

# **Central-local relations in the provision of basic services**

## ***Provision of water and sanitation services in Ghana***

George Quaye Mensah Laryea-Adjei

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**Centrale-lokale overheidsrelaties en de verlening van diensten,  
de levering van drinkwater en riolering in Ghana**

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*To*

*Ma, who sees this from above,  
Dad, who is still with us, and  
Aba and Adom who have been at my side*

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## Abbreviations

AAP	Annual Action Plan
ADF	Administrative Design Framework
CIDA	Canadian International Development Agency
CPHD	Community Partnerships for Health and Development
CWSA	Community Water & Sanitation Agency
CWSC	Community Water and Sanitation Committees
DA	District Assembly
DACF	District Assembly Common Fund
DCD	District Coordinating Director
DCE	District Chief Executive
DSA	Decision Space Analysis
ECOWAS	Economic Community of West African States
EF	Enablement Framework
FGDs	Focus Group Discussions
DWST	District Water & Sanitation Team
GoG	Government of Ghana
GWCL	Ghana Water Company Limited
GWEP	Guinea Worm Eradication Programme
Hq	Headquarters
IRC	International Water and Sanitation Centre
MoF	Ministry of Finance
MoH	Ministry of Health
MDG	Millennium Development Goal
MLGRD	Ministry of Local Government & Rural Development
MMDA	Ministries, Departments and Agencies
MTDP	Medium Term Development Plan
MTEF	Medium Term Expenditure Framework
NDPC	National Development Planning Commission
NGO	Non Governmental Organisation
OHCS	Office of the Head of Civil Service
PM	Presiding Member of the District Assembly
PSC	Public Services Commission
PSP	Private sector participation
RCC	Regional Coordinating Council
SNDA	Savelugu-Nanton District Assembly
SN	Savelugu-Nanton
SWB	Savelugu Water Board
SWS	Savelugu Water System
TFF	Type-Function Framework
TMA	Tamale Municipal Assembly
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WHO	World Health Organisation
WSC	Water and Sanitation Committee
WUA	Water Users Association
WVI	World Vision International

## **CHAPTER 1**

### **1.0 INTRODUCTION**

#### **1.1. Background**

There is broad agreement that greater prosperity is achieved by ensuring a stable and open macroeconomic environment, by building accountable and inclusive public institutions, and by investing in social services (Ritzen et al., 2000). Institutions are particularly important for mediating the impact of policy reform. In turn, policy reforms can affect institutions by changing organizational structures, roles, and responsibilities, or rules and incentives, as well as by altering market incentives, changing the behaviour of economic agents and interest groups and ultimately, distribution and poverty reduction. Furthermore, institutions are important for coordination and administration of economic development, learning and innovation, and for income redistribution and social cohesion (Chang, 2005). The study of the relations between central and local governments as well as with their partners in the delivery of services is particularly important in this regard (Rutherford, 1994; World Bank, 2003).

According to Linder (2002) modern society is based on three subsystems: the economy, regulated by the market; institutions, regulated by state law; and, the social system, regulated by values and norms. These subsystems work together to transform a society from traditional to modern. Linder further notes that decentralisation leads to new institutions of government that contribute to the transformation of society. Decentralisation has been also been observed by Shah et al (2004) for its positive influence in reforming the public sector in developing countries in support of economic development and provision of basic services, that is, public services that are basic for human survival, including primary health care, safe water and sanitation and basic education (Hall, 2003; World Bank, 2004).

In this context, decentralisation has “quietly become a fashion of our time” (Manor, 1999). It is being considered or attempted in an astonishing diversity of developing and transitional countries - by solvent and insolvent regimes, by democracies (both mature and emergent) and autocracies, by regimes making the transition to democracy and by others seeking to avoid that transition, by regimes with various colonial inheritances and by those with none. It is being attempted where civil society is strong, and where it is weak. It appeals to people of the left, the centre and the right, and to groups which disagree with each other on a number of other issues (Dillinger, 1994). Out of 75 developing countries with a population of more than five million in 1999, 63 were actively pursuing decentralisation policies (Lee and Gilbert, 1999).

#### ***Why the current interest?***

On why the currently high interest, Manor (1999) notes that some post war command states see decentralisation as a means of shifting power to local governments – particularly to accelerate poverty reduction through the delivery of basic services, an objective that the centre finds difficult to achieve. Some politicians in central governments also see decentralisation as a means of off-loading expensive tasks onto others lower down the public administration hierarchy. Some donor agencies also see

decentralisation as a means of shifting their emphases away from large-scale development programs to more modest, micro level projects into which grass roots communities could be drawn as participants, in the hope of making development more sustainable. Other donor agencies also see decentralisation as consistent with the introduction of market reforms in economic management and as a way of introducing administrative reforms in the public service, particularly with the advent of new public management in promoting partnerships (Temmes, 2005).

World Bank (1997) on the other hand points to the “resource crunch” of developing countries as one of the main reasons – that economic difficulties which regimes faced in the 1980s (and compounded by political failures) created a crisis that led to ambitious reforms including the adoption of decentralisation.

Van Dijk (2006) further provides a summary of factors that support the intensification of decentralisation. These include the continued weaknesses of central government in meeting local needs, particularly the often insensitivity of central government investments to local circumstances, uncoordinated actions of central government agencies, abuse of controls over local government, weakening of municipal financial viability by withholding approval to changes in tax assessments; and, the conditionality of aid agencies in their bid to promote democracy and deregulation.

For a variety of interest groups – from planners and business managers to church administrators, decentralisation is sought after because of the strong belief in the *principle of subsidiarity*, which holds that a larger and greater body should not exercise functions which can be carried out efficiently by one smaller and lesser, but rather the former (larger body) should support the latter (smaller body) and help to coordinate its activity with the activities of the whole community or country (Mele, 2004).

### ***A word of caution***

In spite of the high level of interest, there are those who argue strongly against decentralisation as well as those who call for caution. Prud’homme (1995) argues strongly against it, going as far as issuing a warning on the “dangers of decentralisation”. He contends that decentralisation (in its pure form) can be the “mother of segregation” due to regional disparities that may arise from assignment of fiscal responsibilities from central to local governments. Citing examples of “fiscal perversity” by sub-national governments in Argentina, Prud’homme further argues that decentralisation can jeopardise macro economic stability.

Davey (1992) asks for pragmatism, citing the “practical realities that work against rapid and full decentralisation”, including: (a) the need for central government to ensure equalisation and economic regulation across local government areas and regions; (b) the scale of many interventions beyond a particular local government area; and, (c) the pull of vertical political linkages. Cohen and Peterson (1997) also observe difficulties in reforming institutions that have been established by decades of colonial rule, numerous aid agency experiments, informal patterns of administrative behaviour, and uneven implementation of whatever approaches to decentralisation that countries tried in the past.

In addition, difficulties in implementation of laws have raised concerns regarding the pace of decentralisation. In many developing countries, while the law sets the base for decentralisation, it does not determine its operation. On the ground, the exercise of legal powers for decentralisation is influenced by a wider political climate, as well as a balance of power within society as a whole, both outside the framework of decentralisation (Litvack, 1998).

Wunsch and Olowu (1990) note that despite the wave of decentralisation reforms sweeping through developing countries, many central governments continue to retain a major role in local development - through their holding on to some functional responsibilities, control of investment finance and professional skills, and through their legal powers over the operation of local authorities. Litvack (2000) mentions accusations against central government agencies – that they are undermining decentralisation by ensuring a slow pace of implementation of needed reforms.

Thus, many developing countries are struggling with making decentralisation work, perhaps due the lack of operational instruments, or the notion that centralisation and decentralisation are an “either-or” phenomenon. In particular, several developing countries are unlike many developed ones, yet to come to grips with the “pragmatism” of how to balance central-local relations in a manner that improves the provision of basic services (Cohen and Peterson, 1999).

In western countries, there is evidence of a variety of approaches to address the concerns of both the centre and city. In the *anglo-saxon* model, local authorities have their own property, budgets and staff, together with devolved functions, which they perform exclusively. If central or state governments perform other tasks at local level, they do so through branch organisations, which are parallel to and separate from municipal apparatus. Local governments are also equipped with a variety of tools for cooperating with central government agencies (Davey, 1992). Other traditions, particularly *franco* or *ottoman*, generally treat local government as part of an integrated hierarchy of government. The Netherlands for example has a mix of central-local relations, with active participation of central government in local economic development (Van Dijk, 2006).

Thus, many developed countries have ensured that centralisation and decentralisation are not treated as "either-or" conditions for local development. They understand the need for and have developed instruments for a climate of “cooperation” by both central and local government agencies in the provision of basic services (Cohen and Petersen, 1996). Samoff (1990) further observes that “there is no absolute value in either central direction or local autonomy. Both are important...at different moments. Both must coexist.” Slatter (1989) further argues that decentralisation only makes sense when it leads to greater social or territorial equality, which is often not the case. Silverman (1992) recognises that “most system-wide institutional arrangements are characterised by the coexistence of elements of types of decentralisation, together with other highly centralised functions” or a “hybrid” system. Mawhood (1987) refers to a “mixed” system of public administration.

Van Dijk (2006) also notes the relevance of strong and innovative partnerships between the various levels of government and with the non-state sector in effective local governance. Cohen and Peterson (1999) also argue that if decentralisation takes



the form of pluralism, that is, involving different layers of government and non state institutions, it has more positive influence on the performance of service delivery systems than if it takes the form of monopoly<sup>1</sup>.

McLure (1996), in disputing Prud'homme's work on the "dangers of decentralisation", also points out that the "centralisation-decentralisation dichotomy is a false one". Systems of public administration are usually characterised by a combination of both.

Yet, for developing countries like Ghana, several challenges remain about how to balance central-local relations in a way that improves the delivery of basic services. These challenges include how to define incentives for central governments to be more supportive of local government provision of basic services; and, how to enhance the competence of local governments to perform decentralised functions, including cases where the scale of interventions transcends the boundaries of local government. Another challenge is in respect of how to define incentives for local governments to promote pluralism in the delivery of services. A bigger challenge is to ensure that pluralism yields the desired fruit of improved service delivery.

Concerns also remain regarding the place of pluralism in service provision. Helmsing (2000) raises doubts about whether plural arrangements for service delivery really exist in developing countries. Pluralism presupposes the existence of partially self-organising firms (or NGOs or CBOs) and their networks. Have these really emerged in developing countries? If yes, what are their internal dynamics, taking into account the likelihood of considerable inequalities among various actors? Do local governments have the regulatory capability to steer service delivery networks? Are they delivering services at lower cost and higher quality than conventional public sector delivery?

In this study we take up the challenge of exploring the reality of central-local relations, vis-à-vis what the law says in the provision of basic services in a developing country, Ghana; and whether central-local relations are characterised by pluralism. We further examine whether plural central-local relations, where they exist, perform better than monopoly arrangements in the delivery of basic services, with emphasis on water and sanitation.

## **1.2 The Problem in Ghana**

While it is argued that decentralisation reforms in Ghana predate independence in 1957, the most recent wave, and perhaps the most far-reaching reform began in the 1988-1992 period. The 1992 Constitution of Ghana indicates that the objective of Ghana's current decentralisation policy is *devolution* of decision-making powers for the provision of basic services from central government and its agencies to local government or *District Assemblies* (Republic of Ghana, 1992). The Constitution and related legislation seek to achieve devolution through political, spatial, administrative and fiscal decentralisation, and the establishment of local governments as *planning authorities* (Republic of Ghana, 1993; Republic of Ghana, 1994; MLGRD, 1996;

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<sup>1</sup> The concept of pluralism in institutional design and performance is discussed in detail in Chapter 2.

MLGRD, 1999). The reform places the responsibility for management of districts (local government territories) in the hands of local governments.

Thus, by law, responsibility for provision of basic services, including water, waste management, basic education, primary health care and infrastructure for small enterprises, appears to have been devolved to District Assemblies. However, the reality of decentralisation appears to be different.

### ***The reality of central-local relations in Ghana***

As will be discussed in detail in Chapter 3, the process of implementing decentralisation reforms appears to have resulted in a shift from the original objective of devolution. The District Chief Executive or Mayor of a local government area is appointed by the President of the country and not elected, a phenomenon that has tended to undermine local accountability (Laryea-Adjei, 2001). Central government agencies, rather than District Assemblies control most of the recurrent budget for the delivery of basic services. This situation, together with resistance from top civil servants has slowed down the transfer of staff from ministries to District Assemblies. Alhassan and Arthur (2004) also cite the centralised implementation of the country's expenditure planning approach, the Medium Term Expenditure Framework (MTEF), as a key constraint. The principal fiscal instrument for decentralisation, the District Assembly Common Fund (or 5% of national tax revenues) also has significant portions earmarked by central government (MLGRD, 2002).

In addition, there are laws and policies that do not promote the devolution objective of the Constitution regarding the provision of basic services. Provision of basic health and education have for example, been backed by laws which do not support devolution. National policy on the provision of water in urban areas is also not consistent with the powers assigned to District Assemblies by law. Thus, various types of central-local relations are emerging in the provision of basic services. In this context, this study ascertains the extent of decentralisation and pluralism in central-local relations and the ensuing performance in terms of improved provision of water and sanitation services in Ghana.

## **1.3 Objectives of the Study**

The objectives of the study are as follows:

1. Examine the evolution of decentralisation in Ghana.
2. Identify and examine central-local relations in provision of water and sanitation in urban and semi-urban districts and the extent to which plural arrangements are used for the delivery of services.
3. Assess the performance of the different type(s) or combination of types of decentralisation in urban and semi-urban districts
4. Explore factors for performance in designing decentralised provision of water and sanitation.

## 1.4 Hypotheses

Our first hypothesis is that *decentralisation in practice in Ghana does not reflect what is specified by the country's laws and referred to by Rondinelli (1981)<sup>2</sup> as devolution, but rather a mixture of deconcentration and delegation*. This hypothesis will be tested for Ghana in general and for the water and sanitation in particular. The underlying notion is that decentralised decision-making can contribute considerably to improving the provision of water and sanitation.

The literature also notes that decentralisation sometimes leads to *pluralism* (Van Dijk, 2006; Helmsing, 2000). Cohen and Peterson (1999) also draw attention to another manifestation of decentralisation, which they refer to as *distributed institutional monopoly*. Pluralism refers to a situation where decentralisation ensures that roles are shared by two or more organisations or institutions. Distributed monopoly refers to a situation where roles are distributed spatially (from the centre to the local government level), but concentrated in one organisation or institution<sup>3</sup>.

Our second hypothesis is that *when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly*.

## 1.5 Research Questions

To test the hypotheses, the research will seek to provide answers to the following questions:

1. What is the reality in Ghana, vis-à-vis the law on decentralisation in the provision of basic services, with emphasis on water and sanitation?
2. What is the performance of the different types or combination of types of decentralisation in the provision of water and sanitation in urban and semi-urban districts?
3. Are plural arrangements for the provision of water and sanitation, where they exist, yielding better results than monopoly arrangements?
4. What explains the differences in performance, if any?

## 1.6 Scope of the study

The study focuses on provision of water and sanitation by various levels of government, with a special emphasis on local government. Water and sanitation are selected because of their demonstrated influence on public health and poverty reduction. Increased access to safe water for example, contributes to improvements in health outcomes and increases the productivity of a local economy. Improved sanitation contributes to a reduction in the burden of disease and to the attraction of more tourists (Sachs et al., 2004). Furthermore, water and sanitation are selected for study because of a legally defined role of local government in their provision.

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<sup>2</sup> Rondinelli (1981) classifies the various types of decentralisation as *devolution*, *delegation* and *deconcentration*. These concepts are discussed in detail in Chapter Two.

<sup>3</sup> Detailed discussion of concepts of pluralism and distributed monopoly can be found in Chapter 2.

In terms of geography, this study focuses on two districts of Ghana which have similar spatial and socio-cultural characteristics: Tamale and Savelugu-Nanton. Tamale is selected because it is the leading urban centre in the deprived northern section of Ghana, hence providing an opportunity to test the recommendations of the study in larger urban centres in the future. Unlike the Tamale municipality, Savelugu-Nanton has a mix of rural and urban populations. This offers the opportunity to compare provision of water and safe sanitation in both urban and semi-urban settings. Chapter 5 provides more information on the criteria for selecting districts for this study.

## **1.7 Organisation of Thesis**

Chapter 1 provides an introduction to the study and covers the problem statement, objectives, hypothesis and scope of the study. Chapter 2 focuses on concepts of decentralisation and as it influences the provision of basic services.

The law and practice of decentralisation in Ghana since the colonial era in 1844 are reviewed in Chapter 3. Chapter 4 continues a review of the literature with an emphasis on the characteristics of water and sanitation, and the implications for service delivery.

The Research Strategy is discussed in Chapter 5. Chapter 6 presents background information on Ghana and the two study districts.

Chapters 7 and 8 present an analysis of primary data on central-local relations in the provision of water and sanitation in the two districts. Chapter 9 makes a comparison of the dimensions of central-local relations in the provision of water and sanitation in the districts.

Chapter 10 provides an analysis of the performance of the two districts in providing water and sanitation. A case study approach is used to review the features and performance of a pluralist arrangement in service provision in Chapter 11. The study is concluded in Chapter 12 with a discussion of how the findings of the research relate to the theoretical frameworks that underlie the design of decentralisation reforms.

## CHAPTER 2

### 2.0 CONCEPTS OF DECENTRALISATION

We review in this chapter the concepts that guide the design and analysis of decentralisation. The objective is to provide a basis for the analytical framework of the study, which is the subject of Chapter 5.

#### 2.1 Introduction

The literature is unanimous about the importance of studying decentralisation. This is because it affects everything from the effectiveness to efficiency of service delivery, social safety nets and poverty alleviation programmes, to macroeconomic stability and the development of the financial sector (Litvack and Seddon, 1999).

Progress has been made over the past few decades in defining the concept of *decentralisation* and in identifying its various forms of manifestations. Though considerable ambiguity in the use of the term by both academics and professionals still exists, the literature appears to endorse a number of definitions<sup>4</sup>.

The works of Cheema, Nellis, Rondinelli and Silverman in the 1980s and 1990s provide direction and clarity on the definition of decentralisation<sup>5</sup>. A summary definition from this school outlines decentralisation as “*the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organisations or the private sector*” (Rondinelli, 1999). Bosset and Beauvais (2002) add to the definition by highlighting the variety of mechanisms used to transfer fiscal, administrative, ownership and/or political authority to alternate institutions.

Generally, the literature has with time, moved to consensus on the key elements of decentralisation. These are transfer of *authority* (that is *power*, by law) for (specified) public functions; transfer of *responsibility* (that is *roles* and *tasks*) for public functions; transfer of *resources*; and transfer is from a *higher level* of government to a *lower level* or from a level of government to a *quasi-independent government organisation* or the *private sector* (Cohen and Peterson, 1997; Rondinelli, 1999).

In support of the deepening of decentralisation, Helmsing (2000) further emphasizes the “enablement” role of local governments. According to him, the “enablement” role requires local government “to facilitate and regulate” the overall framework within which other actors can make their most effective contribution to delivery of basic services as well as public demands.

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<sup>4</sup> See Conyers (1986).

<sup>5</sup> Particularly: Cheema and Rondinelli, eds. (1983); Rondinelli, Nellis and Cheema, (1984); Silverman (1992); and Rondinelli (1999).

## 2.2 Purpose of Decentralisation

According to Davey (1992), decentralisation has political and economic objectives. The political objective relates to the sharing of power through political education, maintaining political stability in especially ethnically or culturally heterogeneous societies (where communities feel a strong sense of discrimination or disadvantage) and promotion of local democracy (as a defence against autocracy in many cases). Ethiopia, Russia and Columbia are cases where decentralisation has been used to reduce the tendency by perceived disadvantaged regions to secede (World Bank, 2002)<sup>6</sup>. Ghana is a case where decentralisation was revived in the late 1980s to promote local democracy (Republic of Ghana, 1987). In the UK, decentralisation has ensured local control over supervision of elections, education and the police<sup>7</sup>. According to Linder (2002) countries facing cultural, ethnic, linguistic, tensions usually adopt a federal political system to expedite decentralisation, particularly the political form of decentralisation - usually through the participation of sub-national units in decision-making processes at the national level.

The economic objective relates to identifying local priorities, potentialities and resources for appropriate resource allocation; redistribution for the benefit of deprived populations; promotion of participation; and reduction of the cost of providing services (ESCAP, 2000).

## 2.3 Analysis of Decentralisation

The study reviews three analytical frameworks for decentralisation, namely the Type-Function Framework (TFF), Administrative Design Framework (ADF)<sup>8</sup> and the Enablement Framework (EF)<sup>9</sup>.

### 2.3.1 Type-Function Framework

The Cheema-Nellis-Rondinelli-Silverman school postulates features of the *Type-Function Framework* (TFF)<sup>10</sup>. The TFF analyses decentralisation according to *forms* and *types*. By this approach, decentralisation is classified by *forms* on the basis of objectives: political, market, fiscal, spatial and administrative. The combination of *forms* results in *types* of decentralisation<sup>11</sup>.

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<sup>6</sup> For discussion of this subject see World Bank (2000).

<sup>7</sup> See Davey, *op. cit.*

<sup>8</sup> Classified as such by Cohen and Peterson (1999); World Bank (2002) shares elements of this classification.

<sup>9</sup> Our own classification, after the subject of Helmsing's inaugural address as professor of local and regional planning at the Faculty of Geographical Science, University of Utrecht, The Netherlands in 2000; UNDP (1997); Litvack (1998).

<sup>10</sup> The predominant framework for this analysis was pioneered by Rondinelli (1981)

<sup>11</sup> Cohen and Peterson (1999) argue that these three *types* of administrative decentralisation cover all others (like *principal agency*) that are emphasised by some aspects of the literature.

## 2.311 Forms of decentralisation

### *a) Political decentralisation*

“Political” forms of decentralisation are typically used by political scientists interested in democratisation and civil societies to identify the transfer of decision-making power to lower level governmental units or to citizens or their elected representatives. According to Rondinelli (1999), political decentralisation aims to give citizens and their elected representatives more power in public decision-making. It is about pluralistic politics and representative government, particularly at the local level. It is also about democratisation - giving citizens or their representatives more influence in formulating and implementing policies.

Advocates of political decentralisation assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national political authorities. The concept implies that the selection of representatives from local electoral jurisdictions allows citizens to better know their political representatives and allows elected officials to better know the needs and desires of their constituents.

Political decentralisation often requires constitutional or statutory reforms; strengthening of legislatures; creation of local political units; encouragement of effective public interest groups; and, development of pluralistic political parties (Ayee, 1995).

### *b) Market decentralisation*

“Market” forms of decentralisation are generally used by economists to analyse and promote actions that facilitate the creation of conditions allowing goods and services to be produced and provided by market mechanisms sensitive to the revealed preferences of individuals. The emphasis is on functions that governments transfer to the private sector in the provision of basic services (Litvack and Seddon, 1999).

According to World Bank (2002) market decentralisation, in the form of *privatisation* and *deregulation*, shifts responsibility for functions from the public to the private sector regarding functions that had been primarily or exclusively the responsibility of government. The scope of market decentralisation is increasingly being expanded to include community groups, co-operatives, private voluntary associations, and other nongovernmental organisations. Privatisation and deregulation usually accompany economic liberalisation policies.

**Privatisation:** Privatisation can range in scope from private sector involvement to complete divestiture (Van Dijk and Schulte Nordholt, 1994)<sup>12</sup>. Privatisation can mean allowing private enterprises to perform functions that had previously been in the domain of government and ranges from various levels of private sector involvement to full divestiture. There is a wide range of levels of private sector involvement and of ways in which such functions can be organised, including financing public sector programmes through the capital market, with adequate regulation or measures to

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<sup>12</sup> See also World Bank, Toolkit for Privatisation, <http://rru.worldbank.org/Toolkits/>

ensure that the central government does not bear the risk for this borrowing, and allowing private organisations to participate in the provision of infrastructure. Private sector involvement can also mean transferring responsibility for providing services from the public to the private sector through the divestiture of state-owned enterprises (World Bank, 1994)<sup>13</sup>. Various options in private sector involvement are discussed in Chapter Four and Annex 4.1, with particular reference to water supply and sanitation services.

**Deregulation:** Deregulation reduces the legal constraints on private sector involvement in service provision or allows competition among private suppliers for services previously provided by the government or by regulated monopolies (Van Dijk, 2006).

The benefits of market decentralisation are emphasised by Litvack and Seddon (1999). They include improved allocative efficiency - by allowing the mix of services and expenditures to be shaped by local user preferences; improved productive efficiency through greater cost consciousness at the local level; service delivery innovation through experimentation and adaptation to local conditions; improved quality, transparency, accountability, and legitimacy owing to user oversight and participation in decision-making; and, greater equity through distribution of resources toward traditionally marginal regions and groups.

### *c) Fiscal decentralisation*

Financial responsibility is a core component of decentralisation. If local governments and private organisations are to carry out decentralised functions effectively; they must have adequate revenues – raised locally or transferred from the central government – as well as the authority to make expenditure decisions.

Bahl and Linn (1992) and World Bank (2002) each discuss some of the following forms of fiscal decentralisation:

- Self-financing or cost recovery through user charges
- Co-financing or co production, in which users participate in providing services and infrastructure through monetary or labour contributions
- Expansion of local revenues through property, sales or other local taxes or indirect charges (for example, betterment taxes)
- Intergovernmental transfers of general revenues from taxes collected by the central government to local governments for general or specific uses
- Authorisation of municipal borrowing and mobilisation of resources, including loan guarantees by central government.

Rondinelli (1999) observes that in many developing countries, local governments or administrative units possess the legal authority to impose taxes, but the tax base is so weak and dependence on central government subsidies so ingrained that no attempt is made to exercise that taxation authority.

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<sup>13</sup> See also World Bank, Toolkit for Privatisation, <http://rru.worldbank.org/Toolkits/>



#### ***d) Spatial decentralisation***

“Spatial” decentralisation is a term used by regional planners and geographers involved in formulating policies and programmes that aim at reducing excessive urban concentration in a few large cities by promoting regional growth poles that have potential to become centres of manufacturing and agriculture marketing (Lo and Salih, 1976).

