementation Team:

- Participation in training.
- Sourcing of documents and follow up.
- Analysis and findings.
- Verification of findings
- Assist in dissemination of findings.
- Involved in development of an advocacy and sustainability strategy.

3.4. Were any adaptations/modifications made to the original Policy Forum SAM methodology during this intervention? If so, what were they and why were they made?

- The original duration of the training sessions varied across the case studies from four to five days. Since the logistical arrangements fell within the remit of the partner network, sometimes

the duration of training sessions had to be shortened due to budget constraints. Therefore the actual duration depended on the partner network's budget for logistics. In the shorter version of the training, the hours of training per day increased and there were fewer practical exercises. There has been a concern within the Policy Forum secretariat regarding the capacity of implementation teams to continue conducting analysis after the partnership has ended. For this reason, in the partnership which began in 2011, the duration of the training courses has increased and the course has been intensified. The orientation training workshop is now 8 to 10 days and focuses on the SAM conceptual approach and how each of the five processes works in Tanzania from central to local level based on the Tanzania SAM course developed by the PSAM in collaboration with Policy Forum. The second four to five-day course is just for those members of the implementation team who will be conducting analysis. Here the tools are introduced for each process and applied to the documents obtained by the implementation team relating to their own local government. This way, analysis is undertaken while the trainers are present to provide support and to provide any necessary clarifications and not after they have left.

- While in the Mwanza and Kibaha cases SAM was applied to the council level, the Handeni case went down to village level enabling greater and more substantive community involvement in the process. This also meant that while the other two cases applied the traditional PSAM SAM methodology, the Handeni case combined this with a participatory service delivery assessment approach combining elements of social audit and citizens' report cards. While this may seem like an anomaly when one considers their analytical findings, this approach was logical for the Handeni case. Most of the findings identified through the TAWIF-SAM exercise that can be addressed at the local government level (such as verifying service delivery and assessing value for money) could be more easily and directly addressed using the social audit and citizens' report card tools than the SAM tools. It is not surprising that these are the tools that they have chosen to use to continue their monitoring work.

- In Mwanza, Kibaha and Handeni, the CIT was made up entirely of civic actors. In Ileje, the CIT included government officials. This may have contributed to the LGA being more cooperative in terms of providing clarifications for the anomalies, accepting the analytical findings and taking corrective action.

3.5. What government documents were obtained and how long did it take to obtain them? Were there some documents that were easier to obtain than others? If so, which ones?

Mwanza
MCC Strategic Plan, 2005/2006 – 2007/2008.
MCC Medium Term Expenditure Framework (MTEF), 2005/2006 – 2007/2008.
MCC Annual Plan and Budget, 2006/2007.
MCC Annual Report of the Controller and Auditor General, 2006/2007.

Kibaha
Medium Term Plan and Budget Framework (MTEF), 2007/2008 – 2009/2010.
Annual Report of the Controller and Auditor general, 2006/2007
Taarifa ya Utekelezaji wa Miradi ya Maendeleo (Implementation Report for Development Budget) 2007/08, 2008/09 *na Mpango wa Bajeti* (and Budget), 2009/10.

Handeni

Council Implementation Report, July-December 2007/2008.
Medium Term expenditure Framework (MTEF), 2009/2008 – 2010/2011.
Council Annual Plan and Budget (APB), 2007/2008.
Ripoti ya Fursa na Vikwazo ya Halmashauri (O&OD report) 2008 – 2011.

Ileje
District Council Strategic Plan, 2006/7-2009/11.
Medium Term Expenditure Framework, (MTEF 2009/10-2011/12).
Comprehensive Council Health Plan (CCHP), 2009.
Primary Health Services Development Programme (PHSDP).
Annual Report of the Controller and Auditor General for Ileje District Council, 2009/2010.
District Council Expenditure Report, 2009/2010.
Agriculture Department 3rd Quarter Implementation Report, Ileje district council, 2010.
Contract for construction of Chabu dispensary.
Health department 3rd Quarter Implementation Report, 2010.
PMO-RALG website: www.pmoralg.tz.

