

## Service Delivery and Performance Management for Development at Local Levels in Tanzania: A Myth or Reality?

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### Abstract

*Tanzania's Local Government Reform Programme (LGRP) of 1998 aimed at improving the delivery of quality services to the public. The main strategy is decentralization, which is being implemented through decentralization by devolution. The effective decentralization of Government and the reform of Local Government are part of the foundations of change in the education and health sectors. The reform programme includes devolution of roles and authority by the Central Government by transferring political, financial and development planning authority to Local Government Authorities (LGAs); freedom to make policy and operational decisions consistent with the laws of the land and Government policies, without interference by the Central Government institutions; and, LGAs being responsible for the efficient and effective delivery of social and economic services to the people (URT, 1998). The link between development and devolved performance management is anchored on Stigler's menu, that is, the closer the government is to the people the better it works (Liviga, 2009). This refers to the fundamentals of democratic practices such as citizens' capacity to own the agenda of development and their ability to monitor the actions and inactions of the individuals holding public offices on their behalf. The article thus, through review of literatures, examines the Tanzanian Government's implementation of its decentralization by devolution (D-by-D) policy, and the impact of the output on performance management in service delivery and development landmarks. The historical factors of centralization tend to create the flaws in the design and implementation of D-by-D in most Central Government ministries, departments and agencies (MDAs). It is concluded that performance measurement for development at local levels is a myth.*

**Key words:** Decentralization, Devolution, Development, Performance, Management

### Introduction

Tanzania, from independence, has endeavoured to promote development through various macro- economic policies. The period following independence experienced a remarkable policy and ideological shift from inherited capitalist structure to socialist ideology. Socialism was considered as a Mecca from ignorance, disease and poverty the malignant enemies so pronounced by the father of the nation, Mwalimu J. K. Nyerere. These concerted efforts achieved the mission through transforming the country's economic and socio-political status to a level that is admirable.

The current period can be mentioned as a continuation of the previous period. However, recent years have seen the development and implementation of a number of overarching development policies that envisage more comprehensive provision of social services that would reach all citizens, including the poor, as a fabric of addressing the three mutually supportive enemies pronounced at independence.

The basic argument is that the local government reforms in Tanzania would not attain the service delivery function for performance management to realize grass-root development unless decentralization by devolution is attained and the MDAs are willing and committed to transferring authority and resources to LGAs. In that regard, the discussion starts in Part one by looking at Tanzania's experience with service delivery and performance management for development under a devolved system in the sectors of education and health. The idea is that by looking at the chronology of events a clear understanding of how the decentralized service delivery will contribute to the development of local communities. Then the discussion focuses on the ongoing reform initiatives by looking at the success and challenges of the first phase regarding service delivery and performance management (LGRP I, 2000 - 2008) and the rationale for the second phase (LGRP II, 2008 – 2013) in the promotion of the same.

### **Theoretical and Methodological Issues**

Although it is tempting to conceptualize devolution as the antithesis of centralization, in reality, the two are multidimensional, multilevel, processual (Hur, 2006), and dialectically related. Understanding the latter illuminates discussion on the former and vice versa. The model of decentralization in Tanzania is premised on a form of performance management informed by two notions of power: neo-liberal and post-Marxist (Mohan & Stokke, 2000). Neo-liberals conceptualize devolution in terms of promoting service proximity to the citizens to achieve efficiency, effectiveness, economy, equity and equality, in which power is a generalized attribute deployed for collective benefit; while, on the other hand, using a relational and conflictual notion of power, post-Marxists see devolution as the way of centre talking the talk without walking its talk (Mohan & Stokke, 2000).

The policy of decentralization in Tanzania takes a comprehensive form under the Local Government Reform Programme (URT, 1998). Within this model of decentralization, flexibility, multi-disciplinary teams and multi-skilling decentralization in publicly-funded services are key to improved performance (Burns et al, 1994). The important link here is that decentralization is seen as having the potential to improve organizational performance through localization and organizational change, usually conceptualized as smaller independent organizations rather than simply as sub-units of larger bureaucracies.

In short, according to Pollitt et al (1998: pp.1) [decentralization is] “*a miracle cure for a host of bureaucratic and political ills*”. Academics with a taste for post-modernism would no doubt refer to it as an attempt at a meta-narrative – a conceptual and linguistic project designed simultaneously to supersede (and therefore solve) a range of perceived ills within the previous discourse of public administration. Moreover, Bossert's (1998) view is that there are two key questions that need to be asked about decentralization (pp.150).

1. Does decentralization improve equity, efficiency, quality of services, health outcomes and democratic processes?
2. And, if it does, which forms, mechanisms and processes of decentralization are most effective in achieving these outcome and output objectives?