The literature emphasises that the geography of centralism is the geography of underdevelopment. Statistics on growth indicate that the world’s ten largest cities will be in poor countries and their inhabitants will be inadequately served by municipal authorities with limited administrative and fiscal capacities (Van Dijk, 2001, UNCHS, 1998). Cohen and Peterson (1999) argue that a policy of centralisation is not capable of providing basic needs to a burgeoning urban population, much less support a productive infrastructure that can promote economic growth and social welfare. Moulaert and Demaziere (1994), McGuirk (1994) and Harris (1995) document how globalisation has encouraged more spatial decentralisation. Removal of trade and custom barriers, harmonisation of immigration policies, and dominance of the market economy in international relations have eroded the strength of national boundaries. The result has been increased competition among cities across national boundaries, thus enabling decentralisation within cities<sup>14</sup>.

#### ***e) Administrative decentralisation***

According to Cohen and Peterson (1997) administrative decentralisation seeks to redistribute authority and responsibility for providing public services among different levels of government. It is the transfer of responsibility for specified public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional, or functional authorities (World Bank, 2000).

The TFF points out that administrative decentralisation usually means the transfer of the following responsibilities: planning, budgeting, staffing, programme and project implementation, information management and operation and maintenance (Cohen and Peterson, 1999).

### **The multi-dimensionality of forms of decentralisation**

The different forms of decentralisation just described are in practice often found together. The multi dimensional nature of decentralisation is portrayed by Parker (1995), who argues that the various forms of decentralisation need to be combined in order to realise desired development outcomes. Parker suggests a conceptual model, the *soufflé theory*, which incorporates the essential elements of political, fiscal, and administrative decentralization as they combine to realise desired outcomes.

Decentralisation is compared with a soufflé that requires just the right combination of milk, eggs, and heat to rise. A successful programme of decentralisation should

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<sup>14</sup> This occurrence of this phenomenon in Europe is also well documented by Commission of the European Communities (1993).

therefore include the right combination of political, fiscal, and administrative elements to improve development outcomes.

Parker emphasises decentralization as a multi-dimensional process that proceeds with successes and setbacks. Decentralisation initiatives will therefore be subject to a continuous process of modification reflecting changes in social, political and economic conditions. There is therefore the need to include all dimensions of political, fiscal and administrative decentralisation.

The soufflé theory recognises the impossibility of designing a single strategy for decentralisation, and instead illustrates the importance of different decentralisation components (forms) and suggests factors that appear to have either a beneficial or detrimental effects on development outputs and outcomes. Parker further proposes normative criteria for analysing development outcomes of decentralisation, including: (i) *effectiveness*, that is, providing minimum standards of service delivery cost-effectively, and targeted toward disadvantaged groups; (ii) *responsiveness* of decentralised institutions to the demands of local communities, at the same time as meeting the aims of broader public policy; and (iii) *sustainability*, as indicated by political stability, fiscal adequacy and institutional flexibility. These criteria will also be used in this study.

Parker further discusses factors that appear to have a positive impact on development outcomes, including: enhanced participation; greater resource mobilisation; more institutional capacity-building; and increased accountability.

## **2.312 Types of Decentralisation**

*Types* of decentralisation are the manifestation of a combination of *forms*. The literature converges on three types of decentralisation: *deconcentration*, *delegation*, and *devolution*.

### ***Deconcentration***

*Deconcentration* is the redistribution of functions to non central government levels within sector ministries or other sector-specific national agencies (World Bank, 1993). It is often considered the weakest type of decentralisation and is used most frequently used in unitary states. Within this category however, policies and opportunities for local input vary. Deconcentration can merely shift responsibilities from central government officials in the capital city to those working in regions, provinces, or districts, or it can create strong field administration or local administrative capacity under the supervision of central government ministries (Rondinelli, 1999). Despite geographical dispersion of ministry offices and central government employees stationed in branch offices, deconcentration centralises power within central government organisations (World Bank, 1993).

### ***Delegation***

*Delegation* is a more extensive form of decentralisation. It involves the transfer of responsibility for decision-making and administration of public functions (for planning, implementing, or maintaining sector investments, etc.) to semi-autonomous

organisations not wholly controlled by the government, but ultimately accountable to it. Governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, semi-autonomous school authorities, regional development corporations, or special project implementation units. Usually these organisations have a great deal of discretion in decision-making. They may be exempt from constraints on regular civil service personnel and may be able to charge users directly for services.

Examples of delegation to semi-autonomous government agencies, especially parastatal organisations, abound in Africa. To the extent that state-owned enterprises (SOEs) are allowed substantial autonomy with regard to operational decision-making, the relationship between such enterprises and the governments which own them are understood to be delegated. It is also sometimes the case that functions are delegated to an entity, which in turn, deconcentrates responsibility for internal managerial and administrative systems to its own subordinate units.

In addition to commercially oriented parastatal organisations, semi-autonomous agencies sometimes take the form of *special purpose* local government units; such as Water, Electricity, or Education Districts, transport authorities, wildlife reserves, and so forth. Nevertheless, where such districts are created, only the most limited powers are normally assigned.

Another, more particular form of delegation, limited to the implementation phase, has come to be known as *enclave* projects. Such projects are mostly dependent on donor funding and cease to exist once funds run out. An example is Ghana's Northern Region Integrated Development Project (NORRIP) established in the 1970s, funded by the Canadian International Development Agency (CIDA) for provision of basic services in the deprived north of Ghana, and is now living only in name, due to the expiration of CIDA's support.

### ***The Principal Agency Model***

Delegation can be analysed in terms of principal-agent relationship<sup>15</sup>. The principal agency model is useful in explaining the array of actors in a pluralist service delivery arrangement (Cohen and Peterson, 1997; Beauvais and Bosset, 2002; Bosset, 1998). The model can be visualised spatially as the principal being an administrative agency at the centre, which delegates, through legislation or a contract, to a local level governmental or private sector institution, the agent, the authority to deliver a service to citizens, the clients. Beauvais and Bosset (2002) and Bosset (1998) add to the discussion on principal agency relationships through their Decision Space model (see Box 2.1).

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<sup>15</sup> Drawn from business theories. Lipsey et al. (1990) discuss the benefits and disadvantages of principal-agent relationships in business, particularly the reduction of profits when ownership and control are separated, than in a perfect world where principals act as their own agents.

### Box 2.1: The Decision Space Approach (DSA)

Bossert (1998)<sup>16</sup> describes the Decision Space Approach (DSA) as focusing on a range of choices in the decentralisation process through a comparative analytical tool called the *Decision Space Map*. In this perspective, the central government (or central government agency) as *principal* sets the goals and parameters for policy and programmes. This principal then grants authority and resources to local *agents* – municipal and regional governments, deconcentrated field offices, or autonomous institutions – for implementation of its objectives.

The DSA acknowledges that local agents often have their own preferences for the mix of activities and expenditures to be undertaken, and respond to a local set of stakeholders and constituents that may have different priorities than the national-level principal. Local institutions, therefore, may have incentives to evade the mandates established by the central government. Moreover, because agents have better information about their own activities than does the principal, they have some margin within which to de-emphasise centrally defined responsibilities and pursue their own agendas. The cost to the principal of overcoming this information ‘asymmetry’ is often prohibitively high. Within this context, the central government seeks to achieve its objectives through the establishment of incentives and sanctions that effectively guide agent behaviour without imposing unacceptable losses in efficiency and innovation. Diverse mechanisms are employed to this end, including monitoring, reporting, inspections, performance reviews, contracts, grants, etc.

One of the mechanisms that the principal may use to influence the agents is to selectively broaden the formal decision-space or range of choice of local agents, within the various functions of finance, service organisation, human resources, targeting and governance. The central principal voluntarily transfers formal authority to the agents in order to promote its policy and objectives. The degree and nature of this transfer differs by case, and shapes the functioning of the principal-agent relationship and the characteristics of the decentralised system as a whole.

Use of the DSA allows a review of the range of choice over different functions that local governments have. It allows comparisons of the extent of decentralisation in-country and between countries. Nevertheless, the DSA does not provide sufficient focus on the central government level, and what reforms are required there. A total picture of tasks and roles is required to analyse how decentralisation should proceed at various levels of government.

Source: Bosset and Beauvais (2002); Bosset (1998)

In the context of decentralisation, principal agency denotes a form of intergovernmental relationships in which responsibilities for performing executive functions are assigned by one level of government to another on its behalf. Thus, central government entities can serve as principal agents of local governments or vice versa. If for example, District Assemblies in Ghana serve as principal agents of Central Government, they would be exercising responsibilities on behalf of the higher authority (World Bank, 1993).

Under the principal agency model, local governments often retain some scope for the exercise of limited discretion, largely through their technical staff, with regard to specific operational matters; and the option of negotiating the nature of their responsibilities and the scope of their limited discretion in that regard.

In some cases, local governments are, in their entirety, no more than agents of central governments. The central government appoints executive officers to manage the activities of each local government. In such cases, local governments exercise executive functions, but not legislative functions. Ambiguity in central-local relations

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<sup>16</sup> Bossert T. (1998) provides in-depth analysis of the Decision Space Approach to central-local relations.

can also arise when the legal assignment of responsibilities explicitly emphasises the exercise of discretionary authority by local government, but the structure of incentives is skewed toward support of principal agency.

### ***Devolution***

*Devolution* is the transfer of authority for decision-making, finance and management to quasi-autonomous units of local government with corporate status. Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear and legally recognised geographical boundaries over which they exercise authority and within which they perform public functions. It is this type of decentralisation that underlies most political decentralisation.

The essence of devolution is *discretionary authority*. In devolved systems, responsibilities for a range of operations encompassing more than one sector are assigned to local governments. The range of sectoral responsibilities is one factor that distinguishes devolution from deconcentration. To the extent that local governments have discretionary authority, they can do essentially what they decide to do; bound only by broad national policy guidelines and regulations, their own financial, human and material capacities, and the physical environment within which they must operate.

An essential characteristic of discretionary authority is that the oversight role of Central Governments is limited to ensuring that local governments operate within very broad national policy guidelines; at least with respect to those functions for which local governments have the authority to exercise discretion.

### ***Hybrid of Types***

A mixture or *hybrid* of types of decentralisation is observed in many countries (World Bank 1993, 2002). The hybrid is not a *type* of decentralisation but a description of historical reality in countries that have experimented with different forms of decentralisation interventions since independence, resulting in a mixture of types in the delivery of particular public sector tasks.

Thus, system-wide institutional arrangements are characterised by the coexistence of elements of all types of decentralisation, together with other highly centralised government functions. Even within individual sectors, responsibility for government decision-making can be distributed in many ways. Some decisions may be centralised (e.g. minimum curriculum standards for primary schools and qualifications of teachers). Other decisions may be devolved (e.g. location and structural characteristics of schools; employment and promotion of teachers; supplemental curriculum outside centrally mandated standards). Yet other decisions may be deconcentrated (e.g. inspectorate responsible for ensuring adherence to minimum curriculum or teacher qualification standards). Some decisions may be delegated (e.g. textbook production).

Alternative to the TFF is the Administrative Design Framework (ADF), which will be discussed now. The ADF brings the analysis of roles and tasks, and their sequencing to the fore in the discussion of decentralisation.

## **2.32 Administrative Design Framework**

### **2.321 Objectives and Components of the ADF**

Cohen and Peterson (1997; 1999) are lead proponents of the Administrative Design Framework (ADF). The ADF proposes the examination of central-local relations in terms of concentration of organisational and institutional *roles* that implement *public sector tasks*. The central proposition is that providing allocative tasks through pluralist, rather than a monopolist design promotes accountability.

The ADF identifies three states that determine the concentration or distribution of roles in service delivery:

- a) *Institutional Monopoly*, or centralisation, where roles are concentrated at the spatial centre in an organisation or institution
- b) *Distributed Institutional Monopoly*, or decentralisation to local level governmental institutions or private sector firms and organisation through deconcentration, devolution, and/or delegation, but where roles are distributed spatially and concentrated in one organisation or institution
- c) *Institutional pluralism*, or decentralisation through deconcentration, devolution, and/or delegation, but where roles are shared by two or more organisations or institutions, which can be at the spatial centre, distributed, or a combination of both.

The ADF argues that the purpose of the public sector is reflected in three objectives set out in the literature on public finance: *stabilisation*, *distribution*, and *allocation*<sup>17</sup>. *Stabilisation* is highly centralised, while *allocation* is open to be decentralised. Effective decentralisation therefore requires that all three objectives be mutually supportive.

The focus of the ADF is essentially on *roles* and *sequence of roles* that together define a strategy for central-local relations. *Roles* are specific actions (such as monitoring, auditing, etc.) that need to be implemented by an organisation or array of organisations to carry out a task. Roles allow mapping of tasks from a single organisation to many. Roles can be shared by two or more organisations and they can be managed by one organisation. Roles thus define the strategy for central-local relations as being one of either pluralism or (distributed) monopoly.

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<sup>17</sup> See Musgrave, R. A. (1959).

## 2.322 The Analytical Framework of the ADF

Figure 2.1 illustrates the combination of spatial and role dimensions in the analysis of decentralisation.

**Figure 2.1: Role and Spatial Dimensions of the ADF**

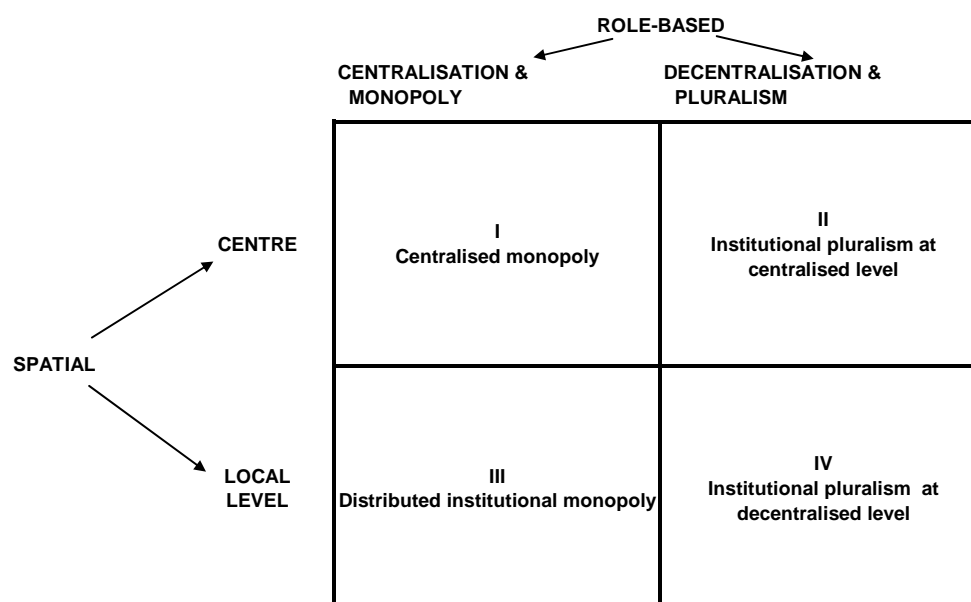


Figure 2.1 leads to the following classification, which is basic to the ADF:

- i. Quadrant I represents centralisation or institutional monopoly, where roles are not shared, but instead are monopolised within one central public institution.
- ii. Quadrant III represents distributed institutional monopoly, where roles are not shared, but responsibility for roles is spatially distributed. Included in this quadrant are the TFF's deconcentrated and devolved types of decentralisation.
- iii. Quadrants II and IV represent institutional pluralism, where roles related to a specific task are shared by two or more governmental institutions and/or private sector firms or community organisations. Institutional pluralism can be spatially centralised as in Quadrant II or decentralised as in Quadrant IV.

The ADF demonstrates that administrative systems are not monolithic. A spatially centralised governmental institution can have a monopoly over some roles while sharing other roles with spatially centralised or decentralised governmental institutions. Over time, dynamic combinations in role performance are possible. Further it is possible to have two or more designs (quadrants) for the delivery of roles related to the execution of a specific public sector task. For example, establishing a financing role at the local level for a particular public sector task may require a priori improvement in the central government's regulatory role of governing capital markets.

The ADF further proposes a variety of *sequences* in decentralisation design, including:

- a) Sequence 1: Quadrant I to Quadrant III: from centralised role and structure to spatially decentralised structure but centralised role. Countries implementing deconcentration have gone through this sequence and its problems.
- b) Sequence 2: Quadrant I to Quadrant II: from centralised role and structure to decentralised role and centralised structure. Examples are found where countries have devolved or delegated specific roles related to specific particular stabilisation and distribution tasks to other to other central institutions.
- c) Sequence 3: Quadrant III to Quadrant IV: from centralised role and decentralised structure to decentralised role and structure. This illustrates the situation when specific roles related to spatially decentralised tasks are administratively delegated to private sector firms or community organisations. This is commonly found in large financially distressed urban areas.
- d) Sequence 4: Quadrant I to Quadrant IV: from centralised role and structure to decentralised role and structure (Cohen and Peterson, 1996).

### ***Roles in Decentralisation***

The ADF further outlines the following roles that are necessary to ensure effective decentralisation:

- a) Leadership – particularly political commitment in the early stages of reform when the benefits are not widely valued and are viewed by many as threatening to, or when the reform is stalled at critical moments. Leadership lays the groundwork for other more task-related roles.
- b) Policy/strategy formulation – a vision of preferred outcome coupled with practical steps to achieve that vision.
- c) Planning – pluralist planning processes are critical to the success of decentralisation. Roles for various stages of the planning process can be shared among central government, local government, private sector and community organisations, depending on the sequence of decentralisation reform.
- d) Regulation – Regulation is essential for succeeding in institutional pluralism at both central and decentralised levels of government.
- e) Oversight/monitoring/management – a role that is frequently shared between spatially centralised and decentralised structures. The oversight/monitoring role depends on the relative capacity and authority at different levels. Task administration is an important role for lower levels of government.



- f) Financing – depending on the sequence of reform by central government, local government, private sector, community organisations and households or a combination of these.
- g) Brokerage – the brokerage role is where both central and devolved local level governmental institutions attempt to harness both market and civil society organisations by delegating roles related to the provision of goods and services<sup>18</sup>. The brokerage role is a major defining feature of institutional pluralism. For a successful brokerage role, local governments require considerable complementarities in the other roles, particularly, leadership, financial mobilisation, task management and administration.

### ***Performance criteria***

The ADF proposes normative criteria, which allow assessment of performance of a system, including: (i) *accountability* (holding public servants responsible for outcomes), (ii) *efficiency* (the positive relationship of resource outputs to inputs), and (iii) *effectiveness* (a measure of the appropriateness of outputs and outcomes in meeting demands of communities as well as the broader aims of public policy)<sup>19</sup>.

### **2.333 Pluralism in central-local relations**

In its pluralist approach, the ADF defines central-local relations to include government, private sector and community organisations, acknowledging that the distribution of tasks and roles in pluralist arrangements indicates the need for effective partnerships. Partnerships, as a form of pluralism, have the potential of reducing and spreading risks associated with investment in local development; they enable different sectors to gain access to skills and resources of each other, a combination that provides synergy, reduces transaction costs and enhances social responsibility. Partnerships also provide additional resources to local governments coping with increased responsibilities. When properly implemented, the interface between local government and other actors in service provision will diffuse power to the extent that no single actor is able to dominate (Mackintosh, 1992; Awortwi, 2002).

Successful partnerships in the provision of basic services have been noted to be guided by certain principles (Beauvais and Bosset, 2002; Van Dijk, 2002; Helmsing, 1997)<sup>20</sup>. These include political oversight and laws needed to promote accountability. Competition is also documented as key to the success of partnerships, whether in bidding or in execution of roles and tasks (Crampes and Estache, 1998). In addition, transparency measures are essential, including open selection processes, open procedures on who awards contracts, certifies completion of work, and authorises payment (Awortwi, 2002).

The capacity of local government to manage partnerships is critical to the success of pluralist arrangements at the decentralised level of government. Professional staff with skills in negotiations, monitoring, and contract management as well as strong monitoring, reporting, performance tracking and learning systems are required for this

<sup>18</sup> Elaborated extensively by Osborne and Gaebler (1993).

<sup>19</sup> See Cohen and Peterson (1996) for more detailed discussion.

<sup>20</sup> See also Awortwi (2002) and Batley (1996).

purpose (Edward, et al., 2001). In addition, the economic and technical capacity of partners should meet the challenge adequately.

Furthermore, Idelovitch and Ringskog (1995) emphasise that the economic characteristics of the service should inform the nature of partnerships. Regarding water and sanitation, characteristics of externalities, economies of scale and merit good are particularly essential in ensuring that partnerships lead to the achievement of universal coverage in the shortest possible time. (See Chapter 4 for discussion on the economic characteristics of water and sanitation).

### **2.33 The Enablement Framework**

The Enablement Framework (EF) is elaborated by Helmsing (2000)<sup>21</sup> about the need for local governments to focus on an enabling role in the provision of basic services as well as in the realization of other development objectives. Helmsing (2000) develops further these propositions with a strong focus on the role of community organisations in local governance.

He sums up issues that have emerged in the rethinking of government in the 1990s, including: (a) which institutions are best suited to identify demand (voting, the market, bureaucracies, NGOs or CBOs); (b) the number of ways in which public services can be delivered by a variety of actors, given government failure, technological changes for reducing market failure, and organisational and managerial innovations that permit unbundling of services; (c) demands by organised groups in society and of citizens in general to participate in the public decision making; (d) appreciation of indigenous institutions through which communities organise basic services; and, (e) the increasing strength of the NGO/CBO non-profit sector in strength in the delivery of basic services; (f) limitations of the of the new public management approaches in addressing only issues of efficiency (such as by greater involvement of the private sector in service provision)<sup>22</sup>. and not the wider dimensions of local governance. Thus the EF is complementary to the ADF in several ways; and, particularly complements the notion of pluralism with its strong emphasis on the role of community organizations in service provision.

A central concept of the EF is the role of government as an 'enabler'. Rather than engaging in direct intervention and deliver (public) services, government is to facilitate and regulate the framework in which other actors (or service providers) can make their most effective contribution. This new role poses new demands on governments. The question is not so much more or less government but a qualitatively different one (UNDP, 1997). The new type of governments should create legal, regulatory and financial frameworks and institutional arrangements in which private enterprises, households and community groups can play an increasing role in meeting and basic service needs. Eliminating or mitigating market failures are key features of government's enabling role (World Bank, 1991). In the perspective of the EF, explicitly grounding the state in indigenous institutions would strengthen external responsiveness and accountability of officials and create dynamism in both state and civil society institutions.

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<sup>21</sup> Similar ideas can be found in Litvack (1998), Evans (1996) and World Bank (1991), World Bank (1994).

<sup>22</sup> Caiden (1996) discusses in detail views from the New Public Management school.

Enablement concerns a fundamentally different way in which government conducts its affairs. Instead of self-contained, hierarchical bureaucratic processes, mediated by more or less democratically elected politicians, enabling governments seek to involve other actors in the formulation and/or implementation of government policies and programmes. An enabling strategy should allow each actor to perform its role in the most efficient way possible, leaving governments to leverage its limited resources and ensuring balanced presentation of both market and community enablement. Increased interaction between public and other actors is expected to generate synergy.

With regards to community role in service provision, enabling practices could range from contracting out, community planning, community leadership, community self help to community participation in local government.

The EF emphasizes that decentralisation is about the emergence of complex networks of multiple (and unequal) actors. Governance therefore needs systemic co-ordination by negotiation, both horizontal and vertical, for steering the development of the network. This remains a role for government. Thus, decentralisation has ceased to be a local government affair and has turned into a local governance issue.

In an attempt to operationalise the concept of EF, Helmsing (2000) proposes the assessment of the degree of enablement around a wide range of issues, including:

- (a) Legalisation of enablement in government;
- (b) Recurrent and investment co-financing of community organizations in the provision of basic services;
- (c) Local government budget provisions, including transfers to community organisations;
- (d) (Co-) management of public funds;
- (e) formal administrative coordination mechanisms;
- (f) Community planning practices (commitment of resources and place of community action plans in LG planning);
- (g) Stimulation of community participation and management in local administration.

## **2.4 Strengths and Challenges of the TFF, ADF<sup>23</sup> and EF**

Cohen and Peterson (1997; 1999) discuss the strengths and challenges of the TFF and ADF. First both analyse the *forms* and *types* of decentralisation. Both frameworks also focus on organisational structures (for example, central and local governments) and functions. However there are differences. The central issue for the ADF is not so much the spatial relationship of structures as is the case with the TFF, but the role relationships among different levels of government and private sector organisations relative to a public sector task. The ADF views decentralisation as limiting the monopoly of roles. It focuses less on the importance of spatial distance between structures.

The TFF is useful in identifying the institutional location of transferred powers. Nevertheless, it does not tell much about the range of choices that is granted to the

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<sup>23</sup> This section relies extensively on Cohen and Peterson (1997) and Rondinelli (1999).

decision-makers at decentralised levels. The TFF tends to view decentralisation as one event that transfers power at one time and does not strongly portray the usual dynamic relationship of changing powers between the centre and the periphery.

The TFF leads analysts to consider the *types* of decentralisation as end-states and to give inadequate attention to the process. Furthermore, the TFF fails to emphasise the fact that devolution and delegation in particular, must draw on an array of institutions and organisations that can carry out roles related to public sector tasks being decentralised, and that such reforms can only be achieved through a long process that involves recombining governmental and non-governmental institutions and organisations in ways that carry out roles efficiently, effectively and accountably.

Another observation by Cohen (1999) is the insensitivity of the TFF to distinctions or variations in the managerial, technical and financial capacity of institutions to which public sector tasks have been decentralised. As a result, unrealistic assumptions are often made about the personnel and financial capacity of non-central and private sector institutions and organisations. Again, the TFF does not devote much attention to roles that have to be in central hands. It does not devote much attention to the possibility of such roles being shared by a range of institutional and organisational role players.

Nevertheless, the TFF by its emphasis on types and forms, as well as on organisational structures and location lays the foundation for analysing decentralisation.