It took approximately three months to access the documents that were obtained in Mwanza and about one and a half months in Kibaha. In Handeni it was not possible to obtain the documents by requesting them through official channels. The information obtained was either sourced through personal connections or downloaded from the internet. In Ileje, information was relatively forthcoming from government officials and that which could not be obtained in hard copy was sourced from the internet.

3.6. Advocacy strategy (include here any dissemination of findings or public hearings held as well as any subsequent advocacy done).

In all cases the findings were disseminated through some sort of public meeting attended by community members, CSOs, public officials, Councillors, and the media.

FUO in Mwanza decided to adopt a more confrontational approach where they organised a civil disobedience in which all business people at the Mwaloni Fish Market refused to pay further levies until the City Council officials agreed to meet with them. Interestingly, this was the most successful of the four interventions in terms of its immediate advocacy objectives. On the other hand, there was not enough interest/commitment within FUO or the MCC to sustain a longer term engagement with government on public resource management issues.

The findings from Mwanza and Kibaha have also been synthesised into case studies by Policy Forum and presented at various fora, including the network's monthly Breakfast Debate. In Mwanza and Kibaha further media coverage was obtained. For Kibaha, in particular, this media coverage opened up doors for them to access other policy dialogue arenas such as the Council Multi-sectoral AIDS Committees (CMAC) and the District Development Committee Meetings that they had not previously been invited to.

The Ileje CIT came up with a local advocacy strategy which included a public hearing and subsequent follow-up visits by the CIT. A report on the intervention has also been compiled and posted on the Policy Forum website[110].

4. Results of the SAM intervention:

4.1. Successes

Mwanza

1. After 9 days of refusing to pay the levy, the MCC agreed to meet with FUO representatives and held discussions at the end of which the 100% increase was rescinded.
2. Furthermore, FUO is now invited to participate in the MCC's planning and budgeting process as are other large CSOs.
3. The 2009/10 Council plan includes an allocation to improve water and sanitation systems at the fish market.
4. MPI has managed to secure funding from HIVOS to scale up its SAM work
5. HakiElimu and Forum Syd have entered into partnerships with MPI to conduct SAM activities in Ukerewe, Magu, and Sengerema districts in Mwanza region.
6. All SAM findings were disseminated widely by Policy Forum during the course of 2009/10. In his *General Report on the Performance and Forensic Audits Conducted for the Period ending 31 March 2012*, the Controller and Auditor General conducted a performance audit of the management of outsourced revenue collection function by a sample of 14 local government authorities. Similar discrepancies as had been found by the SAM team in Mwanza were identified in this audit. His report concluded that 'LGAs do not plan properly before deciding to outsource the revenue collection function to private revenue collectors; Procedures used to procure private revenue collection agents are not transparently and efficiently managed; Contracts do not adequately safeguard the interests of the Councils; and Monitoring of the revenue collection agents is not efficiently conducted by the Councils'.[111] This report raised a number of issues, including one that led to a call by members of Parliament from a number of Political parties, the ruling party included, for the resignation of eight Cabinet Ministers among whom was the Minister for Regional Administration and Local Government who is mandated with oversight of outsourced revenue collection. This reaction by the Legislature eventually led to a complete Cabinet reshuffle where 6 of the proposed 8 Ministers were removed from the Cabinet, after a vote of no confidence in the Prime Minister was threatened. Now that the issue of outsourcing of revenue collection at the local level has received a higher profile, the hope is that it is more likely to feature among the more urgent priorities to be addressed by government.