Similarly, Saltman Bankauskaite and Vrangbaek (2003) reveal that: It has not been customary to assess the outcome of decentralization in the light of health gain, equity, quality

of care and consumer choice. Bossert (1998) in particular has been critical of the fact that there is a lack of an analytical framework to study how decentralization can achieve goals. In the organizational and management literature, conceptual frameworks have tended to relate to structure, process and outcome (Sheaff et al, 2004a; Donabedian, 1980) or input, process and outcome (Hales, 1999). What these frameworks do is allow an analysis of the factors that relate to organizations. It is useful, therefore, to draw on these frameworks to help identify what is being decentralized. For example, it is possible to see finance as an input and commissioning as a process. The efficient use of resources and effective commissioning should produce better health outcomes. While such a conceptual framework is also not without problems, it does provide a way of separating different activities and policies.

Devolution as a process, includes political participation for collective decision-making and shared leadership” (Perkins & Zimmerman, 1995, p. 570), while as an outcome; it may refer to skills such as resource mobilization, perceived control, and accessibility to community resources, pluralism... (Perkins & Zimmerman, 1995, p. 570). This article examines the extent to which decentralization has been able to realize the above in respect to organizational performance. It is argued that for organizational performance in service delivery to become meaningful, power must be shared between the centre and the local authorities. The more power that is shared, the greater the possibility to realise meaningful change (Hur, 2006). The views are shared by Emerson(1962) whose theory of power relations, and Gergen’s (1995) relational theory of power, to develop the ideas on decentralization and theory and practice.

Viewed from this perspective, service delivery in a devolved performance system for local development may be construed in terms of power relations (Gergen, 1995) between the centre and local authorities. The local level is a social space where individual citizens and other actors organized as private sector, community-based groups, government officials, politicians and professional organizations navigate, interact or engage in various forms of relationships, or on-going processes of human interchange (Gergen, 1995) using various forms of capital such as social, cultural, human, natural, symbolic, financial and political (Flora and Flora, 2008).

In order to answer the research question, this article relied on extensive review of policies and laws such as the Constitution, Local Government Act (LGA), Local Government Reform Programmes (LGRP I and II) and the D by D policy of 1998. The above policies were examined in order to measure the impact of devolution of service delivery to local development. I interrogated the relevance and appropriateness of these policies against the practice of the central government in which the local authorities have not been able to enjoy the autonomy as stated in D by D policy (Liviga, 2009; Kessy, 2009). This way, I was able to discern the weakness in the policies and shed light on the mechanisms and dynamics underlying performance in service delivery for local development to be a myth. As far as implementation is concerned, the study relied on review of existing literature and other anecdotal evidence.

Findings from the review of policies were supplemented by empirical evidence from other documentary sources on the topic and its facets. Although devolution has its associated risks, I was keen not to generalize the findings from other literature to the situation in Tanzania. Yet, combined with empirical evidence from Tanzania, the findings on the education and health services in a devolved system clearly explicate the problem of devolution policy in theory and practice in Tanzania.

## Performance management in a devolved system

From 1996, the government of Tanzania decided to take initiatives to address the problems of underperformance in local governments by preparing the Local Government Reform Agenda (LGRA) whose policy intentions were outlined in the Policy Paper on Local Government Reforms issued in October 1998. The Policy Paper became the official guiding policy regarding local government reforms and decentralization by devolution (D by D). The main purpose of the reform was to improve the quality and access of public services provided through or facilitated by local government authorities.

The Government's vision is to have a local government system in which Local Government Authorities are largely autonomous institutions, free to make policy and operational decisions consistent with the laws of the land and government policies;

*Strong and effective institutions underpinned by possession of resources (human and financial) and authority to perform their roles and functions; Institutions with leaders who are elected in a fully democratic process; Institutions which will facilitate participation of the people in planning and executing their development plans and foster partnerships with civic groups; Institutions with roles and functions that will correspond to the demands for their services; and institutions which operate in a transparent and accountable manner. (Mushi, 2001).*

In the context of the above-given litany of devolution pledges, there are some numerable decentralization concerns for performance management and development. It is an acknowledged fact that the best government is that government closest to scrutiny and control by citizens. Local governments in any country, including Tanzania, form one of the levels that people can directly get involved and participate in formulation of development plans, make by-laws, decide on priority issues to include in development projects, identify and tackle challenges collectively as well as call for leaders to account for their actions or inactions at the community level. Local governments also play a key role in service provision at the grassroots level. They are assigned to deliver certain services in various sectors including agriculture, education, health, infrastructure (For example, construction or repair of feeder roads), land and water. In the context of Tanzania where about eighty per cent of the people live in rural areas, where delivery of basic services is less developed compared to urban areas, the importance of local governments cannot be overemphasized.