Regarding the ADF, a challenge is the possibly high coordination costs in institutional pluralism. A second challenge is how to ensure the required strength and interest of civil society organisations and private sector firms to collaborate in the delivery of services, particularly in countries with a weak private sector. A third challenge is how to identify and strengthen complementary roles at the centre to keep decentralisation on track.

Nevertheless, the use of the ADF to analyse decentralisation has several advantages, including the insight given into the level of *accountability* and other normative criteria that a given strategy can be expected to generate; the greater focus on roles for the *provision* and *production* of public services<sup>24</sup> that an emphasis on institutional pluralism enables; and the required focus on distribution of roles to effectively and efficiently carry out a particular public sector task.

Moreover, the reality of the hybrid type of decentralisation reveals the need for a more flexible approach to the analysis of central-local relations. As Rondinelli (1999) puts it: “centralisation and decentralisation are not either-or conditions. In most countries an appropriate balance of centralisation and decentralisation is essential to the effective and efficient functioning of government. Not all functions can or should be financed and managed in a decentralised fashion.”

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<sup>24</sup> See Osborne and Gaebler (1993) for argument that government needs to ensure provision of basic services through for example, regulation, and not their actual production, which could be left to non state actors.

According to Cohen (1999), what appears to be the central point for analysis is therefore not just the *type*, but which tasks and roles are to be performed. This issue is the subject for discussion in subsequent chapters.

Helmsing (2000) also discusses the challenges of the Enablement Framework. Empirical findings from 23 urban communities in seven countries show that it is easier to become more enabling in the planning sphere but that it is comparatively more difficult to change local government administrative and financial practices, as well as to manage multi-actor based delivery of basic services. Not all actors and the networks they form necessarily have a democratic character and capture and respond to collective preferences and priorities. Furthermore, service networks may not represent all relevant groups and interests. Moreover, competition in and for markets may not always exist.

These bring to the fore several questions: Have self-organising networks in the delivery of services really emerged in low-income countries, for which government can provide enabling services? What are their dynamics of such networks, taking into account the likelihood of considerable inequalities among various actors? Do local governments have the regulatory capability to steer the service delivery networks? Are partnerships resulting in more improved service delivery – at for example, lower cost and higher quality than conventional public delivery?

## **2.5 Summary of Issues in the Analysis of Decentralisation**

In spite of various perspectives, there is consensus in the literature on factors that need to be considered in the analysis of decentralisation. First, is the forms that decentralisation take, particularly with regards to political, administrative and fiscal decentralisation. (The study treats spatial decentralisation as the manifestation of the three forms in space.) Privatisation is also a key component and is discussed as part of pluralism under administrative decentralisation or as part of discussions on market reforms.

Second, is the analysis of types of decentralisation. The study focuses on the three main types of decentralisation: deconcentration, delegation and devolution.

Third, is the examination of clarity in the definition and distribution of roles in service delivery. Where there are constraints with immediate distribution of roles towards the objective of decentralisation, *sequencing*, particularly how roles will be shared over (specified) time to reduce monopoly in service provision should be evident in a country's plan.

Fourth, is the analysis of decentralisation beyond distribution of roles in the government set-up to include the existence of pluralism - whether (local) government is working together with the private sector and civic groups to provide services; and the extent to which it is feasible for government to play an enabling rather than a direct production role in service delivery.

Finally, the analysis of decentralisation should look at performance in the provision of services. Several criteria reflect better performance, including changes in effectiveness, efficiency and accountability.

## **CHAPTER 3**

### **3.0 DECENTRALISATION IN GHANA: EVOLUTION AND CURRENT FORM**

In this chapter, we review the evolution of decentralisation in Ghana from the colonial era, which began in 1844 to present times. In addition, we use secondary sources to discuss progress with implementation of latest wave of decentralisation in the country. The objective is to provide the country context of the research in terms of decentralisation, and to provide a basis for further analysis in subsequent chapters.

#### **3.1 Evolution of the Local Government System in Ghana<sup>25</sup>**

Prior to colonialism, kings and chiefs ruled nations and kingdoms in West Africa. The present day Ghana was for example, dominated by several kingdoms, which had their borders extending to what today are Ghana's neighbours. Famous among them were the Mole-Dagbani in the north, Ashanti in the middle belt and Ga, Ewe and Ahanta in the south. Colonialism introduced the local government system, around trading towns (Axim, Cape Coast and Accra to start with). This has evolved into several directions to date (Arhin, 1979; Yakubu, 2001; Awoonor, 1990).

The evolution of the local government system can be classified into five (inter-woven) phases: (a) The Colonial or pre-independence era, 1844-1951, (b) Era of the First Government of Ghana, 1951-1965, (c) Era of Review, 1966-1974, (d) Further Decline, 1974-1988, and (e) the Current Era, 1998-2002 (MLGRD, 2002; Nkrumah, 2000; Ayee, 1988; MLGRD, 1996; Nkrumah, 1998).

##### **3.11 Colonial or pre-independence era (1844-1951)**

A take-over by the British in 1844 brought changes in governance in what was then referred to as the Gold Coast<sup>26</sup>. A Municipal Ordinance established municipalities in the coastal towns of the Gold Coast in 1859. Introduction of indirect rule in 1878 expanded local government to include a "legal" basis for chiefs to carry out some limited local government functions (including judicial, legislative and rating activities) within the so-called Native Authorities (or chiefdoms), but under the direction and control of British Government Agents and Provincial Commissioners.

In the late 1940s and early 1950s the policy of indirect rule (through chiefs) was variously modified to enable the local councils include the appointment of professional and technical persons from the local areas; the local councils to be constituted of two-thirds elected representatives and one-third appointed chiefs; make the paramount chiefs, presidents of the local councils; and, re-demarcate the areas of

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<sup>25</sup> This Chapter is dependent on several sources including: 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> Constitutions of the Republic of Ghana; various laws: Local Government Act, 1993 (Act 462); Civil Service Law, 1993 (PNDC Law 327); the National Development Planning Commission Act, 1994 (Act 479); the National Development Planning Systems Act 1994 (Act 480); the Local Government (Urban, Zonal and Town Councils and Unit Committees) (Establishment) Instrument of 1994, LI 1589; and the District Assemblies' Common Fund Act, 1993 (Act 455); World Bank (1993), MLGRD (1996) and Laryea-Adjei (2001).

<sup>26</sup> The British-controlled territories excluded parts of the Volta Region and northern sections of the present day Ghana (Awoonor, 1990).

jurisdiction to make them economically viable. In 1943, a new Ordinance established elected town councils for the four largest cities, namely, Accra, Kumasi, Sekondi-Takoradi and Cape Coast.

### **3.12 Era of the First Government of Ghana (1951-1965)**

The era was initially characterised by a two-tier local government structure consisting of 280 district, municipal, urban and local councils. The multiplicity of local jurisdictions, each with relatively small populations, was viewed by many officials as a weakness. The system was therefore changed in 1961 to a one-tier system of 140 larger district councils. By early 1966, the local government system consisted of three City Councils, three Municipal Councils, 22 Urban Councils and 115 Local Councils.

A Local Government Service Commission was created in 1958, with the responsibility of hiring, firing and paying local government employees. Those responsibilities were transferred to a newly established Ministry of Local Government. Central Government took over responsibility for collecting property taxes on behalf of local government. Central Government's funding for local government was successively reduced and transfers from the centre to local governments suffered increasingly long delays. Centralisation deepened at the end of the era.

### **3.13 Era of Review (1966-1973)**

This era was an extended period of transition characterised by three different sets of enquiry into the features of decentralisation in the country (that is, the Akuffo-Addo Commission of 1966, the Mills-Odoi Commission of 1967 and the Siriboe Commission of 1968). Subsequently, the decentralised system was reformulated into a four-tier structure consisting of Regional, District and Local Councils and Town and Village Development Committees. The District Councils (40 in number) were made the main focus of local government, with rating, administrative and executive powers for local level development and governance. Local Councils that had two-thirds elected members and one-third as appointed chiefs worked together with about 3960 Town and Village Development Committees to implement development activities. Central government agencies nevertheless continued to control human and financial resources that were meant for local governments.

In effect, a clear distinction between central and local government institutions was maintained from the immediate post independence era to 1973 (Nkrumah, 2000). There were two different systems: one based in the capital city Accra with *deconcentrated* branches at the local level and the other separate and distinct, based in well-defined localities and referred to as Local Government (a blurred form of *delegation*). Central government bodies at the local level dealt with national matters. They had less clearly defined powers in terms of local responsibilities, but had a much better presence because of their *de facto* position as bodies of central government and their access to qualified staff and funds. Decision-making took an unduly long time as it was placed in the hands of the centre.

District Councils that had been set up and vested with authority specifically for local matters operated at the local level parallel to *deconcentrated* agencies and their ministries. Their functions were blurred with those of the deconcentrated agencies. They barely had resources or skills to operate. The large number and therefore small sizes of local councils made it difficult to raise enough revenue to finance service delivery. Popular participation in local councils was not emphasised. Thus, local government bodies created an image of ineptitude and incompetence; an image still exploited by opponents of decentralisation (Nkrumah, 2000).

### **3.14 Further decline (1974-1988)**

The era started with another Commission of Enquiry, the Okoh Commission, which endorsed the recommendations of the previous Mills-Odoi Commission. The Local Government Administration (Amendment) Decree, NRCD 258 was instituted in 1974.

The 1974 local government system sought to abolish the distinction between local and central government at the local level and create one common monolithic structure (District Councils). The law provided for the decentralisation of the following sectors: Administration, Agriculture, Education, Survey and Town Planning, Social Welfare and Community Development, Public Health, Engineering, Fire Service and Sports. Furthermore, some hitherto small local councils were merged to create larger districts, resulting in the creation of 65 District Council areas. The regional level of government was strengthened as the start of decentralisation, a feature that jeopardised eventual devolution to districts.

Attempts at the fusion of central and local governments and decentralisation of specific services resulted in devolution to the regional level. Decision-making was done at the regional level. Again, implementation was planned for mostly at the regional level, but with the support of districts.

Popular participation at the local level was not emphasised in the 1974 model. Two-thirds of Councillors were government nominees and one-third represented traditional authorities. Also, the attempt to integrate all agencies of line ministries at the local level under the authority of the district administration met difficulties. The Ministry of Local Government (MLG) was then significantly weaker than the line ministries, which continued to maintain their own units at the local level. Six changes of Ministers between 1972 and 1977 weakened the capacity of the MLG to implement the reforms. Two functions assigned to the MLG in 1974 (revenue sources, and statistics, research and programming) were taken away in 1978. The primary responsibility of the MLG continued to be general administration, an inspectorate unit, and property tax valuation. The result was a weak ministry of local government relative to other central government ministries, which made actual operational role of local governments peripheral to the deconcentrated operations of central government line ministries. Even with their limited scope, the discretion of local governments was limited by excessive controls exercised by the MLG.

Thus, until the current phase of reforms which started in 1988, decentralisation has not been operational on a sustained basis in Ghana since its introduction in the mid nineteenth century. Apart from the 1951-1965 period, where some political and fiscal authority were devolved from central to the local level, management of towns and



cities have largely been in the hands of the centre. A major feature of decentralisation reforms prior to 1988 was the numerous review Commissions, whose recommendations were largely shelved. The exception was the 1974 reform, which tried to implement devolution, *albeit*, in the context of an extremely weak MLG, the coordinating body and subsequent conflicting legislation on service provision (MLGRD, 1999).

### 3.2 The Current Era of Reform (1988-2004)<sup>27</sup>

The Government of Ghana started a new wave of reform in 1988 based on lessons from the 1970s. In 1988, the Government embarked on the implementation of a new policy to decentralise the system of Government with the enactment of the Local Government Law, 1988 (PNDC Law 207). The thrust of the law was to devolve power and resources to the district level and to promote popular participation in governance (Ayee, 1995). The Civil Service Law of 1993 (PNDC Law 327) subsequently designated the Ministry of Local Government and Rural Development as the secretariat for overseeing the implementation and monitoring of the decentralisation process. Furthermore, the main features of the decentralisation policy were enshrined in the 1992 Constitution of Ghana, specifically in Chapter 6 (Directive Principles of State Policy) and Chapter 20. The legal basis for the implementation of decentralisation was further strengthened by revising PNDC Law 207 into the Local Government Act (Act 462 of 1993), which sought more clearly to define the functions of local governments.

#### 3.21 Features of Decentralisation in the Current Era

Provisions of the 1992 Constitution establish the policy objectives for decentralisation in Ghana and the means to achieve them. They are classified under the main forms of decentralisation, as follows:

##### *Overall objective*

- a) *“Local government and administration ... shall, as far as practicable, be decentralised”* (Article 240 [1]);
- b) *“A District Assembly shall be the highest political authority in the district, and shall have deliberative, legislative, and executive powers”* (Article 241[3]).
- c) *“Parliament shall enact appropriate laws to ensure that functions, powers, responsibilities and resources are at all times transferred from the Central Government to local government units in a coordinated manner”* (Article 240[2a]);
- d) Parliament to ensure that local governments have the capacity to *“plan, initiate, coordinate, manage and execute policies in respect of all matters affecting the people within their areas, with a view to ultimately achieving localisation of those activities.”* To that end, *“a sound financial base with adequate and reliable*

<sup>27</sup> Based on Republic of Ghana (1992), Constitution of the Fourth Republic, Accra; PNDC Law 208; Local Government Act of 1993, Act 462; National Development Planning (Systems) Act of 1994.

*sources of revenue” shall be established of local governments and as “as far as practicable, persons in the service of local government shall be subject to the effective control of local authorities” (Article 240[2b,c,d]).*

### **Political features**

- e) *“To ensure the accountability of local government authorities, people in particular local government areas shall, as far as practicable, be afforded the opportunity to participate effectively in their governance” (Article 240 [2][e]);*
- f) *The President, in consultation with the traditional authorities and other interest groups in the district shall appoint not more than thirty per cent of all the members of the District Assembly (Article 243[d]);*
- g) *The President shall appoint a District Chief Executive for every district with the prior approval of not less than two-thirds majority of members of the Assembly present and voting (Article 243[1]);*
- h) *The member or members of Parliament from the constituencies that fall within the area of authority of the District Assembly [shall be] members [of the District Assembly] without the right to vote (Article 242[b]);*

### **Fiscal features**

- i) *Parliament shall annually make provision for allocation of not less than five per cent of the total revenues of Ghana to the District Assemblies for development (Article 252[2])*
- j) *Parliament shall by law prescribe the functions of the District Assembly and the levying and collection of taxes, rates, duties and fees (Article 245)*
- k) *“a sound financial base with adequate and reliable sources of revenue” shall be established of local governments (Article 240).*

### **Administrative features**

- l) *Parliament shall enact laws and take steps necessary for further decentralisation of the administrative functions and projects of the Central Government but shall not exercise any control over the District assemblies that is incompatible with their decentralised status or otherwise contrary to the law (Article 254)*
- m) *Parliament shall by law provide for the taking of such measures as are necessary to enhance the capacity of local government authorities to [carry out their responsibilities] (Article 240[2b]);*
- n) *Parliament may by law make provision for the redrawing of the boundaries of districts or for reconstituting the districts (Article 241[2]);*
- o) *Parliament to ensure that local governments have the capacity to “plan, initiate, coordinate, manage and execute policies in respect of all matters affecting the*

*people within their areas, with a view to ultimately achieving localisation of those activities.” To that end, “...as far as practicable, persons in the service of local government shall be subject to the effective control of local authorities” (Article 240[2b, c, d]).*

### **3.22 Structure of the Current Local Government System in Post 1988<sup>28</sup>**

The structure of the current local government system is as follows:

#### **Central government level**

Key organisations at the centre that impact directly on the cross-sectoral operations of District Assemblies are: Office of the President, Parliament, Ministry of Local Government & Rural Development (MLGRD), National Development Planning Commission (NDPC), Ministry of Finance (MoF), Public Services Commission (PSC), Office of the Head of Civil Service (OHCS) and sector ministries.

The roles of the President and Parliament have been described in previous sections. Roles of other central government agencies regarding decentralisation are as follows:

- a) The MLGRD is responsible for:
  - (i) developing policies and legislation with respect to local government;
  - (ii) supervising and monitoring of local administration;
  - (iii) monitoring the implementation of Act 462; including assisting District Assemblies in drafting bye-laws and vetting such bye-laws;
  - (iv) auditing of District Assemblies;
  - (v) providing guidelines to District Assemblies with respect to procurement, property tax rates, etc.
  - (vi) issue Guidelines for the utilisation of the DACF; facilitating the provision of offices and residential accommodation for District Assemblies.
- b) The NDPC is responsible for:
  - (i) leading development policy and plan preparation for the country;
  - (ii) advising the President of development issues;
  - (iii) issuing Guidelines for the preparation of district and sector plans;
  - (iv) provides technical support in the training of district planners;
  - (v) monitors implementation of plans.
- c) The MoF is responsible for the management of the economy. It is thus responsible for planning for revenue and expenditures (within the adopted development policy). The MoF is also responsible for timely transfer of the DACF and ceded revenue to District Assemblies.

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<sup>28</sup> Based on MLGRD (1996); National Development Planning (Systems) Act of 1994.

- d) Other sector ministries (Works, Education, Health, etc.): The role of other ministries in planning is in the preparation of sector plans, which the NDPC is supposed to harmonise with district plans into the national plan (Act 480).
- e) The PSC and OHCS share the responsibility over all government positions and staff.

### Regional level of governance

Unlike former times, the role of the region is limited to coordination of district plans and monitoring use of monies allocated to District Assemblies by central government (see Table 3.1). Each region is managed by Regional Coordinating Councils (RCCs), which comprise the Regional Minister, representatives of the Regional House of Chiefs, District Chief Executives in the region and Presiding Members of District Assemblies in the region. Central governments departments at the regional level are considered departments of the RCC.

**Table 3.1: Roles of the various levels of Government**

Level of Government	Political Authority	Roles
Centre/National	Presidency, Cabinet, Ministerial Institutions and Public Sector Commissions (e.g. NDPC)	National sector policy formulation, programming and budgeting, rating, standard setting and monitoring, sector evaluation, national projects
Region	Regional Co-ordinating Council	Harmonisation, co-ordination and monitoring of district plans
District	District Assembly	Local level planning within context of national policies; rating; basic service delivery promulgating bye-laws to regulate process of development
Town	Urban, Zonal, Town/Area Councils	Day-to-day administration and management of services
Unit	Unit Committee	Mobilisation for participation in implementation and enforcement

### District Assemblies

District Assemblies are of three types:

- (i) Metropolitan Assemblies, which are one town/city District Assemblies serving population of over 250,000 (1984 figures<sup>29</sup>). There are four Metropolitan Assemblies: Accra, Kumasi, Sekondi-Takoradi and Tamale.
- (ii) Municipal Assemblies, which are one town/city District Assemblies with a population of between 95,000 and 250,000 (1984 figures).
- (iii) District Assemblies, which serve a population of 75,000 (1984 figures).

<sup>29</sup> Classification of Metropolitan/Municipal/District Assemblies by population size is based on the 1984 census data. Government is yet to adjust to the 2000 population census data.

The District Assembly is made up of:

- (i) The Assembly or legislature, comprising two-thirds elected and one-third appointed members. Assembly sessions are chaired by the *Presiding Member*;
- (ii) The Executive Committee, which implements resolution of the Assembly, exercises the planning function of the District Assembly and sees to the administration of the Assembly. The Executive Committee is chaired by the District Chief Executive (mayor) and comprises Assembly members. Heads of Departments may be invited to meetings, but with no voting rights.
- (iii) Sub Committees support the Executive Committee. They are the Development Planning, Social Services, Works, Finance, Justice and Security, and any other that the Assembly may add.
- (iv) Departments of the Assembly, which are responsible for actual service delivery

Section 10[3] of Act 462 states the functions of District Assemblies as follows:

- be responsible for the overall development of the district and shall ensure the preparation and submission through the Regional Coordinating Council for approval<sup>30</sup> of the development plan to the NDPC and budget to the Minister of Finance for the district;
- formulate and execute plans, programmes and strategies for the effective mobilisation of the resources necessary for the overall development of the district;
- promote and support productive activity and social development in the district and remove obstacles to development;
- initiate programmes for the development of basic infrastructure and provide municipal works and services in the district;
- be responsible for the development, improvement and management of human settlements and the environment in the district;
- in cooperation with national and local security agencies, be responsible for the maintenance of security and public safety in the district;
- ensure ready access to the courts and public tribunals in the district for the promotion of justice;
- initiate, sponsor or carry out such studies as may be necessary for the discharge of any of the functions conferred by the Act or any other enactment; and
- Perform such other functions as may be provided under any other enactment.

### **Sub district structures**

Sub district structures have been established to promote popular participation and effective performance of the functions of the District Assembly (see Figure 3.1). They are as follows:

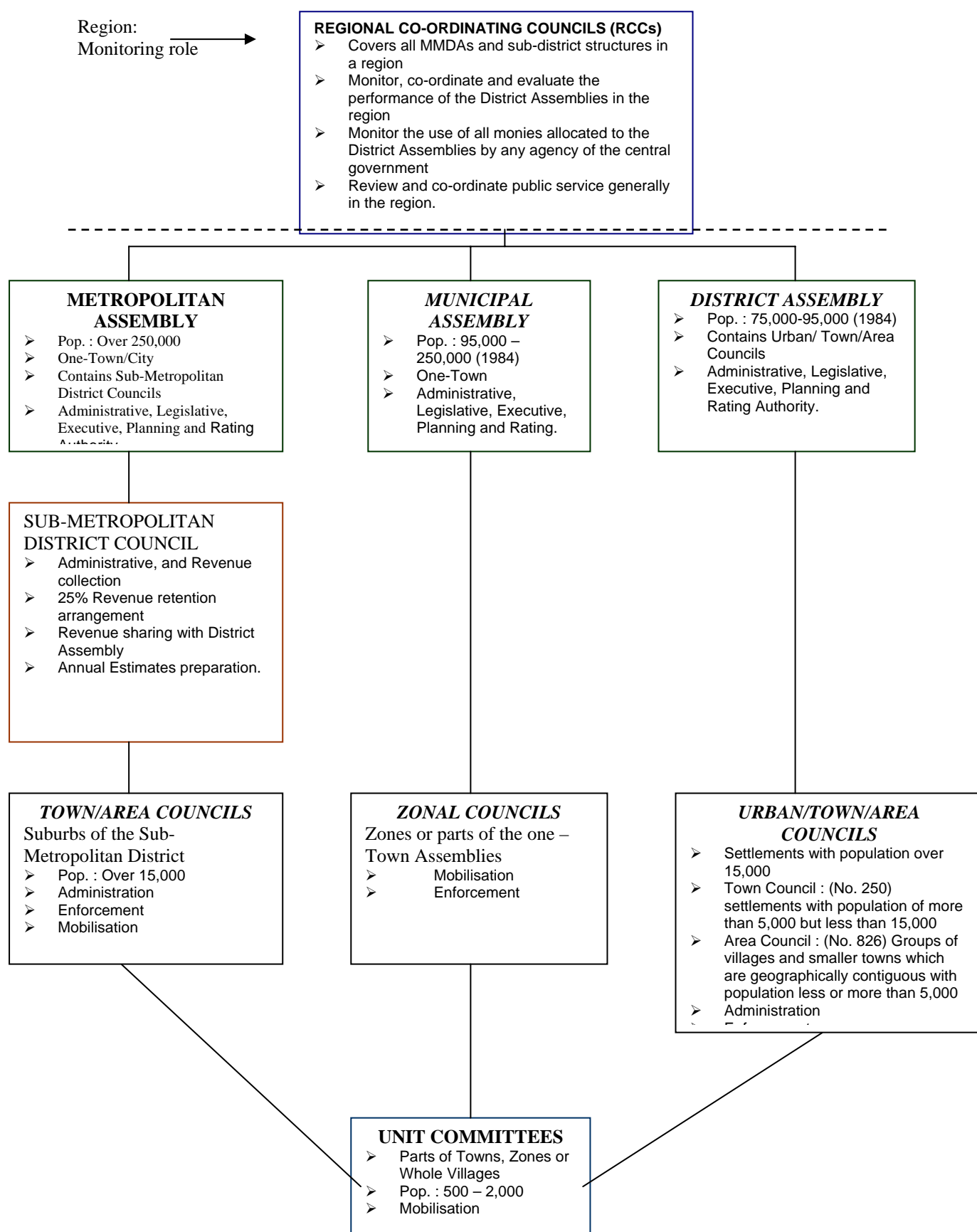
- (i) Sub Metropolitan Councils: these are immediately below Metropolitan Assemblies

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<sup>30</sup> “Approval” of development is interpreted as checking for harmony with national priorities and not refusing District Assemblies central grants for implementation. The disbursement of the DACF is not linked to the “approval” of district plans. In fact, the concept of “approval” of district plans by the NDPC is yet to be made explicit. See NDPC (2002).

- (ii) Town/Area Councils: Town Councils normally serve settlements with population between 5,000 and 15,000. Town Councils in Metropolitan Assemblies are markedly different in size, sometimes exceeding 50,000. Area Councils are below the District Assembly, serving a number of settlements/villages which are grouped together but whose individual settlements have a population of less than 5,000.
- (iii) Zonal Councils: these are in Municipal Assemblies for which the establishment of Town/Area Councils will raise problems of administrative structures. Zonal Councils are based commonality of interests, population of 3,000 and identifiable streets and landmarks as boundaries.
- (iv) Urban Councils: these are located in 'ordinary' District Assemblies and cater for settlements with population above 15,000 and which are cosmopolitan in character.
- (v) Unit Committees: Unit Committees for the base structure of the local government system. A unit is normally a settlement or a group of settlements with a population of between 500 and 1,000 in rural areas, and a 1,500 in urban areas. Unit Committees are supposed to mobilise communities for self-help projects. They are also required to support registration of births and deaths and revenue generation.

**Figure 3.1: The Local Government Structure in Ghana (MLGRD, 1996)**



### 3.23 What type of decentralisation is advocated for?

Provisions of the 1992 Constitution, listed above, suggest a framework almost akin to *devolution* of decision-making responsibilities to District Assemblies, “for all matters regarding people of their districts” (MLGRD, 1996; MLGRD, 1999). The Constitution establishes a framework for local control over human and financial resources that are necessary for development at that level. The exception is in political decentralisation where central control is exercised in the appointment of the mayor and a third of councillors. This remains an issue in Ghana, a subject for subsequent discussion.