Kibaha

After sharing the analytical findings and the resulting press coverage as well as the personal intervention of the Regional and District Commissioners, the issue of hygiene at the abattoir captured the attention of the public and pressured the Council to improve general hygiene at the existing abattoir and to begin construction of a new one as was stipulated in the Council's plan and budget. Modest renovations have since been made to the existing abattoir and as at October

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[110] http://www.policyforum-tz.org/files/MIICOSAMREPORT.pdf accessed on 2 July 2012.

[111] URT, National Audit Office, *General Report on the Performance and Forensic Audits Conducted for the Period Ending 31st March 2012.*, (2012) Page xvi.

2010 the foundation had been laid for the new abattoir at an alternative location in Kibaha Town Council.

Handeni

Some water points are now functioning although one cannot confidently assert that this was a direct result of the SAM intervention.

Citizens in Handeni now have a greater awareness of their entitlements and obligations. The implementation team is better able to interrogate government documentation and to use the evidence to question authorities.

Authorities became aware that times have changed and that they are now dealing with a different and more informed type of citizen than they had become accustomed to. It was interesting that they did not question the SAM findings on the evidence provided but instead had to resort to questioning whether communities were really able to do this type of analysis on their own. This showed that they had not expected this level of evidence-based advocacy at a community-level meeting which forced them to resort to a defensive reaction.

Ileje

- Staff Recruitment: The vacancies identified in the teams analysis have now been filled.

- Repair of faulty construction: Rectification of construction defects identified at Chabu dispensary is underway.

- Dispensary Registration: Shinji Dispensary has now been registered. However it is yet to begin operating due to the on-going construction of staff housing.

- Behavioural change of the councils' Accounting Officers: Council officials are now more available to citizens to hear their concerns and respond to questions.

- Behavioural change of citizens: the Ileje CIT has witnessed a new-found willingness, confidence and assertiveness among citizens in demanding explanations regarding the use of public funds drawing from evidence in the councils plans, a behaviour which had not been common prior to the intervention.

General.[112]

While there has been no overt acknowledgement that Policy Forum's SAM findings have had a bearing on subsequent actions by public institutions and officials, there are a number of indications that the public sector is paying attention to SAM findings and related advocacy at all levels of government:

1. **Local Government Authorities.**
   Authorities in all four cases have a new-found respect for citizens as a result of their assertiveness in claiming their rights and by using evidence to support their demands. This has been evidenced in subsequent interactions between council officials and CITs/ SAM Teams in all relevant districts and subsequent activities related to SAM findings.

2. **National Audit Office.**
   In a letter to Policy Forum dated 7 May 2012, the National Audit Office stated that Policy Forum has been identified as 'one of the key sources of information' for their next performance audit to be conducted on the 'Management of the Budget System in

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[112] This section draws heavily from input contributed by Mr. Semkae Kilonzo, Coordinator of Policy Forum.

Tanzania' and requesting that any relevant information in their possession be made available to the NAO.[113]

3. **President's Office – Public Services Management.**

In 2011 Policy Forum was invited to present at a forum organized by the President's Office – Public Services Management (PO-PSM) on how to improve public ethics and integrity. Policy Forum presented the SAM concept, specifically on Public Integrity Management. Although PO-PSM organized the event because they wanted to share their experiences and learn from CSOs what work they did on improving public ethics and integrity, it is interesting that Policy Forum was asked to make a formal presentation at the meeting specifically on Public Integrity Management which is the 4th process of the SAM cycle that Policy Forum adopted from the Centre of Social Accountability. Also, Policy Forum was among the few selected CSOs asked to produce a simplified handbook on public integrity that will be used by different stakeholders for training at the local level.