There is an integral functional relationship between improved service delivery and poverty reduction at local level. This fact has also been acknowledged by the Government of Tanzania that has through its Local Government Reform Programme (2008 – 2013) noted the critical role Local Government Authorities can play in the development process.

This alignment is clearly vindicated in the overall programme strategy embedding four core elements as follows:

First, remove political, institutional, legal and policy impediments to D by D, and thereby create an enabling framework to empower LGAs; Second, develop the capacity

of LGAs and thereby empower them to take effective advantage of the enabling D by D framework; Third, enable the *wananchi* (citizens) at all levels to participate and demand transparency and accountability in the devolved systems for allocation and use of public resources, and in planning and delivery of public services, socio-economic development and poverty reduction; and Fourth, install institutional and organisation systems and mechanisms, and develop leadership and management capacity at all levels to ensure effective implementation of the programme (URT,2009).

It is worthy a mention that local governments cannot yield their expected role and perform their functions if they are not capacitated to undertake those functions. In this regard, devolution is inherently an important strategy to empower local governments if they are to be transformed into competent and strategic leaders and coordinators of socio-economic development, accountable and transparent service delivery and poverty reduction interventions in their areas of jurisdiction. For instance, ward schools have been constructed by local communities through their local authorities. The construction has proven a great success due to accountability of funds in revenue and expenditure. In this regard, the demand side has revealed some strength in local development planning, monitoring and evaluation. This is a fruit of D by D.

Performance management for development on service delivery has in turn made the LGAs enhance capacity and facilitate mobilization of the private sector and other non-state actors to contribute to local development and service delivery (Kessy, 2008).

### **Indicators of a devolved performance management through MKUKUTA I and II Development Strategies**

The purpose of having Local Government Authorities is, in the words of Article 146(1) of the United Republic of Tanzania constitution, “to transfer authority to the people”. Local Government Authorities have been given power to participate and to involve the people in the planning and implementation of development programmes within these respective areas and generally throughout the country. Every Local Government Authority has a constitutional mandate and obligation:

- To perform the functions of Local Government in its area
- To ensure the enforcement of law and public safety of the people; and
- To consolidate democracy within its area and to apply it to accelerate development of the people.

For the purpose of promoting development at the local communities’ level, the Minister responsible for Local Government has been mandated to subdivide the area of every district, town, municipality or city council into wards, which are also the electoral areas for the election of councilors representing the Ward in the Council. The number and size of the wards varies from council to council depending on population densities, size of the council area and geographical characteristics of the district, town, municipality or city in question. The ward is an administrative area for supervising implementation of council development programmes and service delivery and for coordinating activities of villages and neighborhoods within the ward.

Tanzania's National Strategy for Growth and Reduction of Poverty (NSGRP), commonly known by its Kiswahili acronym, MKUKUTA, resulted from the review of the Poverty Reduction Strategy (PRS) Paper. These strategies crop from the broad Tanzania's Development Vision 2025, especially with an increased focus on equitable growth and governance targets on poverty reduction outcomes which are consistent with, and indeed in many cases go in tandem with the Millennium Development Goals (MDGs).

MKUKUTA I and II are profoundly based on extensive social inclusiveness which range from the central and local government, parliament, civil society, faith-based groups, private sector, districts and villages, and development partners. MKUKUTA envisages the principles of national ownership, political commitment to democratization and human rights, maintenance of macroeconomic and structural reforms, building on sector strategies and cross-sectoral collaboration, strengthening local partnerships for citizens' engagement in policy dialogue, harmonization of aid, equity and sharing of benefits, sustainable development, decentralization, and mainstreaming cross-cutting issues.

According to the 2007 Public Expenditure Review (PER) update for the health sector, the overall allocation to the health sector has increased from Tshs 499.6 billion in 2006/07 to Tshs 682.6 billion in 2007/08. Within this, the allocation to regions has increased from Tshs 24.6 billion in 2006/07 to Tshs 82.5 billion in 2007/08. Councils' allocations have increased from Tshs 142.0 billion in 2006/07 to Tshs 181.9 billion in 2007/08, with allocation for Comprehensive Councils' Health Plans from US\$ 0.5 to 0.75 per capita.

In 2010 the Government of Tanzania (GoT) allocated Tshs 1,205.9 billion an increase from Tshs 787.2 bn in 2009/10. In light of promoting the health sector, the government has adopted the process known as 'Opportunities and Obstacles to Development' or 'O and OD' as a preferred approach to participatory planning, thus making the process start at the lowest levels of governance and community as well. Participatory monitoring has also been introduced to ensure that the framework is adhered to by all stakeholders. The monitoring framework encompasses the following sub-systems:

- Public Expenditure Tracking System (PETS) which involves communities and Civil Society Organizations (CSOs); and
- Participatory Service Delivery Assessments (PSDA). This is going beyond 'following the money' to look at whether the allocated expenditure is having an impact.