Various Acts of Parliament have been enacted to define the scope of this proposed type of decentralisation in Ghana and to facilitate its implementation.

- a) Local Government Act, 1993 (Act 462) – specifies the design of the local government system
- b) Civil Service Law, 1993 (PNDC Law 327) – that provided guidance on administrative linkages and personnel management;
- c) National Development Planning Systems Act 1994 (Act 480) – described the features of the national decentralised planning system;
- d) National Development Planning Commission Act, 1994 (Act 479) – established the National Development Planning Commission (NDPC) to operate and manage a decentralised planning system, where the national plan was based on harmonised district and national priorities;
- e) Local Government (Urban, Zonal and Town Councils and Unit Committees) (Establishment) Instrument of 1994, LI 1589 – established political and administrative structures at the sub-district level;
- f) District Assemblies’ Common Fund Act, 1993 (Act 455) – provided guidelines for the management of a central grant of 5% of national tax revenues transferred local governments, a requirement of the 1992 Constitution.

Thus, reforms are anticipated at levels of both central and local governments to promote decentralisation. Popular participation is also anticipated through sub-district structures and representation at decision-making meetings. Sharing of resources between the centre and local governments is catered for by the 1992 Constitution. Unlike the previous era, the authority of District Assemblies in planning, law making, rating and service delivery are clearly stated in Acts of Parliament. The role of the Region is redefined to avoid undermining of the authority of District Assemblies.

It appears therefore that bottlenecks in the implementation of decentralisation reforms since 1988 are therefore not due to the absence of laws. Gaps in decentralisation therefore point to challenges with implementation of the law.



### **3.3 Progress with Decentralisation So far<sup>31</sup>**

Based on secondary sources of data, the study assesses progress with decentralisation since 1988 according to the three main *forms*, that is, political, administrative and fiscal decentralisation.

#### **3.31 Political Decentralisation**

The implementation of political decentralisation has been the most emphasised since reforms started in 1988. Political decentralisation has involved the establishment of local government structures and the promotion of advocacy or popular participation at the various levels of decision making (MLGRD, 2002). Popular participation is promoted through the election of all Unit Committee members as well as two-thirds of the District Assembly. Urban, Zonal and Town/Area Councils consist of representatives of MMDAs, Unit Committees, and thirty per cent appointees. Elections are supposed to be non-partisan, though not so in practice. Legislative powers have also been provided to District Assemblies – to issue by-laws.

However, the appointment of the mayor by the President of the country has been questioned as undermining local participation and accountability (Laryea-Adjei, 2001). There appears to be a trend of mayors responding more to central government requests than local demands. Local level spending patterns have thus been so aligned. NDPC (2002b) also point to a significant gap between district plans that are approved by District Assemblies and their actual expenditures. A second challenge is the determination of a manageable level of participation. It has been administratively and financially difficult to establish all of the required 16,000 Unit Committees. A third challenge is how to move beyond governmental structures of participation, that is, in having (equally) structured participation of the private sector and civil society (MLGRD, 2002).

#### **3.32 Administrative Decentralisation**

Administrative decentralisation has been planned to involve restructuring of central government agencies, transferring defined functions and their related powers and resources to the local government, and ensuring integration of sectoral programmes, resources and assets into the District Assembly system so as to promote co-ordinated development and efficient resource utilisation.

The Local Government, 1993, Act 462, places 22 central government departments under District Assemblies as 16, 13 and 11 departments for Metropolitan, Municipal and District Assemblies respectively. MLGRD (1996) further states the intention of central government to establish a Local Government Service. The Local Government Service will be responsible for employment and related matters of employees of District Assemblies. Staff of the 22 decentralised departments are required to be transferred to the Local Government Service. In addition, central government agencies are supposed to be restructured to focus on policy formulation, monitoring and evaluation. The planning function of regions has also been reduced to coordination, monitoring and evaluation.

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<sup>31</sup> This section relies on findings in: MLGRD (2002) and Laryea-Adjei (2001).

Despite these “intentions” of central government, implementation of administrative decentralisation has been slow. The Local Government Service is yet to be established. Restructuring of ministries and central government agencies to facilitate transfer of staff is yet to be done (MLGRD, 2002).

The effect of the delay is that staff at the local government level have two masters: their parent ministries and the District Assemblies. Allegiance to parent ministries is stronger because of incentives of career progression and receipt of funds for recurrent expenditures from the centre. Again the inconsistency that existed in the law and undermined decentralisation in the 1970s exists. Delivery of Education, Health and Forestry services are supported by laws that emphasise deconcentration, quite contrary to the devolution of the Constitution and the Local Government Law (Act 462). Additionally, qualified staff can usually not be attracted to work at the local level, due to poor support services and negative image that local councils acquired in the past.

Decentralised development planning and management of public-private partnerships are other components of administrative decentralisation in Ghana. The National Development Planning Systems Act of 1994, Act 480 and the Local Government Act of 1993, Act 462, define a new decentralised planning system. Within the new planning system, District Assemblies have been established as *planning authorities*, with clear responsibilities for development planning at their level. The laws have nevertheless, attempted to fuse preparation of district plans with that of the national plan.

The various laws on decentralisation also make room for public-private partnerships in service delivery and in economic development. District Assemblies, are by a Guidelines from the MLGRD, required to set aside 20% of the DACF to support small enterprise development. Public-private partnerships are not the norm in service provision. Cases are however emerging in the provision of markets (shopping centres), water and urban and semi-urban districts and sanitation (Laryea-Adjei, 2001).

### **3.33 Fiscal Decentralisation**

Fiscal decentralisation in Ghana requires the transfer of discretion over both capital and recurrent expenditures to District Assemblies in areas provided for by law. Progress has been limited to capital projects in restricted areas, through a constitutional provision on the District Assembly Common Fund. A constitutional provision ensures the transfer of at least 5% of total national revenues to local government according to a set of criteria put together by a Fund Administrator (Republic of Ghana, 1992). The District Assembly Common Fund (DACF) is currently based on 5% of national tax revenues. The allocation is based on a revenue sharing formula prepared by the Administrator of the District Assemblies' Common Fund and approved by Parliament annually. The formula is based on population pressure on services in the district, local revenue efforts and current standard of living.

In addition, 10% of income tax, a tax collected by the central government Internal Revenue Service, is required to be ceded to District Assemblies. Act 462 further devolves a number of 'smaller' taxes to District Assemblies – including taxes on property, entertainment, advertising, betting, use of markets and lorry parks, operation of commercial vehicles, etc. This last set of revenues is currently classified into *Internally Generated Revenue* (IGF). In addition, District Assemblies are allowed to contract loans or overdrafts in Ghana within the limit of ₵ 20 million, but with approval by the Minister of Finance (MLGRD, 1996).

Attempts at fiscal decentralisation show significant weaknesses. Discretion of local government over the use of the DACF is limited, in that about half of the Fund is earmarked by the MLGRD, mainly for capital projects. The remaining half is generally used as matching funds for donor projects, more capital projects and recurrent expenses of the central administration of the District Assembly<sup>32</sup>.

Recurrent budgets for the delivery of basic services are largely held by parent ministries, who disburse to their respective departments at the local level. Key departments such as Education, Health, Agriculture and the Treasury are examples (MLGRD, 2002).

The Ghana Poverty Reduction Strategy (2002)<sup>33</sup> acknowledges the need to accelerate fiscal decentralisation in the following areas: (i) transfer of recurrent budgets by sector ministries to District Assemblies; (ii) implementation of composite budgeting at the district level; harmonisation of the vertical Medium Term Expenditure Framework (MTEF) with the DACF; massive capacity building for staff of District Assemblies in financial management, operation and maintenance and internal audit.

### 3.4 Conclusion

Thus, secondary sources indicate that despite achievements of promoting popular participation, establishing a central grant for district development (the DACF) and attempts at streamlining planning, there is a slow pace towards administrative and fiscal decentralisation. Political decentralisation is also constrained by an unmanageable requirement for participation. What pertains now appears to be more of a hybrid of *delegation*, with the mayor receiving instructions from central government, and *deconcentration*, which is particularly strengthened by laws to provide health and forestry. Devolution is promoted by the 50% of the DACF that is not earmarked. But local control over staff does not exist (World Bank, 1993).

We will in subsequent chapters provide a detailed assessment of progress with decentralisation, particularly with regards to the provision of two basic services, water and sanitation. We will also examine the apparent blur in the distribution of responsibilities for the provision of water and sanitation. Additionally, we will assess how roles are shared in service provision, whether towards monopoly or pluralism.

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<sup>32</sup> *Ibid.*

<sup>33</sup> See Republic of Ghana (2002).

## CHAPTER 4

### 4.0 PROVISION OF WATER AND SANITATION: CONCEPTS

We review in this chapter, the literature on water and sanitation, with a focus on the implications of the characteristics of the sector for improved service delivery. The objective is to relate the characteristics of water and sanitation to institutional arrangements for their delivery in a decentralised framework in subsequent chapters.

#### 4.1 Background: role of government in provision of basic services

Public services are regarded as those for which government has a direct responsibility in its provision, including services that are basic to human survival. They include basic education, primary health care, (drinking) water, sanitation and municipal transport. This study adopts this definition for that of *basic services*, a term used to refer to public services that are basic for human survival, including primary health care, safe water and sanitation and basic education<sup>34</sup>.

#### 4.11 The global water and sanitation problem

Rapid population growth and urbanisation has placed considerable stress on over-utilised water and sanitation systems<sup>35</sup> (UNCHS, 2001). The magnitude of the needs of the sector is overwhelming – more than one billion people worldwide (one-sixth of the world's population) lack access to potable water near their homes, and over two billion (two-fifths of the world's population) are without adequate sanitation. Overall, substantial investment and innovations in technology are required accelerating access<sup>36</sup> (WHO and UNICEF, 2000). Nevertheless, getting the right institutional arrangements for delivery is perhaps the greatest challenge for under-served countries. Without this, the Millennium Development Goal of halving the proportions of people without and sanitation by 2015 and 2020 respectively are not likely to be met<sup>37</sup> (UN, 2001). Achieving the Millennium Development Goal means increasing access to safe sanitation of 2.2 billion additional people (397,000 per day) and improved water services for 1.5 billion more people (292,000 people per day). The implied infrastructure costs are enormous – about US\$23 billion per year (World Bank, 2002b<sup>38</sup>).

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<sup>34</sup> A subject extensively discussed by the literature. See for example David Hall's 2003 article on *Public Services Work!*, and Roth, G. (1987).

<sup>35</sup> Rate of growth of the urban population. This is estimated at 5.1% for least developed countries (UNCHS, 2001). The urban population was one-third of the world's population in 1950. This is expected to reach half by 2050 (UNCHS, 2005).

<sup>36</sup> See WHO and UNICEF (2000).

<sup>37</sup> Millennium Development Goals are targets set by members of the United Nations and adopted by the G8 and leading funding agencies to significantly improve living standards, particularly in poor countries by 2015. For more information see: <http://www.un.org/millenniumgoals/index.html>

<sup>38</sup> See World Bank (2002b).

**Table 4.1: Household access to services in different world regions (%)**

	Water	Sewerage
Africa	48.4	30.9
Asia-Pacific	65.9	58.0
Arab states	79.1	63.5
Latin American	83.7	65.9
Transition countries	91.1	89.6
Highly Industrialised Countries	99.6	99.7
Ghana	78% for urban areas 46% for rural areas	20% for safe sanitation

Source: UNCHS (2001); GoG (2002); GoG (2004)

The price of water is highest in African urban areas (average of about \$1.40 per 1000 litres. Households in Transition economies pay about \$0.25; those in Asia-Pacific pay about \$0.33<sup>39</sup>). In many African cities, households in informal settlements are not connected to the network and must rely on water from vendors at up to 200 times the tap price. At times the price of water may rise to very high levels and can take a significant proportion of the household budget<sup>40</sup>.

The cost in human suffering is enormous. Diarrhoea, polio, cholera, guinea worm, bilharzia, typhoid are but a few infections, introduced or spread by inadequate and polluted water supply and poor sanitation. Under five mortality<sup>41</sup> is for example, higher in countries with poor household access to water<sup>42</sup>. In Africa, high under five mortality of 12.6% for girls and 15.3% for boys correlate with the 50% access to safe water, through the impact of waterborne diseases on the health of children<sup>43</sup>. In Africa people are more likely to die before 40 years of age due to low access to water and sanitation. In Ghana 70% of reported diseases are due to water and sanitation inadequacies (MoH, 2001).

Inefficient centralized, supply-driven public sector monopolies are widely blamed for the failure to provide access to safe water and adequate sanitation (World Bank, 2002; Roth, 1987).

<sup>39</sup> See [www.urbanobservatory.org](http://www.urbanobservatory.org)

<sup>40</sup> Discussed in UNCHS (2001).

<sup>41</sup> The probability of a child not surviving fifth birthday.

<sup>42</sup> See [www.unicef.org/programme/wes](http://www.unicef.org/programme/wes)

<sup>43</sup> See UNCHS (2001).

**Box 4.1: How do Water and Sanitation Affect Health?**

Water supply, sanitation and health are closely related. Poor hygiene, inadequate quantities and quality of drinking water and lack of sanitation facilities cause millions of the world's poor to die from preventable diseases each year. Women and children are the main victims.

Water and sanitation are linked in many ways:

- Contaminated water that is consumed may result in water borne diseases, including viral hepatitis, typhoid, cholera, dysentery and other diseases that cause diarrhoea;
- Without adequate quantities of water for personal hygiene, skin and eye infections, particularly trachoma, spread easily;
- Drinking water supplies can contain high amounts of harmful chemical, such as arsenic and nitrates that can cause serious disease.

Inadequate water, sanitation and hygiene account for a large part of the burden of illness and death in developing countries:

- After malnutrition, lack of clean water and sanitation is the second most important risk factor in terms of the global burden of disease;
- About 4 billion cases of diarrhoea per year cause 1.5 million deaths, mostly among children under five;
- Intestinal worms infect about 10% of the population of developing countries, and can lead to malnutrition, anaemia and retarded growth;
- 300 million people suffer from malaria

Research indicates that improved hygiene (especially use of water and soap to frequently clean hands) and sanitation in particular, have an overwhelming influence on health outcomes, including reductions in morbidity and mortality and increases in child growth.

Sources: World Bank (2002b); UNICEF Water and Environmental Sanitation<sup>44</sup>; World Bank Water and Sanitation Programme<sup>45</sup>; WHO Water, Sanitation and Health<sup>46</sup>; Sanitation Connection: an Environmental Sanitation Network<sup>47</sup>

***Centralized, supply-driven services***

Traditionally, water and sanitation services have been delivered via a deconcentrated system. Field offices established within intermediate and local jurisdictions have been staffed with civil servants (usually engineers) from the central ministry responsible for water services. Engineers have devised schemes based mainly on technical considerations such as viability of the water source and area/population to be served rather than seeking advice from intended users. Staff have managed systems with little effort to identify or address users' preferences. Not surprisingly, this approach has created few incentives for users to assist government in maintaining or financing water services. Subsequently, as argued by World Bank (2002), the (over) dominance of government in financing and management has been the major cause of low access.

Problems in the public sector have led to the increasing acceptance that wider participation of the non state sector is needed in the provision of water and sanitation services. Idelovitch and Ringskog (1995) classify these problems into technical and operational, commercial and financial, human and institutional, and environmental.

<sup>44</sup> <http://www.unicef.org/programme/wes>

<sup>45</sup> <http://www.wsp.org>

<sup>46</sup> [http://www.who.int/water\\_sanitation\\_health/index.htm](http://www.who.int/water_sanitation_health/index.htm)

<sup>47</sup> <http://www.sanicon.net/titles/topicintro.php3?topicId=2>

Technical and operational problems include irregular maintenance and lack of preventive maintenance, resulting in high unaccounted for water of 40%-50%, compared with 10%-20% in well-managed systems in industrial countries. Commercial and financial problems include limited consumption metering and poor consumer records, which result in commercial losses. Further, laws in some countries do not promote efficient tariff setting, and tariff structures and/or the application have worked against the poor. Human and institutional problems include excessive staff and low productivity of public water companies, political interference and lack of clear regulatory responsibility. Environmental problems include ineffective alternative disposal systems – for example, cesspools and septic tanks, which in many cases contaminate shallow underground aquifers.

## **4.2 Economic characteristics of water and sanitation**

The economic characteristics of water and sanitation determine the nature of government's role in service provision. Water and sanitation are not public goods in the sense that they are not non-exclusive as their benefits and costs can be excluded to users. They are also not non-chargeable – charges can be assigned to users (Martins and Sluiter, 1999; Lipsey, et al., 1990).

Despite the absence of public goods characteristics, water and sanitation share some economic features that require a role for the public sector in their provision. These include the following:

- a) The sector has important externalities, mostly related to the public health and environmental effects. In such cases, there is the need to promote sector investments over and above what a private operator may wish to do because the socioeconomic benefits are larger than the apparent financial benefits. In particular, the importance of achieving full coverage of water supply and sanitation services must be emphasised by government policy (Idelovitch and Ringskog, 1995; World Bank, 2002).

A further externality peculiar to water is its scarcity. If the quantity of water were not replenished at the rate equal to that at which was removed, each individual drawing water would reduce the quantity available to others. Government, in such instances should deal with externality by prohibiting drilling or licensing or levying a charge that matches the cost of an alternative. The case of underground water is particularly challenging. Because underground water does not belong to anybody, it is usually treated as a free good and tends to be overused. In the absence of ownership, underpricing is inevitable, too much of the resource is used and shortage is inevitable.

In the case of both urban and rural supplies, the absence of property rights in water precludes private sector intervention and increases difficulties in allocating the scarce resource. Inadequate sanitation also poses a real health hazard. Thus the existence of externalities in water and sanitation delivery calls for mechanisms that would promote more, rather than less, non state involvement.

- b) Water has features of a natural monopoly; that is, it is uneconomic to duplicate the water and sewerage network in the city streets. As a result, one service provider

has such a dominant position that competition is difficult to achieve. Regulation by governments is therefore necessary to protect consumers against abuses of monopoly powers.

- c) The water and sanitation sector is capital intensive. In the US, the ratio of investments in fixed assets to annual tariff revenue is on the order of 10:1 as compared with 3:1 for telecommunications and 4:1 for electric power. The higher ratio for water supply and sanitation makes it more difficult to attract private sector participation with responsibility for financing investments because the payback period is long.
- d) Economies of scale in networked systems: An example is in the distribution of water where using existing pipelines to reach more people can result in cost reduction. A number of processes involved in the supply of water are associated with decreasing costs, particularly the distribution and purification. Facilities for collection, treatment, and disposal of waterborne sewage also exhibit scale economies.
- e) Merit goods: There is evidence that water and sanitation are merit goods, in the sense that people who receive supplies of safe water benefit from it to a greater extent than they themselves believe. Increased availability of water has fostered sanitary practices and reduced diseases (MoH, 2002).

Most arguments regarding the economic characteristics of water and sanitation therefore go in favour of a larger public responsibility, particularly in regulation, investment and supervision; however, these do not exclude an active role by the private sector and communities, particularly in investment, operation and maintenance.

### **4.3 Dublin Principles for service provision**

Worldwide, the failures of centralized service delivery, exacerbated by a decreasing supply of water in some regions have created considerable pressure for decentralization, including market decentralisation. The International Conference on Water and the Environment, held in Dublin in 1992<sup>48</sup> issued three new principles, "The Dublin Principles," to rejuvenate adequate provision of water:

- a) The "Ecological Principle", requiring holistic water management;
- b) The "Institutional Principle", requiring participatory water management including devolution of responsibility "to the lowest appropriate level" and greater involvement of NGOs, the private sector, and women; and,
- c) The "Instrument Principle" requiring that water should be managed as an economic resource.

These principles have revolutionised management of the sector by optimising contribution of the private sector (for and not-for profit) in financing and management, as well as brought to the fore the need for an integrated management of water and sanitation – from the household, city to the national level.

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<sup>48</sup> For full discussion see <http://www1.worldbank.org/publicsector/decentralization/WATER.htm>



#### 4.4 Government and the Market

Provision of basic services should be guided by failures of both government and the market<sup>49</sup>. Government failure is evident when public agencies are more responsive to political pressures than to consumer preferences, as when regulation protects the industry or a vocal pressure group, rather than the customer. Government failure is also evident when information available about the provision of a service is restricted to a selected few well-connected people.

Markets are also not always able to allocate resources efficiently where substantial externalities exist and are not reflected in the charges of private suppliers. Nevertheless, Nickson (1996) mentions three arguments in favour of privatisation of the provision of water:

- i. The efficiency argument: private sector efficiency is said to derive from management flexibility, freedom of action, greater financial discipline and accountability to market forces.
- ii. The fiscal argument: privatisation can potentially improve the overall fiscal balance of the public sector, by reducing subsidies to loss-making utilities and government borrowing requirement by requiring the private sector to finance capital expenditure.
- iii. The equity and economic stability argument: privatisation can potentially improve equity in water supply by introducing full cost rates to existing (subsidised) clients, thereby providing revenue for network expansion to poorer urban areas. Expansion of the distribution network will lead to lower water costs for poorer citizens who were previously dependent on high-cost supply from vendors.

World Bank (2002) indicates that water, in particular is increasingly being managed as an economic, rather than a social good. Decentralization – in various – forms has been a useful tool to support this new approach. Governments and other reformers are now trying to link service levels and costs to realistic prices. They provide incentives that increase the efficiency of water resource allocation, reduce costs, and increase sustainability of water service systems.

#### 4.5 Decentralisation of provision water and sanitation

The literature<sup>50</sup> recognizes the view that lower level governments offer advantages of being closer to the beneficiary population, and hence better ability to identify citizens' preferences. Also, they have the flexibility to respond to local conditions. Consumers may therefore be better convinced to pay more for improved services in such circumstances. Evidence from new decentralized approaches confirms that users are willing to pay for water services that are tailored to their needs (Shwartz and Van Dijk, 2004). However, a critical factor is that the scale of technology that is applied should be within the management capability of decentralised levels of government<sup>51</sup>. In this regard, two main trends in decentralization of water services have emerged:

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<sup>49</sup> Drawn from: <http://www1.worldbank.org/publicsector/decentralization/WATER.htm>

<sup>50</sup> *Ibid.*

<sup>51</sup> Drawn from: <http://www1.worldbank.org/publicsector/decentralization/WATER.htm>

delegation and devolution. In many cases, both are accompanied by private sector participation (PSP)<sup>52</sup>.

#### 4.51 Delegation of water management

Under the delegation model, governments transfer water management to public or semi-private water companies. These companies are responsible for providing services within a specified region. Delegation has in general not led to improved performance by the public sector<sup>53</sup>.

#### 4.52 Devolution to subnational governments and users

Small-scale rural and urban water supply/sanitation is often devolved to local governments<sup>54</sup>. Responsibilities vary with local capacity: strong local governments can undertake activities ranging from interaction with communities to technical planning to supervising construction. Other local governments might focus more on interacting with communities while relying on staff from central or intermediate governments for technical support. Sometimes stronger urban municipalities provide services to neighbouring rural areas (Euromarkets, 2005)<sup>55</sup>.

The International Water and Sanitation Centre (2002)<sup>56</sup> notes that a new push towards participatory management processes has enabled decentralization to user groups. User groups, referred to as Water Users' Associations (WUAs) or Water and Sanitation Committees (WSCs), are common to rural water supply and sanitation. Box 4.2 outlines the elements of community management systems.

#### **Box 4.2: Elements that Distinguish Community Managed Systems from other Models for Service Provision**

The following four elements can be identified to some extent or other in community managed systems:

- Collective community control of the system
- Collective community operation and maintenance of the system
- Collective community ownership of the water supply system
- Collective community contribution to costs (operating and capital)

IRC (2002) notes that the essence of community management lies in control rather than operation and maintenance, because control covers the decision making powers that puts a community truly in charge. The IRC argues that ownership is at the root of successful community management. Frequently, what it refers to is a 'sense of ownership' brought about by contributions to planning, construction or capital costs. If communities have no legal status or legal ownership their 'sense of ownership' will soon be exposed and will evaporate.

Cost recovery is one of the most debated topics in the sector. Ensuring that communities are capable of collecting, managing, and using revenues is an essential part of ensuring sustainability. Whoever pays, it is critical that *all* costs, implementation, operation and maintenance, and eventual replacement are clearly identified and that responsibility for meeting them is clearly assigned.

Source: IRC (2002)

<sup>52</sup> Drawn from: <http://www1.worldbank.org/publicsector/decentralization/WATER.htm>

<sup>53</sup> Saghir et al (2000) draw several examples from North Africa and the Middle East.

<sup>54</sup> See <http://www.irc.nl/manage/index.html> for examples.

<sup>55</sup> Euromarkets (2005) discusses such cases, particularly in Germany.

<sup>56</sup> <http://www.irc.nl/manage/whatisit/elements.html>

#### 4.53 Private sector participation

Though not a recent phenomenon (see Box 4.3), private sector participation (PSP) in the provision of water and sanitation is attracting the attention of many governments. Idelovitch and Ringskog (1995) summarise what the objectives of PSP should be:

- a) For the public sector: to expand the water supply and sewerage systems in order to increase population coverage; expand sewage treatment in order to reduce water pollution and public health hazards; and provide better quality service.
- b) For the private sector: ensure improved management higher efficiency; and acquire the needed capital for investments.

Idelovitch and Ringskog (1995) further note a number of risks which need to be managed for a successful PSP. These include:

- a) For the public sector that services supplied by the private sector will not be in accordance with the desired standards; and cost of such services will be much higher than that currently charged by the public entity.
- b) For the private sector: commercial (cost recovery, profit making); financial (currency devaluation and convertibility of local to foreign currency); technical (insufficient knowledge about state of installations, the need for replacement, etc.); legal (how contractual disputes will be resolved; change of government policy, etc.).