4. **National Assembly.**

A Parliamentary Select Committee to investigate dubious financial transfers that were authorized by the then Permanent Secretary in the Ministry of Energy and Minerals, Mr. David Jairo, in 2011 summoned Policy Forum to give its views on the systemic problems that could lead to such incidents and what Policy Forum would propose as a way of preventing such problems from happening again. Committee members were very much interested in the SAM cycle and expressed that they wished they had more time to spend with us on the concept. The summons was addressed to Mr. Richard Angelo of the Policy Forum Secretariat who is the manager in charge of the SAM programme. One would assume that the Parliamentary Select Committee obtained Mr. Angelo's contact details from someone who is aware of SAM work and its relevance to the committee's purpose. In its report, the Select Committee acknowledged Policy Forum among the organisations that were consulted for input to inform the investigation.[114]

5. **Association of Local Authorities in Tanzania.**

In May 2011 Policy Forum was invited by ALAT and PMO-RALG to contribute to the finalization of the new Local Councillor's Handbook (*Masuala ya Msingi na Ujuzi Juu ya Uendeshaji wa Serikali za Mitaa).* Of particular interest for the organisers was our input in a section on 'Downward Accountability Mechanisms' intended to equip councillors with skills to enhance their oversight role by collaborating with CSOs. The section provides a framework for social accountability and cites some key Articles of the Constitution that ensure downward accountability, which tally with the SAM human rights approach to accountability. The handbook also defines accountability as broader than just expenditure tracking and performance assessment. Below are two textboxes that appear in the final handbook with language that is noticeably taken from the PSAM and Policy Forum SAM manuals:

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[113] Letter to Policy Forum from Wendy Massoy, National Audit Office, dated 7 May, 2012.
[114] *Taarifa ya Kamati Teule ya Bunge iliyoundwa kuchunguza uhalali wa taratibu wa wizara kuchangisha fedha kwa ajili ya kupitisha bajeti bungeni.*

Accountability as a right and duty

The model is based on an understanding of social accountability as a citizen's right:

All persons have a fundamental right to obtain justifications and explanations for:
- the allocation and use of public resources from duty-bearers entrusted with responsibility for these resources
- the performance of duty-bearers in progressively realizing the human rights of those they serve.

Conversely, duty-bearers have a duty to:
- provide justifications regarding their decisions and performance and
- to take corrective action in instances where public resources have not been used effectively to realise human rights and capabilities.[115]

It is important to note that during the consultation the SAM approach was, however, highly contested by some government officials present as they felt it would confuse councillors who were now only just beginning to understand PETS. Nonetheless, there have been subsequent meetings between Policy Forum and the management team of PMO-RALG where they revealed that they are open to formal training on SAM. A Principal Economist from PMO-RALG attended the Fundamentals course in Grahamstown but he has since been promoted to the post of Council Director for a district council in Kilimanjaro region. He has assisted Policy Forum considerably by volunteering his district to be used as a cases study for the updated Tanzania SAM course and making documents available to be used for training. While he can still influence the implementation of SAM in his particular district council, the influence he would have had on the instructions being given to councils from the centre is now diminished.

1. **Prime Minister's Office – Regional Administration and Local Government.**
   One of the recurring themes after every SAM exercise is the challenging environment that civic actors encounter particularly the barriers preventing access to timely information. In October 2010, Policy Forum participated in the Annual Local Government Sector Review meeting and shared evidence of where civic actors were denied information as they implemented SAM.[116] This resulted in the PMO-RALG management team calling for a side meeting with representatives of the CSOs who were present on the day. In the side meeting, it was resolved among other things that Policy Forum would lead in compiling a list of documents that CSOs require to undertake budget tracking exercises at the LG level and that a circular be sent to LGAs to recall to them their obligations to release information according to the existing statutes. It was also resolved that an MoU be drafted that outlines further structured collaboration between PMO-RALG and CSOs. The MoU and list of documentation have since been presented to PMO-RALG and it is being discussed within PMO-RALG.

2. **Donors.**
   a. The issue of access to information was also shared at General Budget Support dialogue level in 2010 and PMO-RALG was thereafter requested to issue a circular to all LGAs and the public clarifying which documents can be publically accessed at local level (in accordance with the list that was developed). This was a criterion in the Performance Assessment Framework (PAF) of 2011. Although this was not achieved in 2011, it has been included in the 2012 PAF that by May 2012, the circular be issued.