Despite efforts made by the government to improve service delivery at the local level for improved performance management to promote development, there are notable impediments which entail the following:

- Access to information;
- Communication barriers complicated by the language used in policies, plans and reports;
- Harmonization of various participatory processes;
- Awareness of rights and obligations, and
- Capacity constraints at individual and organizational levels, particularly at the lowest levels of a town / village's structure, the mtaa (urban) and kitongoji (rural).

## **The selected devolved services of health and education and levels of performance management**

### **Health sector**

The health facilities face inadequate staff and this implies more time in seeking and securing health services to the citizens instead of engaging in production for wealth creation. Most of the districts have faced the problem of health workers due to poor infrastructure such as transport, electricity, clean and safe water which are not attractive to personnel settlement. Moreover, the ratio of patients to health staff and beds is quite high and the motive towards poverty reduction seems hard to achieve given such operational environment in health sector.

Moreover, continuing resource shortages for the health sector induced the government to reintroduce private health practice for profit in 1991, after it had been restricted since 1977. The aim is that private services complement health care services provided by the government. The aim of the 2001 National Health Policy is to ensure fair, equitable and quality services to the community. Furthermore, the policy aims at empowering communities and involving them in health service provision. However, most of the existing health centres are operating without adequate space for maternal and child health services. People living in rural areas and those in poverty remain disadvantaged both in terms of service uptake and outcomes. In an attempt to expand the coverage of health facilities throughout the country and bring services closer to the people, the new 2007 Health Policy directs the establishment of a dispensary in every village, a health centre in every ward and a district hospital in each district.

The recently designed Primary Health Sector Development Programme (PHSDP), 2007-2012, seeks to address some of the dominant constraints facing the health system: infrastructure at the primary level; shortages of skilled human resources for health; short supply of essential equipment, pharmaceuticals and medical supplies; poorly functioning referral systems including the absence of emergency transport and communication systems; and, inadequate financial allocation to the sector. Accordingly, the following seven programme components have been designed: District Primary Health Care Systems; Human Resources for Health; Maternal Health; HIV and AIDS; Malaria; Tuberculosis; and Institutional Arrangements.

The National Health Sector Strategic Plan (NHSSP) aims to enable the Ministry of Health and Social Welfare (MoHSW) to critically examine and identify areas that are core to its mandate and to strategically allocate the resources available to priority areas, i.e. those with the greatest impact, in line with MKUKUTA and other national policy frameworks. It is critical for the government to continue implementing the 2007 policy with the notion of proximity of services with such inadequate health staff.

One of the studies by (URT,2009) has found that there is a problem of record keeping regarding the health facilities equipment. In most health centres surveyed in various districts, around 35 per cent had no proper records regarding various matters inquired. This creates some potential of doubt whether poor record keeping can stimulate development under a devolved system of service delivery.

Indicators of Child Immunization statistics have improved significantly. According to the Expanded Programme on Immunization (EPI) statistics from the Ministry of Health and Social Welfare (MoHSW), coverage of DPT-HB3 for 2006 stood at 87 per cent - exceeding the MKUKUTA target of 85 per cent. Indeed, the rate for each of the last five years (2002-2006 inclusive) has been at or above the MKUKUTA target – a commendable achievement. The Tanzania 2007-2015 strategic plans for health have incorporated the recommendations of the Global Immunization and Vision Strategy (GIVS), such as increasing and sustaining national and district-level immunization coverage, ensuring access to quality vaccines, and strengthening health systems. By 2015, Tanzania aims to raise the level of national immunization coverage among children to 90 per cent.

User fees were introduced in Tanzania at the hospital level in 1993, as part of the broader package of reform referred to as the Health Service Fund. Further charges were introduced in 1999 through the drug revolving fund at hospital level with subsequent rolling out of the Community Health Fund (CHF)/TIKA. Currently, user fees are charged in practically all public hospitals and have also been introduced at lower levels of facilities, namely health centres and dispensaries. The rolling out of user fees in primary facilities is happening in tandem with the rolling out of the Community Health Fund.

Moreover, waivers and exemptions were supposed to protect the poor from the negative effects of cost sharing and user fees in vital services such as health and education. In health, for example, children under five, pregnant women, and people suffering from chronic diseases were theoretically entitled to free medical care in all public health institutions. Institutions were expected to exempt those classified as poor. This can be considered as a good practice. This practice intends as well to reduce maternal deaths by encouraging pregnant women to register and give birth at the health facilities.

However, exemptions of the above categories have been mere lip service as the poor have continued to dish out even the little that they would have saved for investment to pay for the services that are basically subsidized under the common basket. The problem has been malpractices and misbehaviour of the health sector personnel who decide to sell drugs in the neighbourhood at the expense of the poor. This is exemplified by Nkyabonaki (2008) when he commented that doctors and nurses have developed the culture of demanding for “something small” which not only deteriorates the service provision but also increases the burden to the poor. It is contended that the poorest households that are often excluded from using health facilities when they most need them should pay user charges that entail costs including transport, time spent, as well as unofficial costs such as bribes and payment for drugs and supplies.