Roth (1987) and Idelovitch and Ringskog (1995) review options for private sector participation to include various degrees of public ownership (from management contracts, lease contracts, franchising, concessions, to consumer cooperatives) and various degrees of private ownership (including Build Own Operate Transfer, Reverse Build Own Operate Transfer, joint ownership and outright sale). Details of these arrangements are presented in Annex 4.1.

##### **Box 4.3: Private provision is not recent**

Private provision of piped water existed in London and Paris in the 18<sup>th</sup> century, and spread rapidly in Europe and America in the mid 19<sup>th</sup> century. English private companies were the first to be granted “concessions” in other countries (in Berlin in 1856 and in Cannes in 1866). French companies also turned to foreign markets for water supply concessions and became active all over the world, but especially in Spain and in North and West Africa. In the 20<sup>th</sup> century, French private water companies became the most advanced, technically and commercially, both within and outside of the country.

Under the French system, water supply companies have a local monopoly, but a public authority determines tariff. The public authority (a municipality) often builds and operates the system with its own resources. It can be managed either by the public authority’s own staff, or by an autonomous board which is a separate local entity owned by the public authority. When a private sector operator is employed, the three most common arrangements are the management contract (gérance), the concession system, and the affermage system.

Vending of non piped water is particularly as old as the concept of a town. Vending of non piped water was popular in both west and far-east in past centuries. It still operates at full force in some communities of the developing world. Roth (1987) cites cases from ancient Greece and Rome, France at the time of the revolution, the era of Ottoman rulers to China and Indonesia in the 1980s.

Source: Roth (1987).

#### **4.6 Some remarks**

An overview of the water and sanitation sector reveals a number of problems that require special attention in the design of central-local relations. There are technical and operational problems in the provision of drinking water in many developing countries, such as irregular maintenance and the resulting high unaccounted for water. Secondly, there are financial problems due to limited consumption metering and inadequate tariff-setting. Thirdly, there are human resource gaps, low productivity, political interference in and lack of clear regulatory responsibility. Fourthly, there are significant gaps in accountability of service providers to consumers. These constraints will be assessed in the districts of study in subsequent chapters.

## CHAPTER 5

### 5.0 RESEARCH STRATEGY

We discuss our research strategy in this chapter. We focus on how the hypotheses on which the research is based is tested. We define our variables and indicators, present data collection techniques and describe the selection of districts for our study.

#### 5.1 Analytical framework

Theories and concepts discussed in chapters 2, 3 and 4 guided the design of the research. The thrust is on the Administrative Design Framework (ADF) summarised by Cohen and Peterson (1999). Elements of the Type-Function Framework (of the Rondinelli school, 1981, 1992, 1999), the Enablement Framework (Helmsing, 2000) and the soufflé theory of Parker (1995) are incorporated to strengthen the approach of the ADF.

The ADF is used as the main guide because of the strong focus on institutional issues in the analysis of central-local relations – particularly the emphasis on *roles* analysis. Secondly, the ADF, through its *institutional pluralism* concept, points to the importance of partnerships in service provision.

#### 5.2 Testing the hypotheses

As discussed in chapter 1, our study is about testing two hypotheses. The first is that *decentralisation in practice in Ghana does not reflect what is specified by the country's laws and referred to by Rondinelli (1981) as devolution, but rather a mixture of deconcentration and delegation*. This hypothesis is tested for Ghana in general and for the water and sanitation in particular. The second hypothesis is that *when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly*. This second hypothesis is tested for the water and sanitation sector at the district level.

The following steps are followed by the study in testing the hypotheses: (a) definition of research issues and variables; (b) definition of indicators; (c) design of data collection methods and instruments and categorisation of sources of data; (d) design of framework for data analysis; (e) undertaking field work to collect primary and secondary data; (f) data analysis.

##### 5.21 Definition of research issues and variables

Four issues are analysed in testing the hypotheses. These are: (a) forms and types of decentralisation; (b) clarity and concentration of roles/ extent of pluralism in service provision; (c) performance of types of decentralisation and plural arrangements; (d) factors underlying performance. Details of these research issues are presented below:

**a) Assessing the *forms* and *types* of decentralisation**

In assessing the forms and types of decentralisation, we analyse the extent to which the three main forms of decentralisation - political, fiscal and administrative decentralisation occur in the provision of water and sanitation in urban and semi-urban districts in Ghana<sup>57</sup>; and whether all three forms occur<sup>58</sup>. Furthermore, we ascertain the features of the resulting type(s) of decentralisation – whether deconcentration, delegation or devolution can be found in the water and sanitation sector in Ghana.

**b) Definition and analysis of distribution of roles and pluralism in service provision**

Subsequently, we ascertain whether the roles essential for provision of services (discussed in Chapter 2) are clearly assigned to various levels of government and the private for and not-for profit sector, and the extent to which these roles are being carried out. We further examine the extent of distribution of roles in the provision of water and sanitation in urban and semi-urban districts in Ghana, and whether there is evidence of pluralism.

**c) Assessing performance**

We draw on a range of criteria from the literature<sup>59</sup> to assess the performance of the two approaches. These are: *effectiveness* (a measure of the appropriateness of outputs and outcomes in meeting demands of communities as well as the broader aims of public policy)<sup>60</sup>, *efficiency* (the positive relationship of resource outputs to inputs), *accountability* (holding public servants responsible for outcomes), and *sustainability* (indicated by fiscal adequacy and institutional flexibility). We could not analyse the *impact* (long term effects) of water and sanitation as there are numerous other factors that combine to affect the health of citizens and, which are beyond the scope of our assignment. Instead, we explore the *possible influence* of the provision of water and sanitation on health, that is, whether water and sanitation has began to influence some of the immediate determinants of morbidity (UNICEF, 1990)<sup>61</sup>.

**d) Exploring underlying factors**

Finally, we explore factors that underlie performance of types of decentralisation and pluralist arrangements.

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<sup>57</sup> Cohen and Peterson (1999) add *market* and *spatial* forms of decentralisation. However, these are usually discussed as part of the three main forms of decentralisation (political, fiscal and administrative) by many authors, an issue discussed in Chapter Two.

<sup>58</sup> The following served as a guide: World Bank (2002), Ndegwa (2002), Cohen (1999); Parker (1995).

<sup>59</sup> Cohen and Peterson (1999); Ndegwa (2002); IRC (2002).

<sup>60</sup> Parker's (1995) definition of *responsiveness* is captured as part of the discussion on *effectiveness*.

<sup>61</sup> UNICEF (1990) pioneers what has become known as the Conceptual Framework for Malnutrition and Mortality of children. It identifies the various determinants of malnutrition and mortality and indicates the levels of effects that various solutions could have. It emphasises that achieving impact requires simultaneous action from a wide variety of sectors, actors and power structures.

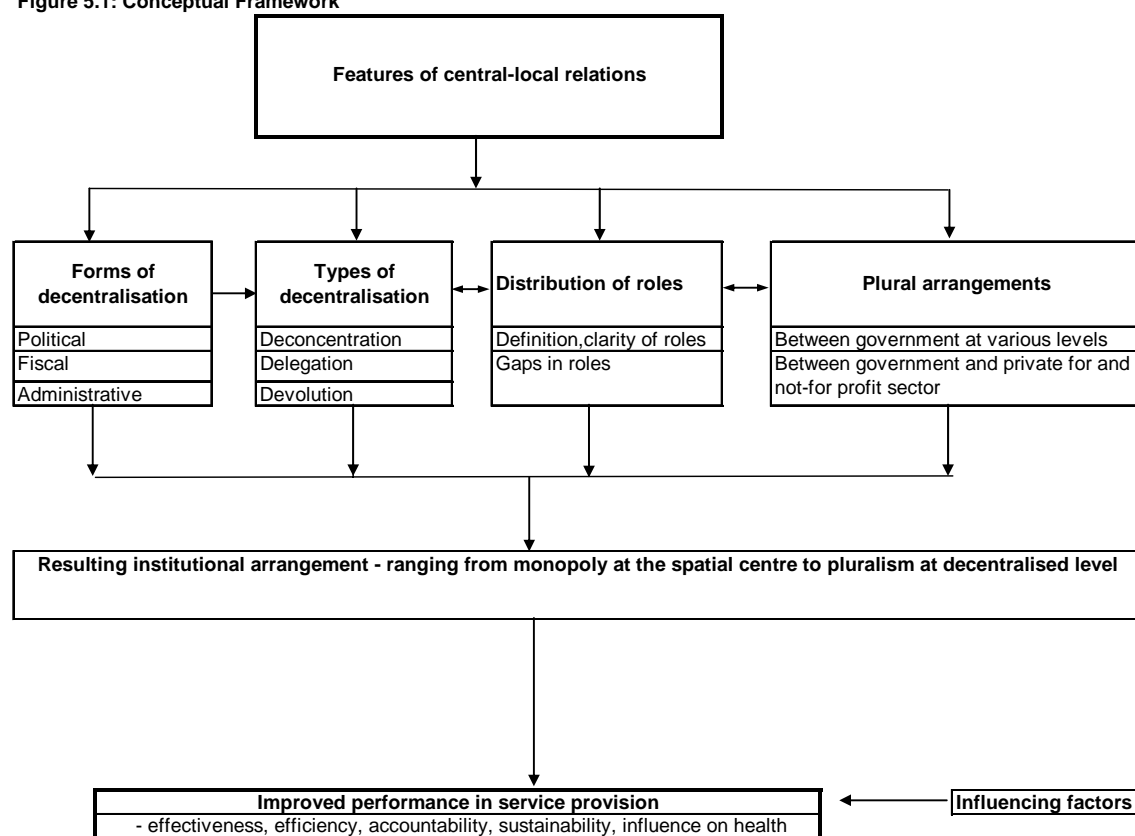
Table 5.1 gives a snap-shot of how the research goes about testing the hypotheses. Figure 5.1 presents the conceptual framework underlying the research.

**Table 5.1: Testing the hypothesis**

Hypothesis	Research issue	Variables
<p>1. Decentralisation in practice in Ghana does not reflect what is specified by the country's laws and referred to by the literature as devolution, but rather it reflects a mixture of deconcentration and delegation.</p> <p>2. When pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly.</p>	<p>a) Assess <i>forms</i> of decentralisation</p> <p>Resulting <i>types</i> of decentralisation: deconcentration, delegation, devolution</p>	<p>Political decentralisation</p> <p>Administrative decentralisation</p> <p>Fiscal decentralisation</p>
	<p>b) Define and analyse the distribution of roles and pluralism in service provision (distribution of roles also analysed under administrative decentralisation)</p> <p>c) Assess performance of different approaches to service provision</p> <p>d) Underlying factors</p>	<p>Role distribution</p> <p>Partnerships</p> <p>Effectiveness</p> <p>Efficiency</p> <p>Accountability</p> <p>Sustainability</p> <p>Influence on health</p>

**Figure 5.1: The Conceptual Framework**

Figure 5.1: Conceptual Framework

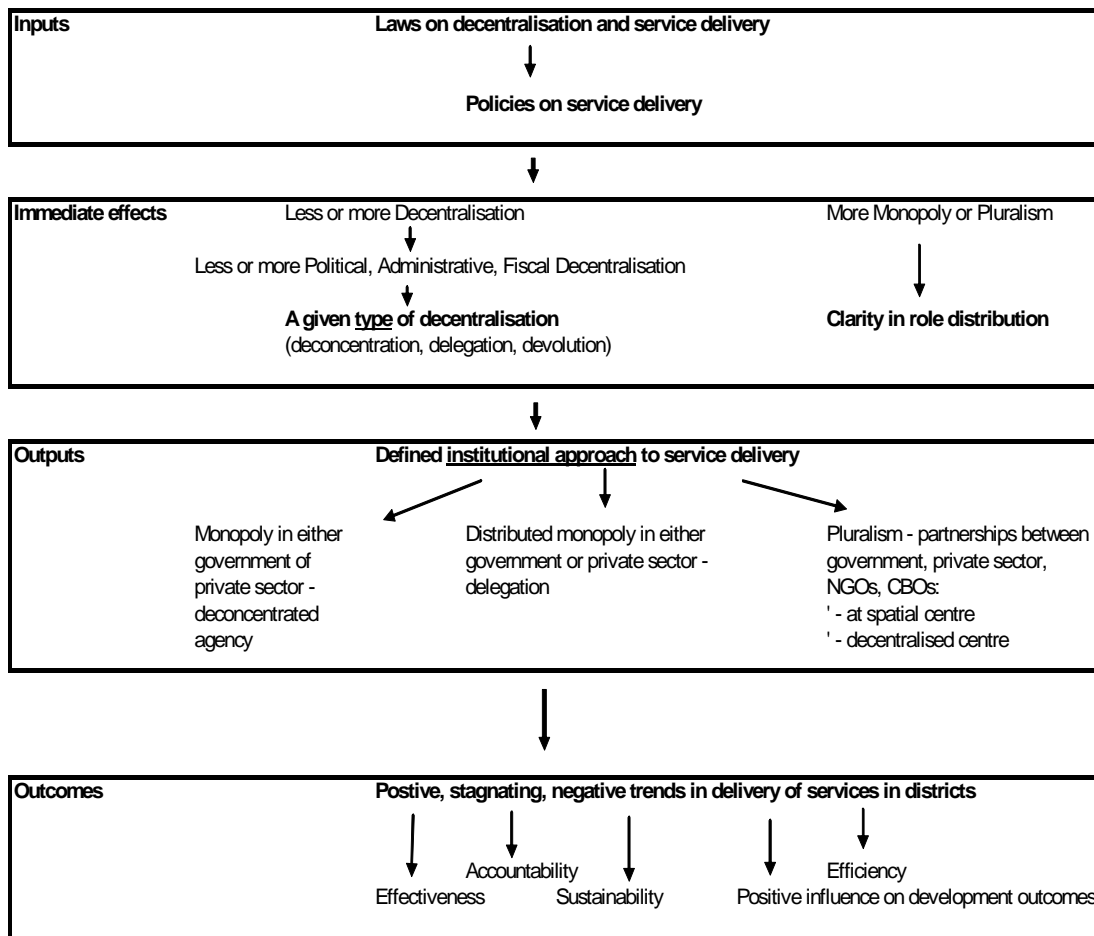


We operationalise the conceptual framework through Figure 5.2, which sums up the steps we undertake to analyse the levels of effects of decentralisation in improving the delivery of services<sup>62</sup>.

<sup>62</sup> Evaluation techniques discussed by Bamberger, et al. (2006) provide the basis of our analytical framework.



**Figure 5.2: The Analytical Framework**



## 5.22 Definition of indicators

We propose several indicators related to the research issues and variables and to test the hypotheses. The indicators build on previous work in the literature<sup>63</sup>. Indicators are proposed in three sets. The first set relates to the forms and types of decentralisation and distribution of roles/extent of pluralism. This first set of indicators largely portrays the perspectives of providers of water and sanitation in the two districts.

The second set of indicators relate to criteria for assessing performance of types of decentralisation and extent of pluralism. These largely provide the views of users of the service. We however draw also on official sources to strengthen the discussion where required - for example, "frequency of government audit" as part of the discussion on Accountability. The third set of indicators constitutes the basis of a case study that explores factors that underlie performance.

<sup>63</sup> Particularly, Ndegwa, S. (2002), World Bank (2002), Parker (1995) and Helmsing (1997).

## Indicators of forms/types of decentralisation and *distribution of roles/pluralism*

We propose the following indicators for the analysis of different features of central-local relations in the delivery of water and sanitation in Ghana:

Feature	Indicators
Political	<ul style="list-style-type: none"><li>• Involvement of consumers in stages of service delivery</li><li>• Involvement of civic associations in stages of service delivery</li></ul>
Administrative decentralisation, Role distribution &	<ul style="list-style-type: none"><li>• Responsibility for hiring, firing and wages over staff</li><li>• Clarity of responsibilities</li><li>• Local responsibility for planning, O&amp;M</li><li>• Responsibility for regulatory framework</li></ul>
Partnerships	<ul style="list-style-type: none"><li>• Responsibility for managing partnerships</li><li>• Responsibilities devolved to partner</li><li>• Capacity to manage partnerships</li><li>• Co-financing arrangement</li></ul>
Fiscal	<ul style="list-style-type: none"><li>• Local expenditure on sector financed and earmarked by central transfers</li><li>• Local expenditure on sector financed by central but controlled by district</li><li>• Local investment on sector financed from local revenues</li><li>• Share of revenue in sector raised and retained by district</li></ul>

## Indicators of performance

We also propose the following to analyse the performance of emerging models of central-local relations:

Criteria	Indicator
Effectiveness	<ul style="list-style-type: none"><li>• Coverage of safe water</li><li>• Coverage of safe sanitation</li><li>• Reliability of flow of water</li><li>• Hand washing with soap before eating</li><li>• Compounds with clean environment</li></ul>
Efficiency	<ul style="list-style-type: none"><li>• % water lost: trend</li><li>• % water lost: level</li><li>• Repair time: level</li><li>• Repair time: trend</li><li>• Average waiting time (dry season)</li><li>• Investment per capita: level</li></ul>
Accountability	<ul style="list-style-type: none"><li>• Mechanisms for participation</li><li>• Frequency of government audit</li><li>• Local government's response to audit</li><li>• % respondents with knowledge of components of price of water</li><li>• % respondents ever received feedback on monitoring</li></ul>
Possible influence on health	<ul style="list-style-type: none"><li>• Incidence of water and sanitation related diseases (cholera and guinea worm)</li></ul>
Sustainability	<ul style="list-style-type: none"><li>• Use of local skills in operation and maintenance</li><li>• Proportion of local contribution to investment</li></ul>

## Exploring factors that underlie performance

We use different qualitative and quantitative approaches to explore factors that underlie performance of the more successful institutional approaches to service delivery.

### 5.3 Research Techniques and Methods

We obtained data for the study from both primary and secondary sources. Primary data collection involved both quantitative and qualitative techniques. The combination of approaches and techniques enabled clear insights into the delivery of basic services (Van Dijk, 2004). Table 5.2 summarises the link between research techniques and expected analyses.

**Table 5.2: Application of research techniques in the study**

Analysis	Household survey	(Personal) Key informants interview	Focus group discussions	Case study	Secondary data
<b><i>Central-local relations analysis</i></b> - political, administrative, fiscal intergovernmental relations - role analysis, including partnerships		X X			X X
<b><i>Performance assessment</i></b> - effectiveness, efficiency, accountability, influence on health, sustainability	X	X	X		X
<b><i>Exploring underlying factors</i></b>		X	X	X	X

#### 5.31 Secondary data collection

Secondary methods of data collection consisted of review of official records, including annual reports of agencies, laws, plans and budgets, maps, operational manuals, minutes of meetings, office files, project documents and evaluation reports. Secondary data provided us with a basis to select districts for the research and to design our primary data collection methods.

#### 5.32 Selection of Districts for the research

We selected two districts for the study: one urban (a one town municipality), Tamale, and the other, semi-urban (district with both urban and rural settlements), Savelugu-Nanton (see Figure 5.3 for location of the two districts in Ghana). The two were selected from a list of six districts because they fulfilled and scored highest for all of the following criteria: representativeness, ease of obtaining data, proximity, similar social and physical characteristics (such as ethnicity and terrain). See Annex 5.3 for application of selection criteria. Background information on the two districts is presented in Chapter 6.

Figure 5.3: Map of Ghana showing the two study districts



### 5.33 Primary data collection

We used a household survey and rapid appraisal techniques to obtain primary data from users of water and sanitation services. Rapid appraisal techniques centred on focus group discussions and key informants interviews using of semi-structured questionnaires. The interviews were preceded by a reconnaissance visit.

#### Reconnaissance

We conducted a reconnaissance visit to the two districts. We toured the terrain to identify spatial, economic and social features that should inform the selection of our research sample. We also had preliminary discussions with local government officials and community leaders on the purpose of our research and agreed on the most suitable time to conduct key informants interviews and the household survey.

#### Key informants interviews

We conducted key informant interviews with officials and community leaders on the features of central-local relations /institutional approaches for the delivery of safe water and sanitation. Key informants were selected from categories of officials as follows:

- (a) Managers of service delivery agencies/departments (water and sanitation) at the local level;
- (b) Local government managers;
- (c) Regional level managers;

- (d) Managers of service delivery agencies/departments at national level (Community Water and Sanitation Agency and Ghana Water Company Limited);
- (e) Officials of sector ministries (Ministry of Local Government, Ministry of Works and Housing);
- (f) Managers of aid agencies and NGOs supporting water and sanitation in the two districts (development partners);
- (g) Leaders of community organisations.

Different questionnaires were administered to each category of key informants. The subject matter of the questionnaire administered to each category of key informants is summarised in Table 5.3 and Annex 5.1. In all, 30 key informants were interviewed. Copies of questionnaires are presented in Annex 12.1 to 12.5.

**Table 5.3: Key informants interviewed**

Key informants	No. Interviewed	Subject of interview
National level: ▪ Directors of Policy and Planning from government agencies	4	- Forms and types of decentralisation - Role analysis
Regional level: ▪ Head of regional level managers of CWSA, GWCL ▪ Regional Head of GWCL ▪ Regional engineer from GWCL	2 1 1	- Forms and types of decentralisation - Role analysis
District level: ▪ District Coordinating Directors ▪ District Planning Officers, ▪ District Budget Officers, ▪ District Environmental Health Officers, ▪ District Head of GWCL ▪ District level engineers ▪ NGOs and donor projects ▪ Private firms	2 2 2 2 1 2 4 2	- Forms and types of decentralisation - Role analysis - Performance of each type of institutional arrangement - Success factors
Sub district/ Community Level: ▪ System Manager, ▪ Water Board Members, ▪ Women leaders	1 2 2	- Performance of each type of institutional arrangement - Success factors
Total	30	

### **Household survey**

We conducted a household survey to obtain household views on performance of emerging institutional approaches to service delivery.

#### **The sample**

We used a combination of random and non-random sampling approaches for the survey. The random sampling approach used was *stratified sampling*; the non-random approach was *purposive sampling*.

Primarily, communities in each district were *stratified* by *urban-rural* for each sub-district of the semi-urban district and *core-periphery* for the urban district.

Stratification was necessary to capture both well-served and under-served areas. The periphery of the urban district, Tamale, had spatial and economic features of the rural locations of the semi-urban district, Savelugu-Nanton. The number of respondents selected from each stratum was a proportion of the population of the stratum out of the total population of the district. Annex 5.2 presents information on the definition of the strata and the number of respondents drawn from each stratum.

Further, we used the Purposive sampling method to select houses/compounds within each stratum. The household head or representative was the unit of enquiry. The sampling frame was developed from the maps of the two districts and the draft final report of the 2000 Population Census of Ghana. A copy of the questionnaire for the household survey is presented in Annex 12.6.

We used the *UN Sample Size Calculations for Measuring Millennium Development Goals* (MDGs) to determine the sample size (UN, 2002). Details of this method are presented in Annex 5.2. A total of 766 respondents were interviewed, 402 from Tamale and 364 from Savelugu-Nanton. These were made up of 133 women in Savelugu-Nanton (36.5%) and 186 women in Tamale (46.3%) (see Table 5.4). Women are an important source of information on use of safe water in Ghana; while men are important for views on investment decisions. The significant proportion of women interviewed (as household heads) only enriched the responses. The more cosmopolitan Tamale had more female headed households.

In terms of gender composition, Tamale had a greater proportion of household members as female (52.1%); that for Savelugu-Nanton was 49.6. Local officials attributed the difference to a tradition of out-migration of young women in Savelugu-Nanton to the country's largest cities, Accra and Kumasi, to work as porters, a means of acquiring basic household items before marriage. We however did not come across written evidence to support this anecdote.

**Table 5.4: Population characteristics of households in the sample**

	Savelugu-Nanton		Tamale	
	No.	%	No.	%
Household head:				
Male	231	63.5	216	53.7
Female	133	36.5	186	46.3
Total	364	100	402	100
Mean household size:				
Male	7.8		6.5	
Female	7.7		7.1	
Total	15.5		13.6	
Proportion of household members that were women		49.6		52.1
Proportion of household members that were men		50.4		47.9

### **Focus group discussions**

Focus group discussions (FGDs) provided insight into the nature of participation in service provision and helped to triangulate data obtained from officials. FGDs were held separately with users and service providers.

The group of users included residents and representatives of micro enterprises. The group of service providers included service agencies/departments, local government officials, central government officials, NGOs and donors. FGDs were essential for validating the survey findings and for exploring differences in types of decentralisation, how pluralism works in practice, and reasons for differences in performance of the two districts in the provision of water and sanitation.

### **Case study method**

The case study method was used to examine the features of the town water system in one of the research districts, Savelugu-Nanton. The purpose was to use more qualitative approaches to explore factors that explain performance in an in-depth manner. It involved use of open-ended questionnaires, further FGDs, extensive review of official records, further key informants interviews and structured observation. The methods used and subsequent findings are presented in Chapter 11.

## CHAPTER 6

### 6.0 BACKGROUND INFORMATION ON THE STUDY DISTRICTS

#### 6.1 County development situation

Ghana is situated in the middle of the West African coast, between Cote d'Ivoire to the west, Togo to the east and Burkina Faso to the north (see Figure 5.3). Ghana's economy is the third largest (after Nigeria and Cote d'Ivoire) of the 15-country Economic Community of West African States (ECOWAS) and a major trading partner of its three neighbours.

The total population of the country is estimated at 20 million, with 44% of the population residing in urban areas. The country's population is growing at 2.6% per annum (Ghana Statistical Service, 2001). GDP growth has averaged 4.5% in the last two decades, though on an upward trend in recent years. In 2004, the country's GDP growth rate was 5.8% (Republic of Ghana, 2005). Among the factors contributing to the upsurge in economic growth are the recovery in agricultural production and general improvement in economic management. Nevertheless, GDP growth is considered too modest for the attainment of the Millennium Development Goals (UNDP, 2005).

The incidence of poverty declined from 52% to 40% in the 1990s (Ghana Statistical Service, 2000). Poverty in Ghana is related to a number of factors including geographic location, access to basic services, demography, educational attainment, and socioeconomic background. Poverty is most acute in the three regions of the northern Ghana where the two study districts are located. Reducing poverty in Ghana reduction requires considerable effort to reverse the slide in living standards, which though improving, is still worse than 1975 levels (Demery et al, 2000)..