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[115] See PSAM Fundamentals Course – Session 8: *Introduction to Expenditure Management.*
[116] PF Speech At The Local Government Sector Review Meeting 2010: http://www.policyforum-tz.org/files/PFStatementPMORALG.pdf .

Implementation of this is monitored and assessed under the 'Accountable Governance Assessment Criteria'.[117] In the status of implementation report on agreed assessment criteria for 2012, PMO-RALG reported against this commitment under Assessment Criteria 2 as follows:

	ASSESSMENT CRITERIA	IMPLEMENTATION
2	PMO-RALG need to issue a circular to all LGAs and the public clarifying which documents can be publically accessed at local level in accordance with the list that was developed and agreed jointly between CSOs and PMO-RALG.	A letter with Ref. Na. BA. 254/307/01 dated 4th October, 2012 was issued to Regional Administrative Secretaries for transmission to LGAs for implementation. A list of 19 reports was agreed between PMO-RALG and CSOs to be availed to CSOs.

The list of documents to be availed to CSOs by all LGAs can be found in Annex 4. In this list 19 of the 22 documents requested by CSOs in their original request to PMO-RALG were included.

b. In response to a persistent complaint from civil society organisations that they would be interested in undertaking SAM activities but fail to find donors who are willing to fund this type of work, Policy Forum and the PSAM undertook to mitigate this problem. In late 2008, Policy Forum began negotiations with the FCS, a local foundation specialising in grants to civil society organisations, to include SAM as one of their priority areas for funding. To facilitate this, in 2009, PSAM awarded two spaces on the PSAM Fundamentals Course in Grahamstown to members of staff from the FCS Grants Department so that they could better understand the approach, assess whether this was a strategic area of priority the organisation would be interested in adopting, and to obtain a better sense of how to assess applications that they received in this area. As a result of these negotiations, SAM has been included among the priority areas for funding by FCS. This is also valuable because of the institutional mentoring, monitoring and support that FCS gives to its grantees which would enable SAM practitioners to become more sustainable institutions rather than one-off projects.

3. **Other Civil Society Organisations.**
Other SAM findings have been used by CSOs when consulting at stakeholder meetings such as those organised for the purpose of formulating MKUKUTA II, other macro policy discussions and Policy Forum's own policy breakfast debates to inform policymakers, the media and general public of accountability issues. However, there needs to be more concerted efforts to use the SAM results in other policy spaces to influence national processes. This will strengthen the link between what we do at local and national levels so that the two spheres complement one another.

4. **Analytical capacity of the Policy Forum Capacity Building Team.**
Over the past three years the capacity of Policy Forum staff involved in the implementation of SAM has also improved significantly. This is apparent in the quality of monitoring information

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[117] Accountable Governance Assessment Criteria, 2012 Performance Assessment Framework.

and reporting that has been prepared by the team over the past three years, the issues identified for analysis from the documents obtained, and the quality of analysis conducted. This may be a contributing factor to the significant interest in their findings that is being generated within and outside of Tanzania.

4.2. Challenges

1. **Access to information:** In none of the interventions were the implementation teams able to access all the information requested from the Local Government Authorities. For the information that they did manage to access, the process of following up was lengthy and bureaucratic. The implementation teams showed resourcefulness, in that when they failed with the Council, they looked for other sources.

2. **Quality of information obtained***:* Even when information was accessed, the quality of the information was inconsistent if not inadequate. It was not possible in many cases to determine what decisions had been made and why, how much money had actually been allocated, received and spent in a given budget line, or to establish a link between what was planned, allocated received, and implemented. This is particularly concerning since this is the information received by the oversight bodies. It is also the basis on which audits are conducted.