Therefore, services provided under a devolved system are facing some inherent constraints which impede the poor from accessing quality services. Hence, it is natural that without addressing such constraints, it will be very difficult to create and harness the potential of growth for poverty reduction. An unhealthy body is unhealthy mind: thus the poor continue to be engulfed in absolute poverty. MKUKUTA policy is a landmark for the country's endeavours to develop. By promoting the essentials of good governance under the tiers of people's participation and accountability of the power wielders both at macro and micro



levels, the efficacy of the budget to serve the poor is realized. Literature portrays that mostly the processes of performance management are not transparent for the community's scrutiny. Community engagement in service sector provision would not only increase efficiency but also promote performance and sustainable development as projects are innovated, established and run by the community.

The author views the devolution of health services to the community level to be increasing the voicing of the poor people to demand for quality services at least at the theoretical level. Citizens and local politicians (councillors) do not have any vigour to resist the forces of local and central government elites.

### **Education sector**

The education sector is among the priority areas of MKUKUTA which are premised to lead on poverty reduction. The major assumption is that illiteracy cannot lead one to see the invisible opportunities which are only possible through the developed think tanks in schools. Following that assumption, Tanzanian government has endeavoured to promote education at all levels in order to maximize the potential of its human resources. MKUKUTA has objectively defined the key indicators for the education sector as follows:

- Universal access for boys and girls to quality pre-primary and primary education achieved (NER to 100 per cent for pre-primary and primary);
- Access to lower and upper secondary for male and female students increased (NER to 45 per cent for lower secondary and 5 per cent for upper secondary);
- Primary school survival rate for boys and girls (Std I to Std VII) improved;
- Secondary school survival rates for boys and girls (Form 1 to 4; Form 5 to 6) improved;
- Improved pass rate for boys and girls at primary and secondary schools;
- Improved primary and secondary school transition rates;
- Quality teachers trained, deployed, and retained to achieve recommended qualified teacher-student ratio at all levels (Primary=1:45 and secondary=1:25)

The MKUKUTA priority areas are benchmarks which call for all stakeholders in the sector of education to harmonize their concerted efforts towards quality education, which ultimately will result in poverty reduction. The good governance norms demand for the shared responsibility between the government, CSOs and private sector for sustainable development. Along such thinking the sector has tremendously made vertical progress in the promotion of secondary education. It is revealed from the study that most schools are fairing well by having infrastructures which support the provision of education. Around 60 per cent of schools faired well to be having a source of power in most districts. Electricity is a every important component, particularly for science and technological studies. Thus, without such a utility it would be difficult for students pursuing science and technology to learn by doing. Yet, having electricity is one thing and doing scientific experiments is another thing. For instance, it is perturbing to see that in some schools electricity is available but they do not have laboratories for science subjects and those who have these laboratories face shortage of equipment. Hence, the education authorities should ensure the school laboratories are well equipped to promote the scientific learning.

It is observed from available evidence that the absence of adequate teachers' houses in some schools accounts for some students' failure in their final examinations. The overall argument was that conditions that forced most teachers to walk long distances to school reduced their efficiency. It has been widely commented upon that "*teachers are tired before teaching sessions*". This is interpreted that without a proper housing policy for teachers, effective performance and teaching efficiency will take long to achieve.

Moreover, most schools have no libraries and, above all, do not have laboratories. Without the libraries, it is difficult to inculcate the culture of self-learning and entrepreneurship. It would greatly promote national development if students were made to learn by doing through availability of modern school laboratories and libraries. MKUKUTA target of promoting school performance to a desirable level still has a chance if the government is committed to invest in libraries and school laboratories. Around 89 per cent of schools had no libraries and laboratories (URT,2009). Even the remaining 11 per cent which had libraries and laboratories were dissatisfied, particularly with the equipment available. The quality of education can only be achieved if the learning environment is made conducive in terms of ensuring physical infrastructure is in place. Therefore, performance management should be in tandem with well-established infrastructure that can be used to gauge performance of education officials and targets of education.

For instance, there is a developed yardstick of measuring quality of education to be against two measures, that is, students passing level in form IV exams and teachers' qualifications. It is observed that around 73 per cent of students who sat for the exams from 2006 to 2010 in some districts failed in their final examinations. Of the remaining percentage of 27 per cent that passed, it is only 3 per cent that passed at the levels of Division I and III while the rest fell in Division IV. The main reasons given for such mass failure include lack of qualified teachers as most teachers seem to be "*licence teachers*", and even those who are qualified are still too few to cater for the teaching needs. Hence, performance management at the local level is difficult given the entire ecology of public decision making.