#### 6.2 Overview of water and sanitation in country

Access to safe water and sanitation is particularly low in rural Ghana (see Table 6.1). Urban Ghana has better access to water, but this has stagnated over the past decade due to almost no new investment. Sanitation in urban areas is also at a very low level.

**Table 6.1: Trends in water and sanitation provision in Ghana**

	2000	2003
Rural population with safe water	40%	46%
Rural population with safe household latrines	15%	20%
Urban population with safe water	70%	70%
Urban population safe household latrines	40%	45%

Source: Ministry of Works and Housing (2004); Republic of Ghana (2002)

According to the Ministry of Works and Housing (2004) one of the main problems in urban water systems is unaccounted-for water (UFW); which is currently at about 50% of total output – creating a huge unmet demand. In households without piped supply, the main problems are high cost of supply relative to piped water obtained directly from Ghana Water Company Limited and difficulty in obtaining regular



water supply. Inadequate meter reading and poor water quality are the main complaints by the industrial consumers.

Coverage of safe water in rural Ghana is at a very low 46.4%. The result is the persistence of water borne diseases, including guinea worm infections, trachoma, bilharzia, diarrhoea, and occasional epidemic of cholera (Republic of Ghana, 2002). Coverage of safe sanitation is also a very low 45%; and 15% in urban and rural areas respectively. Hygiene education is now beginning to receive attention. Appropriate sewerage and sanitation facilities are generally not widespread.

To meet the Millennium Development Goals (MDGs) on water and sanitation, Ghana needs to spend about \$1.6 billion towards supplying 85% urban population and 80% rural population with water by 2015 and \$1.1 billion towards providing 84% of urban population and 76% of rural population with adequate sanitation by 2020 (Ministry of Works and Housing, 2004). See Annex 6.1 for details.

### **Policy challenges**

The Government of Ghana embarked on restructuring the water and sanitation sector in the 1990s (Yakubu, 2003). The approach was to separate management of piped water in cities from those in small towns and rural districts. Management of sanitation was also separated from that of urban water and placed under the District Assemblies and the Community Water and Sanitation Agency (CWSA).

#### ***Urban Water***<sup>64</sup>

Provision of safe water in urban areas is under going reforms aimed at private sector participation. The objective is to allow the promotion of commercially viable systems, and in the process, release budgetary financing for expansion of coverage in low-income urban, semi-urban and rural communities<sup>65</sup>.

Under the reform programme, responsibility for operation of urban water supply, comprising about 80 water supply systems in 10 regions, from source to end user, will be contracted to a private operator under a management contract. Ghana Water Company Limited (GWCL) will operate as an autonomous private limited liability company. GWCL will oversee the private operator's transaction and be responsible for asset ownership, sector planning and development and monitoring of performance. The Public Utilities Regulatory Commission (PURC) has a regulatory role, particularly with regard to tariff setting.

#### ***Rural and Semi-Urban Districts and Small Towns***<sup>66</sup>

The Government of Ghana embarked on restructuring of the water and sanitation sector in the early 1990s. The approach was to separate management of piped water in cities from that in small towns and rural districts. Management of sanitation was also separated from that of urban water and placed with District Assemblies and the

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<sup>64</sup> See Ministry of Works and Housing (2004).

<sup>65</sup> See <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20312299~menuPK:34471~pagePK:34370~piPK:34424~theSitePK:4607,00.html>

<sup>66</sup> Section makes use of Yakubu (2003).

CWSA. The National Community Water and Sanitation Programme (NCWSP) was launched in 1994 as a major instrument in the implementation of the reforms (Yakubu, 2003)<sup>67</sup>. The Community Water and Sanitation Agency was subsequently established by CWSA Act 564 of 1998, out of the then Ghana Water and Sewerage Corporation, the nucleus of which remains today as the Ghana Water Company Limited (CWSA, 2004; Korkor, 2003).

Act 564 gives the CWSA the mandate to facilitate the provision of potable water and related sanitation services to small towns and rural communities, an approach that is significantly different from that of the GWCL in cities. The difference is in the emphasis the CWSA approach places on the role of District Assemblies and communities in service delivery. A key strategy of the NCWSP has been the emphasis on community ownership and management, which promotes community participation in planning, implementation and management of water and sanitation. Other strategies are demand responsiveness, public sector facilitation through capacity building and technical assistance to District Assemblies, private sector provision of goods and services and integration of hygiene education with provision of water and sanitation. The major components of the NCWSP are provision of potable water and sanitation facilities and institutional strengthening. Standards for service provision are documented in Annex 6.2.

### ***Policy on Environmental Sanitation***

The Ministry of Local Government and Rural Development published the “Environmental Sanitation Policy” in 1999<sup>68</sup>, providing direction to the role of District Assemblies in the delivery of sanitation. The policy emphasizes the role of District Assemblies in planning and managing sanitation services. However, the policy acknowledges the need for further work on how to harmonise the activities of Environmental Health Units, Works Departments and District Water and Sanitation Teams in the management of sanitation. The policy is also not clear on where responsibility for standard setting and enforcement lies – whether with the MLGRD or District Assemblies.

### ***Institutions in the water and sanitation sector***<sup>69</sup>

There are several institutions involved in the delivery of water and sanitation in Ghana. These include the Ministry of Works and Housing (MWH), Ghana Water Company Limited (GWCL), Community Water and Sanitation Agency (CWSA), Ministry of Local Government and Rural Development (MLGRD), Public Utility Regulatory Commission (PURC), District Assemblies, donor agencies, NGOs and communities. Roles of each agency in 2004 are summarised below:

- MWH: overall policy oversight for urban and rural water delivery
- GWCL: provision of water for selected towns. GWCL has branches in towns and regions where it operates.

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<sup>67</sup> The NCWP is so far the main policy thrust for provision of water and sanitation in semi-urban and rural districts. A review was being undertaken during the research to provide a single policy document on the features of the provision of water and sanitation in semi-urban and rural districts.

<sup>68</sup> See MLGRD (1999).

<sup>69</sup> Based on interviews with officials and an extract from CWSA (2004).

- CWSA: programming and negotiation of funds for semi-urban and rural districts (small towns and rural areas). Offices are at Headquarters level and in each region. Regional offices supervise implementation of programmes that are designed and negotiated by Headquarters. Role in sanitation is limited to demonstration of technologies.
- MLGRD: policy formulation for sanitation, manages large donor-sponsored urban projects, which usually includes sanitation improvement, provides training in sanitation, procures heavy-duty sanitation equipment for all District Assemblies.
- PURC: regulates provision of water, including tariff setting.
- District Assemblies: active role in provision of sanitation; a partner of CWSA in provision of water in semi-urban and rural districts.
- Communities: active under the “Community Owned and Managed” model of the CWSA in provision of water in semi-urban and rural districts.
- Donors and NGOs: provide technical and financial assistance; some manage projects directly.

The challenge of coordinating activities of all these organisations, and in particular, in ensuring uniformity in application of policies and in delivery of facilities is quite enormous. There are areas where there is a lack of co-ordination – e.g. between CWSA and MLGRD in the area of sanitation, between CWSA and NGOs in application of strategies, among donors in application of procurement procedures, financing and implementation of projects.

To meet the MDGs on water and sanitation, the United Nations system in Ghana urges government-led action to mobilize and manage funding and to address challenges that face the sector, including scaling up investments, particularly in least served districts; sustainable financing, particularly a combination of tariffs that recover costs and subsidies to protect the poor; openness in tariff setting and audit reports of water and sanitation agencies; coordination of investment planning systems; management systems and capacity that promote more diverse arrangements, including decentralisation; accountability of managers; and, urgently address water resource management (United Nations and Republic of Ghana, 2004).

From the perspective of this study, it is important to note that reforms in the urban water sector has moved in the direction of sharing of roles between two centralized agencies, the GWCL and a private operator, and not towards sharing roles with local government. Secondly, there is the need to analyse the dimensions of pluralist and decentralized arrangements in semi-urban and rural districts to justify their expansion in the future.

## **6.3 Overview of Study districts**

### **6.31 Tamale Municipality<sup>70</sup>**

The Tamale municipality is located at the centre of the Northern Region of Ghana. Tamale is the capital of the Northern Region, as well as the economic capital of the entire deprived north of the country (comprising Northern, Upper East and Upper West Regions). It shares common boundaries with Savelugu-Nanton district to the

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<sup>70</sup> Based on Tamale Municipal Assembly (2002).

north, the other study district. Other districts on the border of Tamale are Tolon-Kumbungu to the north-west, and East and West Gonja districts to the south and west respectively.

In terms of physical features, Tamale is at the heart of the guinea Savannah belt, with just five months of rainfall in a year, and high temperatures (maximum day temperature ranges from 33° C to 39° C, while mean night temperatures range from 20° to 22° C). The municipality occupies a total land area of 922 km<sup>2</sup>.

Tamale is located 180 metres above sea level, with a generally rolling topography. Water bodies are scarce, consisting of a few seasonal streams, notably, the Pasam, Dirm-Nyogni and Kwaha, as well as dug-out pits and dams. There are about 91 of such dug-outs dotted around communities within the municipality. Where these dug-outs have been provided they serve as watering points for animals as well as for domestic purposes. Most of these dug-outs dry up during the dry season.

The municipality has a population of 342,000<sup>71</sup> with an almost equal split between males and females. The population is a fast growing one, at 3.5% per annum, well above the national average of 2.6%<sup>72</sup>. The population density is 318.6 persons per square kilometre. The age structure shows a large youthful population, an indication of high fertility and low life expectancy. The population of Tamale is quite homogenous, comprising largely Dagomba (80%) who are mostly Muslim. Communal ownership is strong.

Education in Tamale is far from universal levels, with girls at a disadvantage. Gross primary school enrolment is at 85%. Enrolment rate at the junior secondary school level is 53%, comprising 61% for boys and 44% for girls. Poverty maps point to Tamale as the richest district in northern Ghana, yet one of the poorest urban settlements in the country, with an incidence of poverty (head-count ratio) of above 51%, well above the national level of 39.5% (Coulombe, 2004; Ghana Statistical Service, 2000).

The economy of the Tamale is dominated by commerce, small-scale industries and agricultural services. Significant crops are rice, maize, sorghum, groundnuts and beans. The main industrial activities in the district include micro agro-processing activities such as rice milling, vegetable oil extraction, cotton ginning and textile or smock making. There are other micro enterprises involved in vehicle repairs, pre-fabrication of spare parts, manufacturing farm implements, cloth and leather works, pottery and carpentry.

Membership of the Tamale Municipal Assembly comprises 52 elected and 30 appointed members including the Municipal Chief Executive (the Mayor) and the two members of Parliament who have no voting rights. The Assembly is the highest political and administrative authority in the Municipality. The Municipality has sub-district structures – 11 Zonal Councils and 91 Unit Committees.

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<sup>71</sup> Derived from Ghana Statistical Service (2001).

<sup>72</sup> Ghana Statistical Service (2001).

### **6.32 Savelugu-Nanton District<sup>73</sup>**

Savelugu-Nanton District was established in 1988 by PNDC Law 207. It shares a boundary with Tamale Municipality, the first study district. Its total land area is 1790.70 sq. km, accommodating a population of an estimated 101,000<sup>74</sup>. The District is within the Savannah woodland, which supports the growing of staples like rice, groundnuts, yam, cassava, maize cowpea, sorghum, millet and guinea-corn. The White Volta and some of its tributaries flow through the district, providing physical advantages for local water systems.

There are 135 communities in the district. The communities are segregated into one (urban) town – Savelugu, the district capital and five other major settlements, which include Nanton, Diare, Pong-Tamale, Moglaa and Tampion and 129 villages. Nearly 20% of the population resides in the major towns. Agriculture employs majority of the population.

The Savelugu-Nanton District Assembly is supported by one Urban Council and five Area Councils - Savelugu Urban Council and Moglaa, Pong-Tamale, Tampion, Nanton and Diare Area Councils. Each Urban/Area Council is made up of Unit Committees that in turn comprise of communities. There are a total of 81 Unit Committees. Each Area Council has twenty (20) members constituting the representatives of Unit Committees and Assembly members. The Savelugu Urban Council has thirty (30) members, comprising 15 Unit Committee members (10 elected and five appointed members).

The District Assembly is supported by five sub-committees on Finance and Administration, Works, Development Planning, Justice and Security, and Complaints and Public Relations. The Executive Committee oversees the sub-committees. There are also 11 departments operating as service agencies of the District Assembly.

Poverty is high in Savelugu-Nanton. The incidence of poverty is estimated at 61.6%, 10 percentage points higher than Tamale<sup>75</sup>. There are also significant challenges with education. About 40% of children of primary school-going age are not in school. About half of girls of primary school-going age are not in school.

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<sup>73</sup> Based on Savelugu-Nanton District Assembly (2001).

<sup>74</sup> Derived from Ghana Statistical Service (2001).

<sup>75</sup> Derived from Coulombe (2004).

## CHAPTER 7

### 7.0 DECENTRALISATION AND THE PROVISION OF WATER AND SANITATION IN SAVELUGU-NANTON DISTRICT

In this chapter, we present an analysis of primary data on central-local relations in the provision of water and sanitation in Savelugu-Nanton district. We focus on the *forms* and emerging *types* of decentralisation and roles of various actors in the provision of water and sanitation in the district.

#### 7.1 Political decentralisation in Savelugu-Nanton

In the framework of political decentralisation in Ghana, political representation and features of local government structures apply to all districts in the country<sup>76</sup>. Our research therefore focused on two other elements that will allow comparison of the extent of political decentralisation in the two districts. These are: (a) participation of consumers in all stages of the delivery of water and sanitation; (b) participation of civic associations in all stages of the delivery of water and sanitation.

##### 7.11 Participation of consumers

During our survey respondents scored the participation of consumers at different stages in the delivery of water and sanitation as either *high* or *medium*. Scoring was based on a scale 0-5, with zero as no participation, and five as high participation. Table 7.1 provides details of the results in Savelugu-Nanton district.

**Table 7.1: Participation of consumers in service delivery**

Stage of service delivery	Average score
Planning	High
Financing	Medium
Maintenance	High
Monitoring	Medium

Source: research by author

Structured community meetings for planning and training of women in simple maintenance procedures were reasons provided for giving *high* score. In cases where households could not contribute financially to initial investment, citizen groups in the richer south of the country were mobilised to fill the financial gap. Hence the *medium* score for financing was given. The Savelugu-Nanton District Assembly and its partners have clear guidelines for community participation in general and for water and sanitation in particular.

##### 7.12 Participation of civic associations

Respondents scored as *medium*, the participation of civic associations at all stages of service delivery in the delivery of water and sanitation services. Table 7.2 provides details.

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<sup>76</sup> See Chapter 3 for detailed discussion of political decentralization in Ghana.

**Table 7.2: Participation of civic associations in service delivery**

Stage of service delivery	Average score
Planning	Medium
Financing	Medium
Maintenance	Medium
Monitoring	Medium

Source: research by author

Various citizen associations are involved at various stages including Youth Associations, Food Sellers' Associations, Market Women Association, Butchers' Association, women's groups. Involvement at various stages is mainly through invitation to district level meetings and occasional fund raising campaigns. Community Water and Sanitation Committees (CWSCs, popularly known as "watsans") are particularly important mechanisms for community level fund raising and maintenance, and provide a link with Area Mechanics and the District Water and Sanitation Team (DWST). CWSCs exist in 98% of communities with boreholes.

Government departments that are heavy users, particularly Health, Education and Agriculture are also involved in planning.


### **7.13 How effective is civil society in accountability?**

On a scale of five, respondents scored *three* for the effectiveness of civil society in keeping accountability in the water and sanitation sector (through budget monitoring, media discussions, etc.). Focus group discussions brought out reasons for the moderate score. Reasons for the moderate score relate to level of participation of civil society, mainly through invitation to meetings. With the exception of meetings of the Savelugu Water Board, accountability issues are rarely discussed at meetings. Secondly, civic associations in the district are more oriented towards community mobilisation for implementation than towards advocacy.

Using Hollensteiner's typology of participation, overall, Savelugu-Nanton district appears to be between *Planning and Management* and *Representation in Policy Making* (see Box 7.1)<sup>77</sup>. According to local civil society leaders, civic associations require skills in advocacy, as well as more information on details of service delivery, such as accounts and monitoring reports, to increase their level of participation.

#### **Box 7.1: Hollensteiner's typology of Participation**

Hollensteiner (1986) defines the extent of participation in terms of (from bottom to top):

- 
- Participation by only rich
  - Legitimation of projects among beneficiaries
  - Consultation
  - Planning and management
  - Representation in policy making
  - Full control

Source: Hollensteiner (1986)

<sup>77</sup> Similar typologies are also presented by Mikkelsen (1995); and DfID (1995).

## **7.2 Administrative decentralisation and distribution of roles**

The extent of administrative decentralisation and role distribution/concentration in the provision of water and sanitation in Savelugu-Nanton district is ascertained through analysis of roles, staff capacity for service provision as well as other measures of administrative decentralisation in the following sections.

### **7.21 Definition and distribution of roles: Water**

Actors in the provision of water and sanitation in Savelugu-Nanton are the Savelugu-Nanton District Assembly (SNDA), Community Water and Sanitation Agency (CWSA), Ghana Water Company Limited (GWCL), District Water and Sanitation Team (DWST), Ministry of Local Government and Rural Development (MLGRD), Ministry of Works and Housing (MWH), Community Water and Sanitation Committees (CWSCs), Savelugu (town) Water Board, donors and private contractors.

Our survey revealed that there is clarity in the definition of all key roles in the provision of water except for leadership, oversight and ownership of assets (see Table 7.3 and Table 7.4). The picture emerging from definition and distribution of roles is one of shared responsibility principally between the SNDA and CWSA Hq. The other players support these two managers to ensure provision of water. Even community management, one essential principle projected by the literature<sup>78</sup> appears to be stimulated and managed by the two principal actors (CWSA Hq and the SNDA).

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<sup>78</sup> The concept of “community management” of water and sanitation is discussed in Chapter 4.



**Table 7.3: Roles that are clearly distributed in Savelugu-Nanton district: Water**

<b>Roles in service provision</b>	<b>Responsibility</b>	<b>Remarks</b>
Policy formulation	<ul style="list-style-type: none"> <li>Ministry of Works and Housing (MWH)</li> </ul>	Policy formulation by MWH is usually not backed by funding
Planning	<ul style="list-style-type: none"> <li>CWSA Headquarters (CWSA Hq) and donors for design of projects of lead donors</li> <li>SNDA for district-wide (multi-sectoral and multi- year) planning</li> </ul>	CWSA Hq designs projects with bigger donors. DAs incorporate such projects into own plans. Otherwise DAs plan jointly with smaller donors, particularly NGOs during annual planning meetings
Budgeting	<ul style="list-style-type: none"> <li>DA prepares annual budget for responsible functions (including 5% of water budget)</li> <li>Regional CWSA (budgets for CWSA activities in region)</li> <li>CWSA Hq for CWSA projects in country</li> </ul>	Depends on the level of project design. Region is mainly for monitoring implementation of DA plans. However some donor projects are managed by the Regional CWSA.
Coordination	<ul style="list-style-type: none"> <li>DA (DPCU+DWST), (through planning and review meetings)</li> <li>CWSA Region coordinates projects across districts</li> </ul>	DA has a mechanism for coordination: annual and mid year review meetings for all stakeholders and all sectors
Financing	<ul style="list-style-type: none"> <li>DA (5%)</li> <li>Community (5%)</li> <li>Ministry of Finance/CWSA Hq (largely from donor funds; if loan, repayment of through general revenues)</li> </ul>	Donor funds account for 90% of investment costs through the MoF/CWSA Hq
Operation (actual service delivery)	<ul style="list-style-type: none"> <li>Consulting firms (feasibility studies and supervision of construction)</li> <li>Contractors/NGOs (construction)</li> <li>CWSCs/Water Board (O&amp;M)</li> </ul>	Evidence of pluralism involving the private sector in operation and maintenance. Subject is discussed in chapter 9.
Maintenance	<ul style="list-style-type: none"> <li>Community/Water Board/ CWSCs</li> <li>Area mechanics</li> <li>DA/donors (funds some maintenance)</li> </ul>	CWSCs undertake simple maintenance tasks or report the issue to Area Mechanics or the DWST.
Regulation	<ul style="list-style-type: none"> <li>Community (use, security, tariff setting for particular community)</li> <li>Water Board (proposes tariffs for town system only)</li> <li>DA (tariff approval for town system only)</li> <li>CWSA Hq (approves financing arrangement, formulates standards)</li> </ul>	DA approves tariffs for town water system which it oversees. PURC tariff composition and levels serve as a guide. Standards are set by CWSA. Enforcement of standards is weak.
Brokerage/partnership building and management	<ul style="list-style-type: none"> <li>SNDA (contracting)</li> <li>CWSA Regional (consulting, contracting in some instances)</li> <li>Donors (contracting)</li> </ul>	SNDA is most active in performing brokerage roles
Auditing	<ul style="list-style-type: none"> <li>Audit Service (central government agency is responsible)</li> </ul>	Auditor-General of the country has clear role for auditing DAs.

Source: research by author

**Table 7.4: Roles that are not clearly defined: Water provision in Savelugu-Nanton**

<b>Roles in service provision</b>	<b>Unclear issues</b>
Leadership	During our research, key informants could not clearly indicate who was accountable for absence of water – whether community leaders, the SNDA, CWSA Hq or MWH.
Oversight	It was also not clear whether the SNDA or CWSA regional office was responsible for the oversight role.
Asset ownership	Key informants and secondary data could not give a clear picture about asset ownership. It was not clear whether assets are owned by the community (due to community ownership principle of the CWSA, the SNDA (as law vaguely implies), GWCL (for pipelines running through the district) or CWSA Hq (due to lead role in capital investment).

Source: research by author

As presented by Table 7.3 and Table 7.4, roles for *Leadership*, *Planning* and *Brokerage* are dispersed among the SNDA, CWSA Headquarters and CWSA Region (see remarks on the CWSA chain in Box 7.2 below), donors and MWH - a feature that indicates the absence of devolution in the practice of decentralisation. Key informants could not clearly indicate who was accountable for absence of water. It was also not clear whether the SNDA or CWSA regional office was responsible for the oversight role. Key informants and secondary data could also not give a clear picture about asset ownership. It was not clear whether assets are owned by the community (due to community ownership principle of the CWSA, the SNDA, GWCL or CWSA Hq.

#### **Box 7.2: The CWSA chain**

##### ***CWSA Headquarters (Hq)***

CWSA Hq provides regulation and policy guidelines. Its role also includes project design and management (at the national level). The management instruments of CWSA Hq instruments are project-based; it has no sector-wide programme; it depends heavily donor projects (accounts for 90% of capital costs); government funds go into salaries and some O&M; user fees are not the driving force for O&M.

##### ***CWSA Regional office***

The CWSA Regional office is a deconcentrated structure of the CWSA Hq. It is responsible for providing information on projects in the region. It also provides information for project design and accounting at the CWSA Hq level. In the Northern Region, The CWSA Regional Office manages donor projects that cover more than one district, including award of contracts and monitoring of projects. The CWSA Regional Office also provides technical assistance to districts with weak capacity.

## **7.22 Definition and distribution of roles: Sanitation**

Our survey indicated that SNDA has far more responsibility for *Planning*, *Budgeting*, *Coordination*, *Regulation* and *Brokerage* roles in the provision of sanitation than water (see Table 7.5). This is because oversight responsibility for sanitation lies with the Ministry of Local Government & Rural Development (MLGRD), the Ministry that regulates activities of District Assemblies. The MLGRD supports District Assemblies with capacity development, standard setting and procurement of equipment. The MLGRD does however, not manage local sanitation projects.

The SNDA also has far more responsibility for *Planning*, *Budgeting*, *Coordination*, *Regulation* and *Brokerage* roles in the provision of sanitation than water because of the larger role of households in providing sanitation. Households are responsible for

provision of own latrines, the DA for public use. The larger role of the SNDA in executing these four roles provides the advantage of proximity to local problems and an opportunity for greater local accountability. Roles are however not clearly distributed for *Leadership* (whether the District Assembly or Ministry of Local Government and Rural Development). There is no clear answer to the question: who can be held responsible for poor sanitation, the DA or MLGRD?

**Table 7.5: Role Distribution: Sanitation provision in Savelugu-Nanton**

Roles in service provision	Responsibility	Remarks
Policy formulation	MLGRD	Policy formulation by MLGRD is usually not backed by funding
Planning	<ul style="list-style-type: none"> <li>DA for district-wide multi-sectoral multi year planning)</li> <li>MLGRD for donor projects that cover several regions and districts</li> <li>CWSA for pilot demonstration projects and sanitation support to other government agencies</li> </ul>	Some donors design projects independently. DAs plan with such projects once informed. Other donors plan with the DA and communities.
Budgeting	<ul style="list-style-type: none"> <li>Households responsible for own system</li> <li>DA budgets for public uses and co-financing with households to expand access (varies from 5% to 50% depending on conditions of donor project)</li> <li>CWSA Hq (budgets for latrines for government agencies and demonstration of improved technology)</li> <li>MLGRD for co-financing sanitation projects that it manages</li> </ul>	MLGRD's role is mainly for capacity building and procurement of equipment
Coordination	DA (DPCU+DWST), (through planning and review meetings)	DA has a mechanism for coordination: annual and mid year review meetings for all stakeholders and all sectors
Financing	<ul style="list-style-type: none"> <li>DA (5%-50%)</li> <li>Community (5%-100%)</li> <li>Donors through CWSA, MLGRD or DA (10%-50%)</li> </ul>	Donor funds account for 90% of cost of service provision through the MoF/CWSA Hq
Operation (actual service delivery)	<ul style="list-style-type: none"> <li>Households</li> <li>Contractors (for public use and demonstration projects)</li> </ul>	Contractors are involved in operation of public facilities and demonstration of new technology
Maintenance	<ul style="list-style-type: none"> <li>Households</li> <li>DA (for public use)</li> </ul>	The SNDA's role regards public facilities
Regulation	<ul style="list-style-type: none"> <li>MLGRD (standards setting)</li> <li>CWSA (standard setting)</li> </ul>	Standard enforcement is weak
Brokerage/partnership building and management	<ul style="list-style-type: none"> <li>Co-financing with households and local NGOs</li> <li>DA (contracting for public use)</li> </ul>	The SNDA is responsible for contracting private firms in operation of public facilities
Auditing	Audit Service (central government agency is responsible)	The Auditor-General provides external audit services to all DAs

Source: research by author.