3. **Officials questioning credibility of findings:** During the SAM course held in Morogoro in November/December 2009 at which some government officials were present as observers, there were assertions from officials representing Mwanza City Council and Kibaha town Council both of whom stated that some of the findings did not present the issues in context and were therefore misleading. This could be true given that only partial information was accessed and the process of building analytical capacity among SAM implementers is a continuous process, particularly given that these were the first two SAM cases within the Policy Forum initiative. However, they did not give specific examples to support their allegations. Nevertheless, the purpose of the verification stage of this process is to give the Council officials the opportunity to correct any factual errors prior to making the findings public and this opportunity had not been effectively used by the Council.

4. **Unwillingness of Council officials to respond to SAM findings:** In Handeni, the implementation team has yet to receive responses from Council officials following the dissemination of findings, despite the fact that the initiative took place in early 2010. In Kibaha it took a supportive Regional Commissioner to force council officials to respond to findings. The representative from Mwanza admitted while attending SAM training in Morogoro in December 2009 that they were reluctant to engage with SAM implementers at first because they did not understand the exercise or its purpose. He admitted that because there is currently a better understanding of the purpose of SAM within the Council, officials are more open to information requests from MPI and are more likely to engage with findings more seriously.

5. **Backlash:** In Handeni, the Implementation Team was accused by the Member of Parliament who attended the public hearing of having political motivations for raising the issues just before election campaigns were to begin.

6. **Analytical capacity of implementation team***:* Policy Forum reported that most implementation teams were not able to conduct analysis without continued support after

the SAM partnership had ended. Some examination of the actual analysis done and verification of some analytical findings shows that capacity to engage with the documentation is still modest. Some of the findings are of questionable materiality. Mistakes are still made in extracting and interpreting information from the documents. This may be partly due to the quality of the documentation itself and partly due to the ability of the CITs to engage with the documentation. However, it was always expected that capacity development would be a long term incremental process and this is why the original plan was to have fewer partnerships with more intense interaction between the Policy Forum facilitator and the implementation team over two years. It is anticipated that with the second and third rounds, and the support provided by the Policy Forum secretariat, the level of analysis should improve. Even so, implementation team members are still able to raise some critical issues from the outputs of each process as is shown in the case studies considered. Some SAM implementation teams have continued with SAM initiatives in Mwanza and Ileje, where the regional network has sourced and allocated its own resources to continue SAM work. Further follow up would be necessary to determine the nature and quality of analysis that has continued in these sites. It will also be important to monitor any improvements in the quality of analysis to ascertain whether this capacity can actually be built at community level over time.

4.3. Systemic public resource management issues identified during the intervention:

This case study only looks at four districts. It is difficult to make outright claims on systemic weaknesses with such a small sample. Nevertheless a number of problems that seem to be systemic have been identified from the SAM work of Policy Forum so far. Some preliminary findings are listed below. As SAM continues over a number of years and expands to more and more districts, the analytical findings should begin to enable one to draw conclusions about how public resource management really functions at the local government level and how to address the systemic weaknesses that continue to come to light.

Preliminary findings on systemic issues.
1. There seems to be a breakdown in the systemic integrity of public resource management, even though legal, regulatory and normative frameworks are in place.
    a. Needs are identified without taking account of the resource envelope.
    b. Outsourcing of local revenue collection is poorly managed by councils (Mwanza).
    c. Priorities identified at village level fail to make it into the aggregated plans and budgets at the council level (Kibaha/Handeni).
    d. Disbursements are often late, are not made in accordance with Annual Cash Flow Plans (particularly for development expenditure), and the amounts disbursed can differ vastly from approved budget allocations. They can be either more (Babati) or less (Handeni).
    e. The activities implemented are often not consistent with those articulated in Council strategic plans (Kibaha, Handeni) and MTEF. Councils fail to spend the money received (Handeni, Kibaha) and sometimes fail to re-budget this money in the following year's budget because it is often not clear to them that underspending will occur until the end of the financial year.
    f. As a result, the following year's budgets again fail to be in line with the resource envelope and the cycle continues.
2. As a result of the above, councils are not planning. Instead they are allocating resources as

they are disbursed often with little regard for what was originally planned. When accountability is devolved without *de facto* authority to make decisions, one would expect a result similar to that which is described above. It also means that public resource management, despite the legal, regulatory and normative framework, is reduced to a tick-box exercise that is not trusted or consistently adhered to by public officials, oversight bodies or the general public.