The anecdotal evidence from the studies shows the deteriorating trends of quality education to be attributed to various factors and reasons which entail the learning environment that is unfriendly and the nature of the society. It is construed that parents are not responsible to make follow up of the academic progress of their children. The decadence in performance therefore should not be a burden to one side but the entire society. Performance management thus is not one-way traffic; rather it is two-way traffic as the local government authorities and the communities should all play their part to achieve the target for a particular service in order to achieve development.

The planning processes at the primary and district levels do not seem to align due to budget constraints which face the councils. It is not by default but rather by design that the districts incrementally adjust to the available resources with renewed intensity. The LGAs are victims. The budgetary constraints facing schools have led to the perception of performance management being a myth in Tanzania. School projects such as construction of classrooms, libraries and laboratories have not been accomplished on time or at all due to the grave differentials of amounts requested and remitted by the central government. Hence, it is difficult to demand for accountability, given such context of service delivery.

## Assessment of Local Communities to manage Development Strategies

The main objective of LGRP was to improve the quality and access of public services provided through or facilitated by local government authorities (URT, 1999). It was further stated that the goal would be achieved through the reorganization programme and would have two components:

- a shift of responsibility for managing and providing services from central to local authorities; and
- increase efficiency by reorganizing the district administration and reorganization allowing the councils greater freedom in organizing their activities and managing their personnel.

Two assumptions were made by the government regarding the reform process. One was that transferring responsibilities of managing funds and personnel from the central government to the councils, delivery of social services would improve. The second assumption was that by making the councils directly responsible for self-financed service provision, the councils would be more active in mobilizing local resources in order to finance their programs.

In this regard, the main goal of the reform programme remains to increase local communities' accountability and responsibility for their own development. This was expected to be achieved through:

*LGAs ability to hire their own personnel in consultation with Prime Minister`s Office-Regional Administration and Local Government (PMO-RALG)).Increased local autonomy over expenditure facilitated by a system of block grants; Restructuring is making them effective and efficient in service delivery; and changed central-local relations (URT, 1998).*

However, in order to fully implement the reforms, it is essential that all relevant legislations are harmonized with the decentralization policy. Incomplete legal harmonization across sectors, LGAs revenue assignments and persistent governing by directives from the central government were persistent under reform 1. It can therefore be concluded that the strategy to institutionalize D by D in the government was not adequately embedded across MDAs and LGAs due to a number of reasons including lack of knowledge on vision, reluctance and fear of devolution and policy and legislative bottlenecks (URT, 2008). The following are some of the indicators of LGR bolt and nuts:

### Flaw design

Flaw of design transcends all other areas of local authorities' territory. The constitution provides for the establishment of the local government authorities without defining them as autonomous and therefore they keep on dancing to the tunes of central government/national government, as they have been found to have a subordinate position through being dependent on central government for finance to manage local affairs. The practice has been for the central government to direct and mostly to show to the public that the problems of local governments are generic to local government themselves. However, according to Kabagire (2006) the underperformance of local governments is not due to lack of political commitment alone and effort on the part of

PMO-RALG, but is due in part to the sheer scale and complexity of the undertaking. It must be said that it is also due in part to the reluctance, or at least the lack of enthusiasm in central government and the sectors for harmonization and the changes involved. Therefore, the flaw of design has embedded the elements of performance mismanagement for local development.

### **Fiscal decentralization**

The principle of LGAs earning the right to greater autonomy was extended in 2005 to development grants, where the government, through the Local Government Capital Development Grant (LGCDG) system, provides discretionary capital development grants to LGAs on a formula basis, but only where they have met some governance-related minimum conditions, and certain performance criteria.

The principle of LGAs earning the right to greater autonomy or additional development funds through performance provides an incentive to LGAs to improve their financial performance, and this brings us to the issue of LGA's financial management capacity.

The pillar of the financial reforms is Local Revenue Sources. To have a fully devolved system of local government, it is essential that the LGAs have robust revenue sources that will finance improved local service delivery as well as encourage accountability to the local taxpayers. Failure to ensure such revenue sources for local government means that LGAs rely solely on central government grant transfers, and this effectively de-links local leaders from their electorate, weakens accountability and concern for cost-effectiveness. The Local Government Finance Act No.10 of 1982 (RE 2002) further provides unsustainable sources of revenue to Local Governments such as (a) rents collected from public houses or buildings owned by district/urban councils; (b) fees charged for registration of marriage contracted within the district/urban councils; (c) all moneys derived from the service levy payable by corporate entities at the rate not exceeding 0.3 per cent of the turnover net of the value-added tax and the excise duty; and (d) all monies derived from the registration of taxicabs and commuter buses plying within the area of the urban authority. The resources derived from these sources, therefore are not only unreliable and difficult to collect, but also their expenditure has to be approved by the Minister for Regional Administration and Local Governments (Kessy, 2008; Ngware and Haule, 1992). Such robust sources have not been available hitherto and this has created a vacuum in terms of the local authorities managing performance systems for development. The monitoring of performance of their authorities is not a concern to the local communities as they know for sure who sponsors and who delivers the services. Hence, the communities' poor service delivery outcry always awaits the central government's officials political visits.