## 7.23 Staff Capacity of the SNDA

### Staff levels

Generally, the SNDA does not have enough staff for tasks related to the planning and management of basic services. The ratio of existing technical staff to required is 1:3. The ratio existing administrative staff to that required is better, at 3:5. District officials attribute the staffing gaps to a freeze on employment in the government sector by the Ministry of Finance.

### Structure and capacity of the District Water & Sanitation Team (DWST)

At the district level, the DWST is proposed by the CWSA across the country to serve as a direct link between the DA and CWSA in the provision of water and sanitation. The DWST is basically a team of officers drawn from various departments.

In Savelugu-Nanton, the DWST comprises, the Environmental Health Officer (Team Leader), Works Superintendent (from Public Works Department) and Community Mobiliser from the Department of Community Development. The DWST is responsible for mobilising communities and monitoring of O&M. The principal constraint of the DWST is that it is not a formal administrative structure of the District Assembly with a legal basis. It therefore cannot operate as a department and a budget/cost centre, and therefore has no regular budget for service delivery. The Central Administration of the District Assembly acts on its behalf in budgeting, thereby subjected to the vagaries of the Central Administration's budget. The SNDA finances the running cost of the DWST. The DWST has no staff of its own. It draws on staff of various departments who work for both their parent departments as well as the DWST.

According to the CWSA, DAs require the skills in the following to effectively manage water and sanitation provision: planning, budgeting, accounting, engineering, community development and environmental health. Table 7.6 and Table 7.7 show the Savelugu-Nanton DWST as deficient in the required skills areas. Most of its skills are at the technician level and are insufficient though with several years experience.

**Table 7.6: Levels of education and experience of members of the DWST**

Position of staff	Level of education	Years experience
DWST Leader (staff of the Environment Health Unit of SNDA)	Certificate in Environmental Health	25
Works Superintendent (staff of the Public Works Department)	Intermediate Level, City & Guilds	15
Community mobiliser (staff of Department of Community Development)	Certificate in Social Work	2

Source: research by author.

**Table 7.7: Availability of required skills in the DWST**

Position of staff	Available skills in:				
	Water and sanitation sector planning and budgeting	Coordination	Monitoring	Contract development and management	Operation & maintenance
DWST Leader	Yes	Yes	Yes	No	No
Works Superintendent	No	No	Yes	No	Yes
Community mobiliser	No	No	Yes	No	No

Source: research by author.

The SNDA draws on skills from other departments, and indeed, from outside the government system to complement those of the DWST. The District Works Engineer, (who has a Diploma in Civil Engineering and four years work experience) is not a member of the DWST, but provides technical support when required by the District Assembly. The District Works Engineer is staff of the deconcentrated Public Works Department (PWD). The PWD, if eventually decentralised, as required by Act 462, will constitute the Works Department of the District Assembly.

Area level pump mechanics and community hand pump caretakers support the DWST at the community level. They have been trained in O&M. The DWST is also supported by various NGOs in all areas of service provision.

In sum, the SNDA does not have enough capacity to effectively manage water and sanitation provision. Nevertheless, the central role of the SNDA enables it to bring in skills from other central government departments, NGOs and community organisations. Most respondents indicate that this combination of formal and informal structures in management of service provision is working well. However, they also point out emerging strains on the current arrangement as the level of investment and scale of technology go up. Officials of the SNDA were unanimous in indicating the need for evolution of the current arrangement to a more a formal structure, in the form of devolution of the deconcentrated Works Department. They argue that a devolved Works Department would have its own budget and would be able to build the required skill base for service provision.

By Act 462, the logical structure for water and sanitation is the District Works Department (DWD). The DWD is yet to be devolved from its current deconcentrated nature (of the central level Public Works Department) as required by law. Thus, as one official put it, the establishment of “the DWST should best be regarded as a transitional arrangement - to gradually let DAs get into the water and sanitation business”.

## **7.24 Other features of administrative decentralisation**

Table 7.8 sums up how other features of administrative decentralisation occur in Savelugu-Nanton.

**Table 7.8: Other features of administrative decentralisation in Savelugu-Nanton**

<b>Feature</b>	<b>How feature is managed</b>
Duplication and gaps in service provision	Participatory planning and review meetings are used by the SNDA to reduce duplication and gaps Regional CWSA coordination is limited to knowledge of resources that flow through the CWSA structure
Matching roles, skills and financial resource flows	There is a mismatch as some communities are neither able to carry out operation and maintenance (O&M) activities, nor provide counterpart funding. The District Assembly Common Fund (DACF) is also limited and irregular, reducing the capacity of the SNDA to carry out its tasks.
Sequencing towards greater decentralisation?	There is a sequence towards decentralisation in government and public-private partnerships. Nevertheless, the SNDA is cash strapped and having problems sponsoring further decentralisation
Participatory planning	Exists for district multi sectoral planning under the guidance of NDPC. Also exists for water and sanitation under the guidance of CWSA.
Participatory budgeting	Does not exist. There is no mechanism to promote participatory budgeting
Responsibility for hiring and firing of staff	Lies with central government departments
Determination of salaries	Lies with central government departments
Reporting	The DWST reports to the DCE
Approval of priorities	SNDA for district priorities and counterpart funding Water grant/loan approved by Parliament/Ministry of Finance
Regulation	There is a regulatory framework for rural water by CWSA, which is largely followed. The MLGRD regulates provision of sanitation.
Target setting	SNDA sets target at the district level, through multi-sectoral multi-year participatory planning
Setting of standards	CWSA Hq and MLGRD set standards. It is not clear which agency is responsible for monitoring enforcement of standards.

Source: research by author.

SNDA's emphasis on participatory planning has strengthened its brokerage role. Participatory planning sessions enable flow of information on available investments and how such investments should be targeted. Generally, there is a sequence towards decentralisation in government and public-private partnerships in Savelugu-Nanton. Nevertheless, SNDA officials point to the need for more resources to enable further decentralisation.

## **7.3 Fiscal decentralisation**

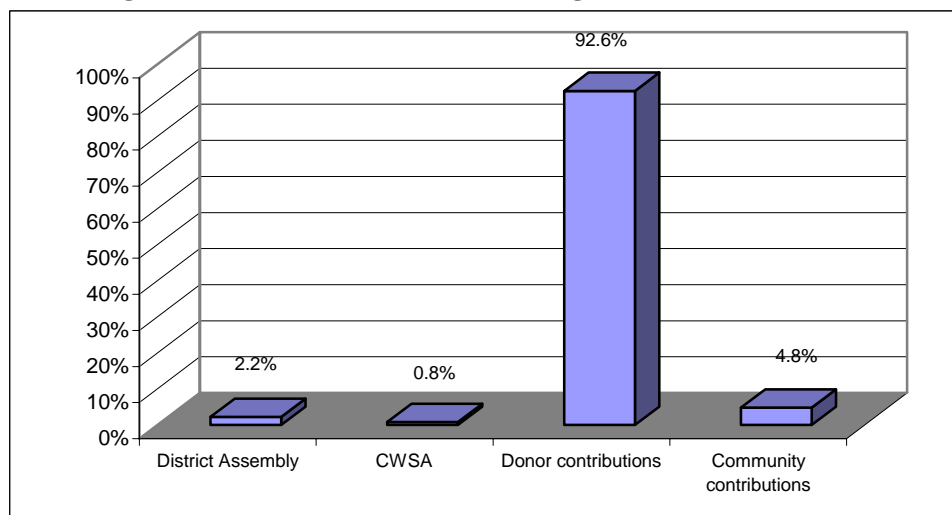
### **7.31 Sources of investment in water and sanitation**

The main sources of investment for water and sanitation in Savelugu-Nanton are: (a) locally generated revenues; (b) the District Assembly Common Fund<sup>79</sup> (DACF); (c) donor funds through CWSA to the SNDA and donor funds directly to the SNDA; (d) community contributions in cash and kind. The law provides for loans through the Ministry of Finance, but the SNDA does not use this source. The SNDA officials have the perception that loans will not be approved by the Ministry of Finance, though no official communication has been received from the latter.

<sup>79</sup> 5% of national tax revenues set aside for District Assemblies. See Chapter 3 for details.

Donor contributions dominate investment in water and sanitation in Savelugu-Nanton (see Figure 7.1). Investment from government sources for 1998-2002 account for just 3% (2% from SNDA and 1% from CWSA). Moreover, government contribution is uneven (see Figure 7.2), a feature explained by SNDA staff as due to irregular disbursement of the DACF. Community contribution (5%) is higher than government's contribution.

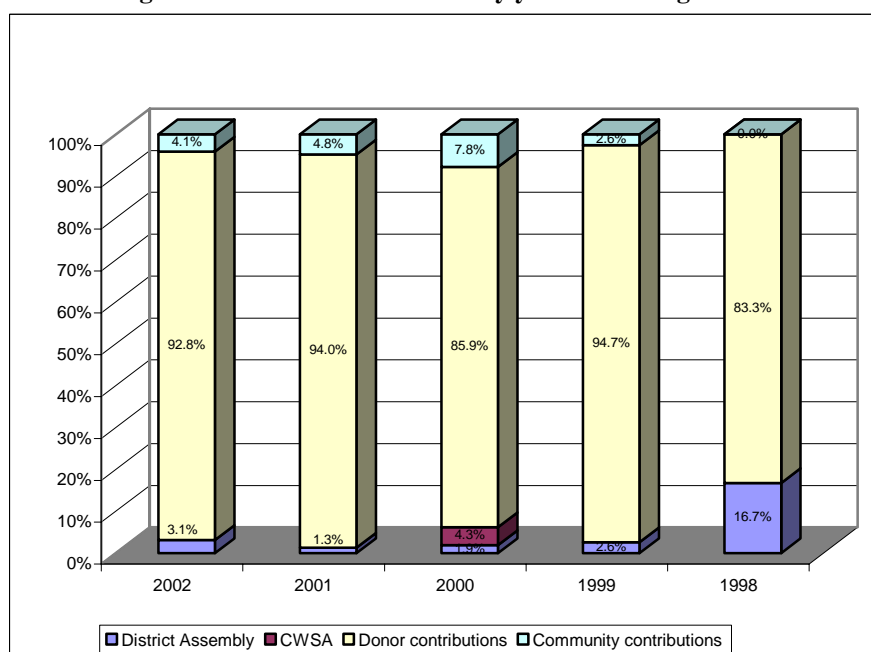
**Figure 7.1: Share of Investment in Savelugu-Nanton 1998-2002**



Source: SNDA official records.

Contribution from central government through CWSA to investment is not common and is usually for technical assistance. For example, the 0.8% share of investment in Figure 7.1 represents funds to demonstrate the benefits of improved technology for sanitation.

**Figure 7.2: Share of investment by year in Savelugu-Nanton**



Source: SNDA official records.

#### ***a) Locally generated revenue***

The contribution of locally generated revenues to the water and sanitation budget is negligible, under 1%.

#### ***b) DACF***

About 45% of the DACF is at the discretion of the SNDA. The DACF is the main source of the SNDA expenditure on water and sanitation. Prior to 2002, an additional 5% of the DACF was deducted at source by the MLGRD to purchase sanitation equipment, a practice that has been curtailed. SNDA's share of the DACF finances about 2% of total investment in water and sanitation in the district. The SNDA's contribution is below the 5% required by the CWSA. This is because several NGOs operating at the local level do not demand counterpart funding from the SNDA and communities, especially in communities with high incidence of water-borne diseases.

Nevertheless, the SNDA made a significant 16.7% to the total investment budget in 1998 when its counterpart funding was sought to commence a piped water system for the district capital, Savelugu, a USD 650,000 project largely financed by UNICEF in 1998-2000 (see Chapter 11 for detailed discussion of the partnership arrangement for the Savelugu Town System). This was cited by local officials as willingness of the SNDA to prioritise water over other sectors when large capital investment was required. Other SNDA investments in water after 2000 have gone into wells.

#### ***c) Donor funds***

About 92% of investment in water and sanitation come from donors, directly to the SNDA or through the CWSA to the SNDA. This source finances feasibility studies and construction/ drilling. Donor contribution to the district's investment budget in 1998-2002 is 96% for water and 62% for sanitation, with an average of 92%. Community contribution plays a greater role in financing sanitation.

#### ***d) Community contributions***

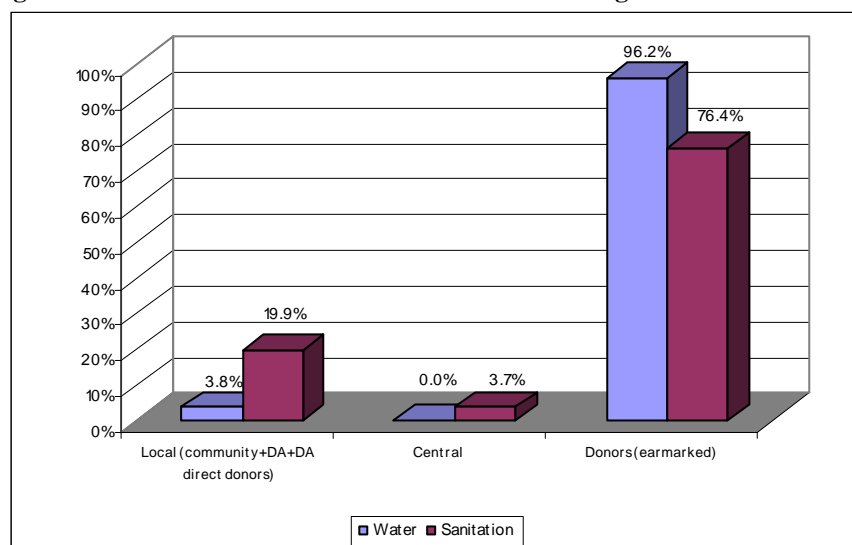
Community contribution to investment in water and sanitation in Savelugu-Nanton for 1998-2002 is about 5%. Communities contribute more to the district's sanitation investment budget (16%), than its water budget (2%). Community contribution is below the required 5% (by CWSA) as several NGOs do not demand co-financing in guineaworm endemic communities.

### **7.32 Total local contribution to investment**

Total local contribution (community's and SNDA's) for sanitation is about one-fifth of the total and five times that for water, indicating deeper decentralisation for sanitation (see Figure 7.3). In addition, the SNDA usually has discretion in the location of donor and central government projects.



**Figure 7.3: Local contribution to investments in Savelugu-Nanton**



Source: SNDA official records.

## 7.4 Conclusions

In sum, Savelugu-Nanton displays the following features regarding central-local relations in the provision of water and sanitation:

- High to medium political decentralisation, based on *participation* of consumers and civic associations
- In terms of administrative decentralisation, there is generally a clear distribution of many of the key roles, but considerable capacity challenges exist. Nevertheless, the SNDA exercises flexibility in pooling skills from other government agencies and the non state sector for provision of both water and sanitation
- A combination of very limited fiscal decentralisation, and a heavy dependence on donor sources for service provision, particularly for water.

In terms of the *type* of decentralisation and pluralism, Savelugu-Nanton appears to exhibit a combination of delegation and pluralism where partnerships are promoted in the following ways:

- *Delegation by CWSA to the District Assembly and communities* in the provision of water. The delegated role of the SNDA is enhanced by donors who work directly with the SNDA and the operations of the DWST.
- *Delegation* in the provision of sanitation. Greater sharing of roles in provision of sanitation between central government agencies and the SNDA, but with central control over staffing.
- *Institutional pluralism* in the provision of both water and sanitation. Pluralism in the provision of water is much greater than that for sanitation as roles are distributed among SNDA, central government agencies, NGOs, communities and the private sector. Pluralism is just beginning to emerge in the provision of sanitation where roles are more concentrated in the government structure and

involvement of NGOs and CBOs, though present, is much less than in the case of water.

In addition, the SNDA benefits from the services of the *deconcentrated* branch of the CWSA at regional level.

The SNDA's *brokerage* role in the provision of both water and sanitation is noteworthy. The SNDA brokers partnerships through preparation of technical and financial proposals, coordination of plan preparation and project implementation and through monitoring of access and use of facilities. In areas where the SNDA has no skills or formal administrative structures to respond to challenges, it draws on other government agencies, donor agencies and NGOs sources to supplement its weak capacity.

One observation is the dominant role of the SNDA at almost every stage of provision of both water and sanitation. Despite lack of clarity in the distribution of certain roles, the SNDA is not excluded and has indeed sought to include itself in organising service provision.

Nevertheless, current transitional institutional arrangements, like the DWST, need to continue and to evolve to more permanent and well-staffed departments with their own budgets. Secondly, informal arrangements for pooling skills from government and non state sources need to develop further as challenges in service provision increase.

## CHAPTER 8

### 8.0 DECENTRALISATION AND THE PROVISION OF WATER AND SANITATION IN TAMALE

This chapter presents an analysis of primary data on central-local relations in the provision of water and sanitation in Tamale municipality. Like the previous chapter on Savelugu-Nanton, this chapter analyses the *forms* and emerging *types* of decentralisation and roles of various partners in the provision of water and sanitation in Tamale.

#### 8.1 Political decentralisation

##### 8.11 Participation of consumers and civic associations

As in the case of Savelugu-Nanton, the extent of political decentralisation in Tamale is analysed on the basis of *participation* of consumers and civic associations in the various stages of service delivery. Other determinants of political decentralisation, particularly, the election (or otherwise of leaders) are not analysed as they apply to all districts in the country by law (see Chapter 3 for discussion of laws and policies).

Our household survey revealed that citizen participation in service delivery is not advanced in Tamale like in Savelugu-Nanton. Respondents ranked as *low* the participation of consumers in planning, operation, maintenance and financing. Participation of civic associations was regarded as *low* for all stages. Further interviews with service providers confirmed this observation. The Ghana Water Company Limited (GWCL), providers of water for the town, and the Tamale Municipal Assembly (TMA), providers of sanitation, ranked participation of consumers and civic associations as *low* in all stages of service provision.

##### 8.12 How effective is civil society in accountability?

Furthermore, respondents indicated low scores for the effectiveness of civil society at keeping local accountability. On a scale of five, respondents scored *one* for water and *two* for sanitation for the effectiveness of civil society at keeping accountability. Reasons for the low score relate to level of participation of civil society, mainly through infrequent invitation to meetings on sanitation and almost no involvement for water. Using Hollensteiner's typology of participation, overall, Tamale appears to be between *Legitimisation of projects among beneficiaries* and *Consultation* (see Box 7.1 in Chapter 7 for Hollensteiner's typology). According to local civil society leaders, formal administrative mechanisms need to be established to promote structured participation of civil society in decision-making.

## **8.2 Administrative decentralisation and distribution of roles**

### **8.21 Definition and distribution of roles**

Actors in the provision of water and sanitation in Tamale are the Tamale Municipal Assembly (TMA), Ghana Water Company Limited (GWCL), Ministry of Local Government & Rural Development, Ministry of Works and Housing, Area Councils, private contractors and donors. Generally, many of the essential roles for service provision are clearly defined in Tamale. Details are as follows:

#### ***Leadership***

There is clarity in the definition of Leadership. The GWCL is responsible for provision of water, and the TMA for sanitation. The GWCL exercises leadership through target setting in planning of service provision.

#### ***Policy formulation***

Responsibility for policy formulation for water is with the MWH; that for sanitation is with the MLGRD.

#### ***Planning***

The TMA is responsible for district-wide multi year planning. The GWCL plans for delivery of water and the TMA for sanitation. There is no common sector plan for water and sanitation. The TMA has no fiscal instruments to influence the operations of the GWCL. The GWCL has also none regarding the TMA.

#### ***Budgeting***

Responsibility for budgeting water and sanitation are split between GWCL and TMA respectively. The two processes are not linked. The GWCL does not receive nor share information on budgets with TMA. There is no mechanism for coordination.

#### ***Financing***

Roles are clear. GWCL raises funds through user fees, central government grants and loans that are usually guaranteed by central government. TMA finances sanitation through user fees (for public facilities), DACF and local revenues.

#### ***Operation and Maintenance***

Roles are clear. GWCL has own staff for O&M for water. TMA contracts out O&M for public toilets. It also has staff for maintenance. Households manage their own facilities.

### ***Regulation***

Responsibility for regulation of water supply is clear. It lies with the Public Utilities Regulatory Commission. That for sanitation is not clear, whether the MLGRD or TMA.

### ***Setting targets***

The TMA sets targets for water and sanitation in its municipal plans. Setting of targets for water is meaningless as the TMA's plans do not cover the activities of GWCL and vice versa. Unsurprisingly, targets set for water by two rounds of municipal plans have not been achieved. GWCL Tamale follows targets set by GWCL Headquarters and not those set by the TMA. Target setting for sanitation is nevertheless the responsibility of the TMA.

### ***Monitoring***

Responsibility for monitoring regards use, equipment failure, repair time and plan implementation. GWCL is responsible for monitoring water supply. That for sanitation is not clear. As will be discussed in the next Chapter, there are significant gaps in monitoring.

### ***Auditing***

Responsibility for auditing is clear, with the Audit Service, a public service agency. Accounts of the TMA are audited once a year, short of the recommended two times, due to resource constraints. Some donors sponsor independent audits of their projects.

### ***Asset ownership***

Asset ownership is clear for sanitation – for households or the TMA, and for water by the GWCL.

### ***Brokerage/partnership building***

The TMA is responsible for brokerage/partnership building for sanitation. GWCL Headquarters is responsible for partnership building for water, even at the district level. The role of the private sector in provision of water in Tamale is dependent on the policy of GWCL Headquarters. As discussed in Chapter 5, GWCL Headquarters has opted for a management contract model. Implementation is due to start in 2006. Nevertheless, the peripheral settlements of Tamale, where water is most scarce have been working with local NGOs and CBOs to access underground water through wells.

Regarding sanitation, management of 23 of the 95 public toilets in Tamale have been contracted out to private operators. The remainder are managed by Area Councils of the TMA. The TMA has a plan to contract out all public toilets in phases.

Thus, there is clarity in the distribution of roles for service provision, except for *monitoring* of sanitation and *brokerage* of community level partnerships for water in peripheral settlements.

## 8.22 Administrative structure and staff capacity for service provision

Unlike Savelugu-Nanton, Tamale has never put together a sector investment plan for water and sanitation. Senior management of the TMA explained this as due to its limited role in water. No reason was given for sanitation. However, the main reason appears to be the absence of the prompting and regulatory role of CWSA as in semi-urban and rural districts.

The TMA prepares three to five-year Medium Term Development Plans (MTDPs), based on guidelines from NDPC. The Municipal Planning Coordinating Unit (MPCU) coordinates plan preparation. GWCL is not part of the TMA structure. It is therefore not covered by the TMA budget. Water targets in the TMA plans, where they are present, are merely indicative of the wishes of the MPCU. GWCL does not set these targets and is not obliged to follow them.

The DACF budget of the TMA is implemented mainly through infrastructural projects. Projects are awarded on contract through the Municipal Advisory Tender Board whose membership is made up of the chairpersons of the Development Planning Sub Committee, the Social Services Sub-Committee, Finance & Administration Sub-Committee, the Municipal Coordinating Director, and Municipal Planning Officer<sup>80</sup>. The TMA pays for executed projects on the basis of progress reports prepared by the Municipal Planning Officer.

The TMA MPCU has not established the practice of semi-annual reviews of the annual or semi-annual reviews of the municipal plan as in Savelugu-Nanton. There is no mechanism to promote participation in budgeting. The reason is also due to less partnership with donors like UNICEF, who supported the SNDA to implement such initiatives.

### The Works Department

The TMA has a Works Department, which oversees construction activities in the municipality. The Works Department has one (Geodetic) Engineer, a Hygiene Educator and several artisans. The Department supervises construction and management of sanitation facilities, but has marginal role in water provision, which is the preserve of the GWCL. Moreover, like many decentralised departments, responsibility for recruiting and firing members of the Works Department lies with their parent department, the Public Works Department.

The TMA Works Department has limited skills in management of water and sanitation. Just the engineer has skills in contract development.

**Table 8.1: Levels of education and experience of staff responsible for public works**

Position of staff	Qualifications	Years experience
Municipal Engineer	BSc Geodetic Engineering	5
Environmental Health Officer	Certificate in Environmental Health	15
Works Superintendents	Technician level	

Source: TMA official records.

<sup>80</sup> The structure of committees of the District Assembly is discussed in Chapter 3 and Chapter 6.

Under the influence of its Municipal Coordinating Director, a former manager with the SNDA, the TMA proposes to establish a Municipal Water and Sanitation Team (MWST) along the guidelines of the CWSA. The purpose is to attract funds and skills from the CWSA chain (see Box 7.2) for peripheral settlements of the municipality that the service of the GWCL does not cover.

### 8.23 Other features of decentralisation

Table 8.2 sums up other features of administrative decentralisation that occur in Tamale. There are efforts to sequence the distribution of roles in sanitation provision towards decentralisation in government and public-private partnerships for sanitation. However, there has been no move towards greater decentralisation for the supply of water. Generally, the distribution of roles is clearly defined for water (by the GWCL) and for sanitation (by the TMA).