3. The extent to which the legal, regulatory and normative frameworks can be ignored or bypassed with impunity is surprising. The starkest example in this case was that government officials in all cases did not hesitate to withhold information which they are bound by regulation if not by law to release. This has led some SAM practitioners to ask what can be done in cases where local government officials blatantly fail in their responsibilities. While a system for performance management within government does exist in the form of OPRAS, several local government officials were asked about OPRAS and whether it was applied. The response given was that in the current environment within which they were forced to work, they did not see this as a tool that could assess their performance fairly. They were especially concerned about being held to account for decisions that were outside their control in reality, if not in theory. For this reason, many did not complete the OPRAS steps and did not trust the system. It is clear that something needs to be done to ensure that a rigorous and implementable system for performance management that gain the trust of public officials enough for them to at least adhere to its implementation is in place and functioning.

4. The cumbersome recruitment process, particularly at the local government level, has significant negative implications for vacancy and attrition rates. This was most visible in Ileje but has been reported on in other studies as well.

5. A significant proportion of the funds received by LGAs are off-budget. This is mostly funding for donor projects that are not disbursed through the consolidated account. Because these funds do not go through the government accounts, they often are not part of the Council's overall plan. The result is usually several reports giving inconsistent figures on the same line item with no explanation provided for the variance. It is hoped that the recent institutionalisation of the PLANREP financial information system at the local government level will help to reduce some of these discrepancies but we have yet to see evidence of this.

4.4. Unintended consequences:

1. The opportunities to use SAM findings to engage central government on systemic improvements in public resource management are greater than expected:
   - The interest in SAM activities that has been generated within PMO-RALG particularly the principal economist, has taken an interest in the PSA-SAM methodology to the extent that he has requested Policy Forum and the PSAM to organise training for Council Directors in the methodology. It was felt that this would improve the management of LGAs.
   - After following the press coverage on SAM findings, the NAO has approached Policy Forum to investigate an informal collaboration to identify systemic issues of concern at the local government level. This is an important opportunity because the primary intention of the PSAM approach is to address systemic public resource management weaknesses. Such an arrangement would be particularly useful in

enabling this to happen.
- The PO-PSM in collaboration with the Public Leaders Ethics Secretariat has also convened a forum with governance CSOs, including Policy Forum, to discuss a mechanism for consultation on issues relating to the integrity of public officials.

2. The competition for recognition among community monitoring approaches is also something that was not originally anticipated. There has been much debate within civil society about the use of SAM versus PETS approaches in Tanzania. While competition among different approaches can lead to their improvement, there needs to be recognition within civil society that no single approach can address all problems.

3. While it was clear from the PSAM's interviews that a number of initiatives exist to encourage communities to monitor government, it was not always clear whether the distinction between these initiatives was clearly understood by interviewees. In Busisi village in Sengerema, the Council SAM team repeatedly used the SAM approach and the GAP approach (an approach to budget monitoring introduced by CARE International) interchangeably. Likewise when asked what the difference was between SAM and PETS the response was mixed. Some interviewees made a clear distinction between the two approaches while others were not certain that there was a difference at all.

4.5. Subsequent SAM-related activity by participants:

MPI has expanded its SAM programme beyond Mwanza City Council. While FUO has not continued conducting SAM in Mwanza city, several members of the MPI implementation team that was involved in the MCC case have now initiated SAM interventions in their respective districts. With technical support from HakiElimu and MPI, SAM activities have been initiated in Ukerewe, Magu, Nyamagana, Ilemela, and Sengerema districts.