### **Human resource decentralization**

Autonomy for local government authorities over human resources is considered an essential element of the decentralization process. Indeed, the literature on decentralization internationally often considers the lack of such autonomy as the 'Achille's heel' of devolution, as centrally controlled and transferred civil servants have no personal stake in the success of devolution. Yet central governments are often reluctant to let go of the power and patronage potential of centrally appointing and managing all key public service staff in the country (Mniwasa and Shauri, 2009).

The Government of Tanzania's policy on local government reform in this area is clear and unambiguous, and is worth re-stating here. Government's policy on administrative decentralization involves "de-linking local authority staff from their respective ministries". It goes on to state that LGAs "will be fully responsible for planning, recruiting, rewarding, promoting, disciplining, development and firing of their personnel. The councils will be the appointing authorities and employers for all local government personnel (including teachers, health staff, agricultural staff etc.)". LGAs will "employ the Council Director, the department heads and will adopt staffing plans and budgets."

However, the passing of the Public Service Act No. 8 of 2002, and the Public Service Regulations of 2003 effectively curtailed progress in this regard, and indeed, in some respects, reversed it as under LGRP I, PO-PSM, the Ministry of Public Service still retains authority to approve LGAs recruitment process and the Treasury retains the power to approve LGAs new personnel based on availability of funds to pay for their salaries. Additionally, there are dual personnel at the local level whereby district directors and heads of department are employees' of the central government. Therefore, the local politicians face difficulties to hold accountable the harbingers of the master in this regard. Therefore, performance management of the human resources under the unit command of central government in the local council remains a myth.

According to Liviga (2009), these problems are real and the solutions may work but the policy document does not state the real causes of non-compliance by central government to D by D. It may therefore mean that the LGRP II strategy will be addressing the wrong issues. He goes on to say that the fundamental problem for non-compliance by central ministries and agencies to the vision of LGRP lies in the two contradictory values Tanzania pursues in relation to decentralization. These values entail the need for the central leadership to widen its political space for effective control of national activities and, the need to also widen the political space of local communities for purposes of empowerment and participation (Mushi and Baregu, 1990 as quoted in Liviga, 2009).

When close examination of these two values is made, one appreciates that there is a will to allow participatory governance but, at the same time, there is an inherent need to strengthen the central control. This lukewarmness portrays a conflictual relationship between political pronouncements, policies and strategies clearly stressing community empowerment and decentralization of power and resources while behaviour-wise central government encroaches on the power in practice. This is what Robert Michels (1915) calls an '*iron law of oligarchy*' to the original goal. According to Liviga (2009), ministries and central government agencies have also been hiding behind the fact that LGAs do not have capacity to handle increased resources and functions/roles. This is equal to blaming the victim instead of the perpetrator (Kessy, 2008). Lack of capacity in LGAs is the result of Central Government's own actions such as top-down changes which create uncertainty and unknowns to the actors in local and central government. Therefore, LGRs and PSRPs cannot achieve the goals, as some actors are afraid of changes.

According to a study done in 2007 at national, regional and local level, evidence of numerous initiatives aiming at strengthening the capacity of the people to exercise their rights as citizens was found (REPOA, 2005). Some CSOs such as REPOA and others are directly engaged in training and capacity-building activities within the institutional context of

decentralization. Other CSO initiatives are focused on building regional and local capacities for participation and lobbying. In general, the participatory approach of CSO projects and programmes such as those visited in the Kongwa District (LVIA) or in the Bukoba and the Muleba Districts (Swissaid and FOGOTA), which aim at empowering villagers by building up and supporting their self-help organizations, are laying an important groundwork for participatory and transparent local government.

## **Governance**

The cardinal goal of LGRs has been widening space for awareness creation, ethical conduct for councillors and staff, citizen participation and accountability. The governance outcome addresses citizens' participation in planning, M and E and the demand side of accountability as crucial for performance management. The initiatives were geared towards promoting active participation of civil society in local development and enhancing citizen participation through existing forums of the LGAs and through partnership between LGAs and CSOs. Modest but tangible progress is reported, across the governance outputs, including public awareness raising and gender mainstreaming (URT, 2008).