After the success of its first SAM intervention, KNC began receiving invitations to government-led district consultative fora such as the CMAC and the District Consultative Committee. KNC members were interested in continuing this work. However, the network has since faced some institutional challenges which have affected its funding. Therefore SAM work has not been able to continue in Kibaha. KNC is in the process of addressing its problems so that it can be able to continue this work.

TAWIF continues to follow up the issues identified in the Handeni SAM exercise both on its own and through its networks. In Handeni, TAWIF continues to use the citizens' report card tool and participatory service delivery assessments.

MIICO has now incorporated SAM as one of their key strategic areas of focus in their Strategic Plan for 2012 to 2015 demonstrating a commitment to sustaining the pressure that it has begun to create.

5.   Resulting changes in the reasoning of SAM stakeholders:

One of the most commonly cited differences between SAM and PETS is that many PETS processes do not provide the opportunity to demand that officials justify and explain their actions. This makes it possible for officials to receive findings from CSO groups, make a vague commitment to go away and consider them further and do nothing to change the existing situation. SAM

empowers citizens to play a more assertive role in their own development processes.

The Ileje Report indicates that the ability to extract evidence from government documents empowered the CIT to push for greater responsiveness from public officials. It also said that citizens at LGA level are becoming bolder in demanding justifications and explanations from government as an entitlement rather than a favour.

6. Resulting changes in the capacity of SAM stakeholders:

The capacity of community members to understand the SAM approach and to use the tools has been questioned repeatedly by those who hear about its application at lower levels of government. It is true the tools do require a certain level of literacy and analytical capacity. In addition, Tanzanian public resource management documentation is mostly in English even at the council level. The Policy Forum secretariat has assessed that a Form 4 Graduate (O-level equivalent) can participate in SAM effectively and can apply the concepts and tools to their local contexts at a basic level after being trained and with some after-training support. Those who have some experience with PETS as well as those conducting SAM for second consecutive year have demonstrated a considerably improved understanding of the concepts and an improved ability to apply the tools appropriately to situations in their own context. The findings emerging from analysis have demonstrated this repeatedly.

7. Resulting changes in the behaviour of SAM stakeholders:

Further investigation is needed to determine whether any sustainable behaviour change has occurred as a result of SAM.

Annex 4: List of Documents as requested by CSOs that the Government has endorsed for release on demand.

1. Local Budget Summary: A budget summary report provides an overview of the main revenue and expenditure.

2. Local Expenditures: A local expenditure report provides an overview of local expenditures by sector, as well as by type of expenditure.

3. Local Revenues: Local revenue report provides an overview of the main local government revenues by type of local revenue source.

4. Intergovernmental transfers: Intergovernmental (fiscal) transfers include recurrent block grants , ministerial subventions and basket funds, as well as local capital development grants.

5. Treasury Disbursements: A Treasury Disbursement Report shows the amounts of financial resources disbursed by Treasury (Ministry of Finance) to a Local Council.

6. Sectoral Finances: A Sectoral Finance Summary Report provides an overview of sectoral finances for each of the five grant – supported local government sectors (primary education, health, agriculture, roads and water).

7. Council Community need analysis report.

8. Strategic Plan and/or MTEF.

9. Approved budgets (APB, Project budgets).

10. National Budgets Books.

11. Full Council minutes.

12. Quarterly expenditure reports approved by the Full Council.

13. Financial Circulars, Directives, Workshop minutes, etc.

14. Internal Audit reports.

15. Quarterly performance reports.

16. Annual performance and financial reports.

17. HR plans and reports/HR needs assessment reports.

18. CWIQ survey reports

19. Service Delivery Surveys.

Note: The above list is an excerpt from a letter to all Regional Administrative Secretaries for transmission to all LGAs with Ref. Na. BA. 254/307/01 dated 4 October, 2012

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