The biggest challenge remains participation in planning and enhancing demand-driven side of accountability. For this, the government has tacitly admitted, for example, that women are marginalized and their interests and roles ignored when village plans are integrated into district-level plans; people's participation is minimal in the preparation of systems and formats of planning; and Opportunities and Obstacles for Development (O and OD), the official planning methodology for Local Government Authorities is disregarded as plans move up (URT, 2009). In the same vein, Kikula (1995) had observed that district plans are rarely comprehensive and integrated. Not all actors, particularly the poor, are reflected in the plans.

These remaining challenges form the core of the LGRP II planned interventions. The question therefore is: will the goal and objectives as set in the LGRP II be realized given the policy and legal framework that is currently in place? Will the service delivery initiatives cater for performance management at the local level in this second phase of D by D implementation?

## **Way Forward**

The following are the recommendations for service delivery and performance management at the local levels for realizing growth and development as follows:

Firstly, LGAs should be treated as governments with full powers and authority in their areas of jurisdiction. CG to deal with LGAs based on government-to-government principle; the latter should not be seen or regarded as field implementing agents of central government policies and priorities at the expense of local development needs and priorities. This has been sounded by some observers of the local government system for quite some time (Shivji, 2009) but relevant authorities have not heeded the call.

Secondly, redefining functions and roles of central agencies including ministries *vis a vis* LGAs as would be provided and made clear in the Constitution.

Thirdly, consider relocation of the authority to oversee implementation of LGRP from Prime Minister`s Office-Regional Administration and Local Government (PMO-RALG ) to the Chief Secretary; or elevate the PMO-RALG to the same status as Ministry of Finance and Economic Affairs (MoFEA ).

Fourthly, the Regional Secretariats (RS )should be reoriented and capacitated to play their new role of backstopping LGAs, linking LGAs with ministries and other actors in the development process including the general public, civil society organizations and the private sector.

To achieve the intended outcomes from these interventions, the capacity of the PMO-RALG is critical in implementing the LGRP envisioned on (D by D). The main responsibility would lie in the offices of the Permanent Secretary, Deputy Permanent Secretary and Director of Local Government. These offices need to have the necessary capacity (personnel, technical, managerial and political clout) to be able to manage the reform. They need to have the support of technically competent and well versed staff in D by D.

## **Conclusion**

The article set out to analyze service delivery and performance management for development under a devolved system, zeroing on the education and health services in Tanzania. The central argument that has guided this article is that local government reforms in Tanzania strategically pursued under D by D would enhance local ownership and invariably improve service delivery as monitoring the performance is closer to the local communities (URT,1998).

It is an acknowledged fact that the best government is government that is closest to the scrutiny and control by citizens. Local governments in any country including Tanzania, form one of the levels that people can directly get involved and participate in formulation of development plans, make bye-laws, decide on priority issues to include in development projects, identify and tackle challenges collectively as well as call for leaders to account for their actions or inactions at the community level. Local governments also play a key role in service provision at the grassroots level. They are assigned to deliver certain services in various sectors including agriculture, education, health, infrastructure (For example, construction or repair of feeder roads), land and water. In the context of Tanzania where about eighty per cent of the people live in rural areas where delivery of basic services is less developed compared to urban areas, the importance of local governments cannot be overemphasized (Liviga, 2009 and Smoke, 2003).

However, the reality of reforms as regards local government in Tanzania is cosmetically done. There is a political will but political and bureaucratic commitment to ensure devolution of powers and resources to local communities for performance management and local development is in shambles (Litvack and Bird, 2002).

The evidence from the studies done on local government and local development vindicates that devolution has not significantly improved the organizational performance in terms of service delivery in the health and education sectors (Shivji, 2004). The central government has tended to pronounce decentralization by devolution policy as a panacea for improved performance at local levels in order to stimulate rapid development. Nevertheless,

the central government has at the same time endeavoured to recentralize its devolved powers using the strategy of not transferring the powers as per policy provision.

It is put forward with certainty that unless certain constitutional, legal and institutional matters are also addressed and made part of the reform process its will be difficult for local communities to realize development potentials as locals will not participate but rather will be participated. It is noted through an analysis of Tanzania's experience with decentralization that LGAs have had a chequered history and, most importantly, that the central government's tendency to centralize has weakened these avenues of participation. Mogella (2003:110) describes local government in Tanzania as a system in distress.

It is also noteworthy that improved service delivery at local level is an important instrument in reducing poverty and enhancing equitable growth. This fact has also been acknowledged by the Government of Tanzania that has through its Local Government Reform Programme (2008 – 2013) noted the critical role Local Government Authorities can play in the development process (URT, 2009).

There are still eminent challenges in terms of the legislative framework which is not yet D by D-compliant and there are interruptions of devolution of Human Resource Management (HRM) and financial management from the central government. These are fundamental problems inhibiting successful implementation of local government performance management initiatives (APRM, 2009).

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