**Table 8.2: Other features of administrative decentralisation in Tamale**

Feature	Status
Sequencing of roles towards greater decentralisation?	<ul style="list-style-type: none"> <li>• There is a greater move towards decentralisation within government and public-private partnerships for sanitation</li> <li>• There has been no move towards greater decentralisation for the supply of water</li> </ul>
Matching skills and financial resource flows:	<ul style="list-style-type: none"> <li>• Concentration of roles in the GWCL reduces potential financial contribution by the TMA for water</li> <li>• The TMA has staff capacity far less than that required by civil service establishment to manage the sanitation sector.</li> <li>• GWCL Tamale is within its skill limit as established by GWCL headquarters</li> </ul>
How duplication is managed:	<ul style="list-style-type: none"> <li>• Duplication is reduced by the clear roles of the GWCL for water and TMA for sanitation and the limited role of the private sector in the actual provision of services.</li> </ul>
Participatory planning:	<ul style="list-style-type: none"> <li>• Limited for water and sanitation due to dispersal of roles. GWCL does not promote participatory planning. The TMA has also no participatory review of its plans.</li> </ul>
Participatory budgeting:	<ul style="list-style-type: none"> <li>• Does not exist. There is no mechanism to promote participatory budgeting</li> </ul>
Responsibility for hiring and firing of staff:	<ul style="list-style-type: none"> <li>• GWCL Headquarters is responsible for water</li> <li>• Central government responsible for technical staff</li> <li>• TMA is responsible for casual staff.</li> </ul>
Determination of salaries:	<ul style="list-style-type: none"> <li>• Lies with central government departments</li> </ul>
Reporting:	<ul style="list-style-type: none"> <li>• GWCL Tamale reports to Headquarters</li> <li>• The Works Department reports to both its Regional Offices and the TMA</li> </ul>
Approval of priorities:	<ul style="list-style-type: none"> <li>• GWCL for water</li> <li>• TMA for sanitation</li> </ul>
Regulation:	<ul style="list-style-type: none"> <li>• PURC for water</li> <li>• That for sanitation is not clear</li> </ul>
Setting of standards:	<ul style="list-style-type: none"> <li>• GWCL for water; MLGRD for sanitation</li> </ul>

Source: research by author.

In sum, administrative decentralisation regarding provision of water and sanitation has quite distinct features in Tamale. Role definition in Tamale appears to be much clearer than in Savelugu-Nanton, primarily because water in Tamale is provided by a deconcentrated public utility, the GWCL. This feature also indicates less pluralism in provision of water. The GWCL has no links with the TMA in the provision of water. The TMA nonetheless, has greater responsibility for the provision of safe sanitation. The TMA also carries out actual provision of public sanitation facilities, more than the private sector. As local officials indicate, the TMA dominates the provision of sanitation. Partnership building is limited to contracting out management of selected public facilities to the private sector.

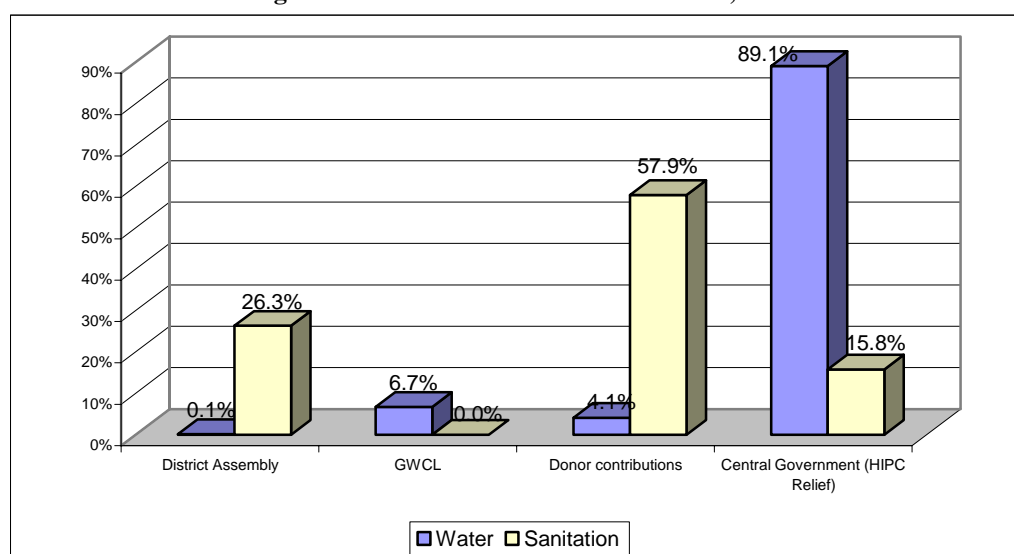
### 8.3 Fiscal decentralisation

The GWCL's sources of investment are central government grants, user fees and donor funds and loans as obtained by central government. TMA's sources of investment are locally generated revenues, the DACF, other central government grants and donor funds. Revenue from user fees (from public toilets) goes into O&M and not investment.

As in the case of Savelugu-Nanton, the law provides for loans through the Ministry of Finance, but the TMA does not use this source. The TMA administration also has the perception that loans will not be approved by the Ministry of Finance, though no official communication has been received from the latter.

Analysis of investment in water and sanitation in Tamale is based on data obtained from both the TMA and the GWCL Regional Office/Tamale Office. On average the TMA contributed a little over a quarter of investments in sanitation from 2001 to 2003 (see Figure 8.1) and less than 1% of the investment in water. Central government dominates investment in water. GWCL's (Headquarters) is at a low 7%. Donor contribution is more significant in sanitation, where direct partnership with the TMA is possible, unlike the case of water where GWCL Headquarters approval is required.

**Figure 8.1: Share of investment in Tamale, 2001-2003**



Source: TMA and GWCL official records.



The bulk of the TMA's spending on the sector is derived from the DACF. Overall, about 80% of TMA's expenditure on water and sanitation is financed and controlled by central transfers, mainly donor funds and part of the DACF, leaving just 20% for local discretion. Transfers are irregular. Local expenditure on the sector financed from local revenues is negligible (1%).

#### **8.4 Summary of features of decentralisation in Tamale**

In sum, Tamale displays the following features of central-local relations in the provision of water and sanitation:

- Low level of political decentralisation based on participation of consumers and civic associations.
- In terms of administrative decentralisation, clear roles for service provision, nevertheless, there is *concentration of roles* for water in the GWCL structure, with *deconcentration* from GWCL Headquarters to GWCL Tamale. There are also considerable capacity challenges.
- Limited contribution of TMA and donors to water provision.
- Greater sharing of roles in provision of sanitation, but with a bias in concentration of roles in the TMA and control of staffing by central government – suggesting *delegation* in the provision of sanitation within the government sector mainly, with communities, NGOs and the private sector playing a minimal, albeit increasing role.

## **CHAPTER 9**

### **9.0 DIFFERENCES IN DECENTRALISATION BETWEEN THE TWO DISTRICTS**

In this chapter, we build, on the previous discussion, by comparing the dimensions of central-local relations in the provision of water and sanitation in the two districts. We provide additional analysis of the types of decentralisation and extent of pluralism in the provision of water and sanitation in the two districts.

#### **9.1 Summary of features**

There are differences in the approaches to central-local relations for the delivery of water and sanitation in the two study districts (see Table 9.1 for a summary). Overall, Savelugu-Nanton exhibits a more decentralised and plural approach to the provision of water and sanitation. This is particularly so for water, where GWCL maintains a deconcentrated approach and has no partnership with the TMA. The TMA has also not initiated any partnership arrangement with the GWCL to improve the delivery of water.

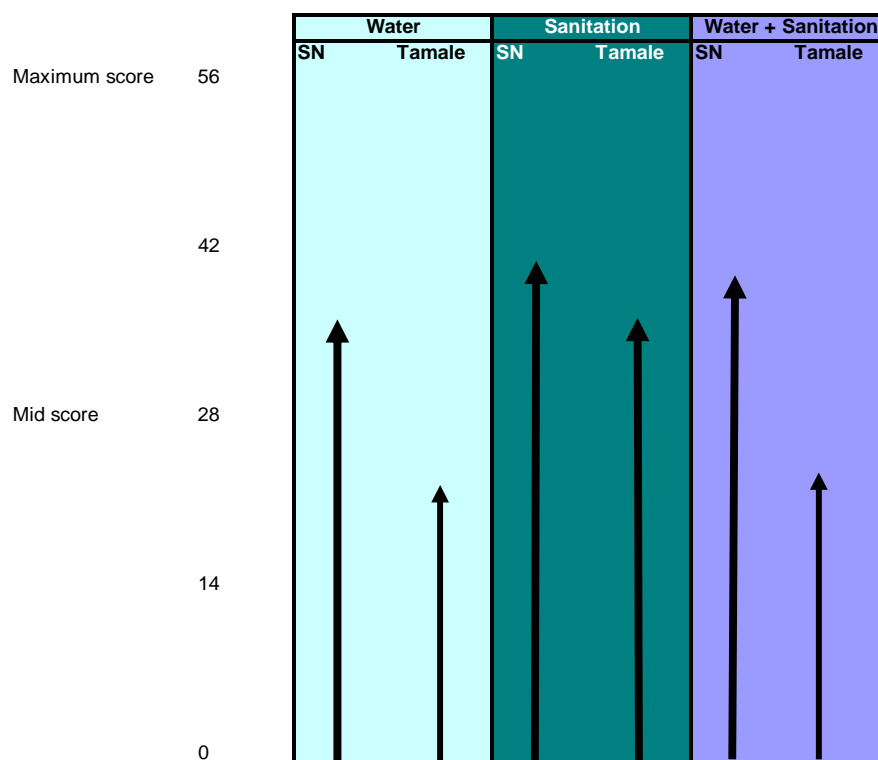
Regarding sanitation, both Savelugu-Nanton and Tamale have similar approaches to the delivery of sanitation – more towards decentralisation, but with responsibilities for staffing and in a partial way, funding, managed from above. Local government also dominates service provision, particularly in Tamale (see Figure 9.1). Pluralism is exhibited more in the provision of sanitation than in Tamale, albeit in a much less fashion than the case of water.

**Table 9.1: Summary features of central-local relations in the two study districts**

<b>Features of central-local relations</b>	<b>Indicators</b>	<b>Savelugu-Nanton</b>	<b>Tamale</b>
<b>Political decentralization</b>	Involvement of consumers/civic associations in stages of service delivery	Medium ranking - at the level of involvement in planning, financing and management (using Holleinstein's typology)	Low ranking - at the level of "legitimation" (using Holleinstein's typology) for both water and sanitation
<b>Administrative decentralization &amp; role analysis</b>	Responsibility for staff hiring, firing, wages	National responsibility	National responsibility
	Clarity of responsibilities	Mixed but pluralism and sequencing plan towards greater pluralism for both water and sanitation	Clarity but centralised and concentrated roles within a deconcentrated structure for water; for sanitation role towards decentralization
	Local responsibility for planning, O&M	Planning, O&M for both water and sanitation	O&M only for water; planning and O&M for sanitation
	Responsibility for regulatory framework	Enforces nation-wide plus local leadership for water and sanitation	National for water and sanitation
	Local government setting targets	Partial for water; yes for sanitation	No, for water; yes for sanitation
	Local government setting standards	None	None
<b>Fiscal decentralization</b>	Investment in sector financed and earmarked by central transfers	Partial for both water and sanitation	Yes for water; partial for sanitation
	Investment in sector financed by central but controlled by district	Partial for both water and sanitation	No for water; partial for sanitation
	local expenditure on sector financed from local revenues	>1% for both water and sanitation	>1% for both water and sanitation
	share of revenue in sector raised and managed by district	All for both water and sanitation	Partial for water; all for sanitation
<b>Partnerships</b>	Responsibility for managing partnerships	District responsibility for both water and sanitation under national guidelines	National responsibility for water; district responsibility for sanitation under national guidelines
	Responsibilities devolved to partner	Combination: to town councils, NGOs, communities	Limited for water NGOs coming in where GWCL fails; for sanitation partial
	Coordination mechanism	Regular planned meetings	Limited information exchange
	Co-financing arrangement	User fees plus local government	User fees plus central government for water; user fees plus local government for sanitation
	Competition	Water: pluralism; sanitation: domination by SNDA	Water: distributed monopoly; sanitation: domination by TMA

Figure 9.1 applies scores (minimum score of 0 and maximum score of 4) to the indicators of central-local relations in service provision for each district described in Table 9.1 above. Details of how we apply the scores to the manifestation of forms of decentralisation as well pluralism in the provision of water and sanitation are presented in Annex 9.1 and Annex 9.2 (Annex 9.2a for water and 9.2b for sanitation). Overall, Savelugu-Nanton has a more decentralized and plural system of provision of water and sanitation as depicted by Figure 9.1.

**Figure 9.1: Extent of decentralisation and pluralism in the two districts**



Furthermore, we observe the following when we apply the argument of Cohen and Peterson (1999) on decentralisation<sup>81</sup> to the findings of the study:

### Savelugu-Nanton

1. Water provision: *delegation* and *pluralism* at the decentralised level of government (a quadrant IV feature in Figure 9.2). Roles are shared by two or more governmental institutions and/or private sector firms or community organizations. Roles are also spatially decentralized.
2. For sanitation provision: *delegation* and *pluralism* at the decentralised level of government, also a quadrant IV feature in Figure 9.2. Pluralism has brought several opportunities to improve service delivery, including skills and resources from other actors who are not controlled by government.

<sup>81</sup> This subject is discussed in detail in Chapter 2.

## Tamale

1. Water provision: *distributed monopoly* and *deconcentration* of GWCL. Roles are not shared but concentrated in the GWCL structure. Responsibility for roles is spatially distributed (quadrant II in the Figure 9.2).
2. Sanitation provision: mix of *delegation* within the government system (also a *distributed monopoly* or quadrant II feature in Figure 9.2). Nevertheless, we observe a move towards *pluralism* in the provision of sanitation in Tamale. This is due to a policy by the TMA to contract out management of a third of public sanitation facilities.

**Figure 9.2: Applying the ADF's combination of spatial and roles analysis**

<p><b>I</b> Centralised monopoly</p>	<p><b>III</b> Institutional pluralism at centralised level</p>
<p><b>II</b> Distributed monopoly</p> <p><b>Water in Tamale: distributed monopoly: deconcentration within the government agency</b></p> <p><b>Sanitation in Tamale: transition: delegation from central to local government + distributed monopoly which is moving towards pluralism (through contracting out operation of public facilities)</b></p>	<p><b>IV</b> Institutional pluralism at decentralised level</p> <p><b>Water in Savelugu-Nanton: pluralism through partnerships with community groups, NGOs and private firms + delegation from central to local government</b></p> <p><b>Sanitation in Savelugu-Nanton: pluralism through co-financing by NGOs and contracting out operation of public facilities + delegation from central to local government</b></p>

Thus, the type of decentralisation existing in the two districts is not *devolution*, the objective of Ghana's laws. This confirms our first hypothesis that *decentralisation in practice in Ghana does not reflect what is specified by the country's laws and referred to by Rondinelli (1981) as devolution, but rather a mixture of deconcentration and delegation*. We will in the next chapter test the second hypothesis, that *when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly*.

In terms of *sequencing* of reforms, there appears to be some dynamism in central-local relations in their evolution from one state to another. Our research indicates that historically, the responsibility for provision of water has evolved from centralisation to deconcentration with the establishment of the Tamale branch of the GWCL.

Responsibility for provision of sanitation in Savelugu-Nanton has evolved from deconcentration and distributed monopoly to delegation and pluralism, particularly with greater involvement of the private sector in the wider national economy since the late 1980s. That for Tamale appears to be moving in the same direction. Responsibility for provision of water in Savelugu-Nanton has evolved most, from centralisation to delegation with pluralism.

## **9.2 Explaining the differences**

Discussions with key informants among service providers (managers of the two districts and water agencies) and municipal records point to four factors that explain the differences in central-local relations in the two districts:

### **a) The CWSA Approach**

As discussed in Chapter 4, the CWSA approach is more akin to the delegation model of decentralisation (project design centrally, use of district staff in management, community participation, etc.) with some elements of partnerships (community co-financing and co-management, NGO co-financing and co-management, etc.). The adoption of the CWSA approach to delivery of water by SNDA explains its adoption of features of community engagement, and community and district co-financing and management.

### **b) The role of the District Assembly**

District key informants and municipal records indicate that the SNDA commenced promoting plural arrangements for the provision of basic services before the CWSA model took shape in the district. Key informants attributed this to the deep poverty in the district which called for more local action; high prevalence of diseases which called for partnerships; donor interest in the district because of the extent of poverty; and the newness of the district, which stimulated a high expectation of local government among citizens. (The Savelugu-Nanton district was established in 1988, having been carved out of the then West Dagomba district, the core of which was also established as the Tamale Municipality).

According to district officials, one of the most important contributions of donors is by enhancing the *leadership*, *brokerage* and *oversight* roles of the SNDA – through capacity building in participatory district-wide planning. District-wide participatory planning meetings are held twice a year in Savelugu-Nanton, but not in Tamale. District-wide participatory plan review/monitoring meetings are also held twice a year in Savelugu-Nanton, but not in Tamale. As one staff of a donor agency put it: “the brokerage role of the District Assembly has to be nurtured through specific tools that promote leadership and accountability. A weak District Assembly can be supported to lead other actors through the introduction of participatory management processes”. Box 9.1 presents a summary of the participatory planning approaches in Savelugu-Nanton.

**Box 9.1: Participatory planning in Savelugu-Nanton**

In addition to medium term plans required by the National Development Planning Commission, the SNDA leads the district in preparing Annual Action Plans (AAPs). AAPs are operational planning and monitoring instruments. The process involves:

- Beginning of year: planning for year in a participatory meeting; setting targets for current year's AAP; identifying funding gaps; combining efforts for resource mobilization.
- Mid year: The SNDA invites stakeholders to a mid year review of implementation of the AAP.
- End of year: joint review of year's achievement and lessons.

Convenors of participatory meetings are the District Planning and Coordinating Unit (DPCU) of the SNDA. Participants include all SNDA Departments, Assembly members, NGOs, aid agencies in the district, private sector umbrella groups. Meetings are chaired by the Mayor or District Coordinating Director.

Preparatory work for meetings is carried out by the DPCU, which puts together progress reports. Progress reports are widely distributed and discussed at meetings. Finances are discussed in a transparent manner at meetings. Departments consult donors directly for inputs into plans. The Mayor also lobbies central government and aid agencies directly to support the AAP.

The practice was introduced with support of aid agencies operating in Savelugu-Nanton. Tamale does not have such a practice.

Source: SNDA records, 2003

**c) Role of donor agencies**

Donor agencies support the leadership and brokerage roles of the SNDA through training, development of tools and on a lesser basis, use of consultants. Support is both demand-driven as well donor-driven. Donors usually insist on changes in management practices they view as negative to their investment in districts. Nevertheless, donor staff interviewed indicated that Savelugu-Nanton was more “proactive” in seeking support, and for specific tasks, than Tamale. The SNDA, for example, has a practice of requesting donors to provide their response to the district problems during planning meetings. District staff visit donors to learn of their programmes and to seek support. The TMA has no such practice. The main difference appears to be the introduction of participatory planning approaches in Savelugu-Nanton.

**d) Partnerships**

As discussed in Table 9.1, Savelugu-Nanton engages more in partnerships, especially with local NGOs than Tamale. Key informants among NGOs indicate that the difference is not from co-financing arrangements (both districts have co-financing arrangements); but rather from their series of training over the years for community leaders and district staff in participatory planning and management practices (resource mobilisation techniques, sound bookkeeping, regular information flow, and accountability structures).

### **9.3 Conclusions**

This chapter has revealed that Savelugu-Nanton has a more decentralised and plural approach to the delivery of water and sanitation than Tamale. Secondly, and in confirmation of the first hypothesis, the study has demonstrated that the devolution objective of Ghana's decentralisation reform is yet to materialize in both water and sanitation provision. The emerging type of decentralization is akin to delegation in the context of distributed monopoly and limited partnerships in the provision of sanitation in Tamale; and delegation in the context of pluralism in the provision of water and sanitation in Savelugu-Nanton. Provision of water in Tamale is akin to deconcentration in the context of distributed monopoly. Thirdly, pluralism is being exhibited through role distribution among a range of partners for provision of water and sanitation in Savelugu-Nanton, and is beginning to emerge in the provision of sanitation in Tamale. In particular, pluralism in Savelugu-Nanton has pooled skills and resources from non state actors to fill the gaps that have been brought about by central government control over staffing and components of development finance.

Institutional reforms introduced by the CWSA partly explain the differences in both districts. However, key informants from both districts are quick to point out the positive effects of the leadership and brokerage roles by the Savelugu-Nanton District Assembly in pooling of skills and funds from outside the government system for service delivery. We will in the next chapter discuss what matters most, that is, whether the various institutional approaches to service delivery by the two districts are producing improved development outcomes.



## CHAPTER 10

### 10.0 DECENTRALISATION OF THE PROVISION OF BASIC SERVICES: PERFORMANCE OF THE TWO DISTRICTS

This chapter presents analyses of the performance of the two districts in providing water and sanitation using five criteria. The objective is to determine which approach to decentralisation in service delivery is performing better. The basis of the analyses is primary data supplemented by secondary data from the two districts obtained during the field work component of the study. The emphasis is on the current state of service provision as well as changes that occurred within the study period (1998-2003). The study period coincides with the era of adoption of plural and more decentralised approaches to service delivery in Savelugu-Nanton. As discussed in the previous chapter, Tamale revealed an approach of distributed monopoly in the provision of water and sanitation during the period. We utilise the criteria discussed in Chapters 2 and 5 for assessing performance, and operationalise these in the two districts in the following way<sup>82</sup>:

Criteria	Measured by:
Effectiveness	a) changes in coverage of services b) reliability of service provision
Efficiency	c) changes in loss of water d) time taken to repair broken-down facilities e) average waiting time at water point f) investment per capita in service provision
Accountability	g) participation of civic associations in planning, financing and management of services h) frequency of audits i) number of times audit reports are discussed at District Assembly meetings
Sustainability	j) use of local skills in operation and maintenance k) proportion of local financing in new investments
Influence on health	l) changes in the incidence of water and environmentally-related diseases

#### 10.1 Effectiveness

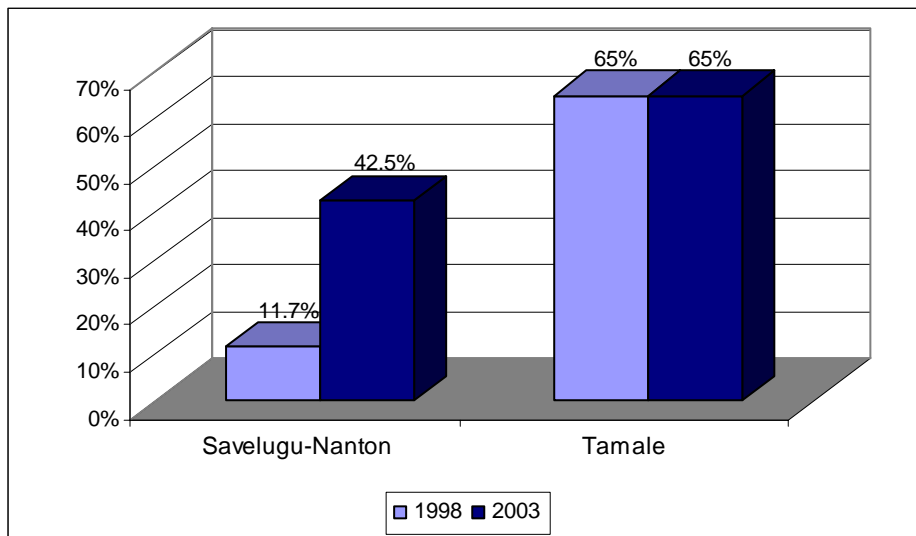
##### 10.11 Coverage of safe water

Coverage of safe drinking water<sup>83</sup> increased almost four times in Savelugu-Nanton between 1998 and 2003 (see Figure 10.1). On the other hand, safe water coverage in Tamale stagnated at 65% within the period.

<sup>82</sup> We draw on the work of Bamberger et al. (2006) on “Real World Evaluation” for this purpose.

<sup>83</sup> Coverage of water and sanitation facilities is defined in Ghana as population served by design requirements of service option. See Yakubu (2003) for detailed discussion and Annex 6.2 for examples.

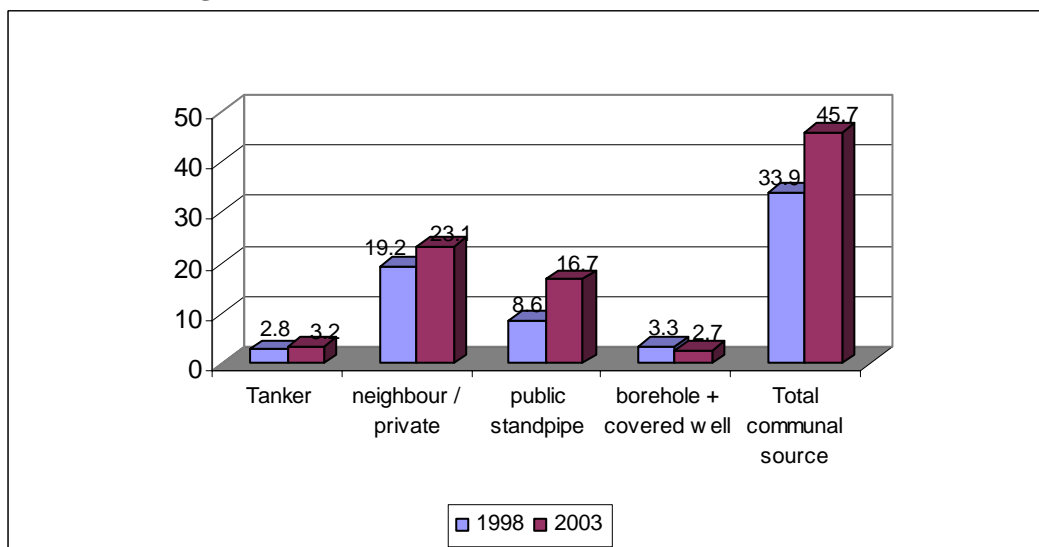
**Figure 10.1: Coverage of safe water in the two districts**



As discussed in Chapter 7, the increase in coverage in Savelugu-Nanton was due to new investments, particularly in the new Savelugu piped town system and in new boreholes. There was however limited investment and system expansion in Tamale. A policy of rationing was adopted by the GWCL to reach more citizens. Rationing enabled the GWCL to reach about 80% of the citizens but with less frequency and more walking distance. Reaching more citizens in Tamale with water was due to a compromise with the quality of service - in three ways:

- Rationing of water in areas with regular flow in favour of areas with irregular service;
- Shifts from indoor service to more communal services. Use of safe communal sources increased by about a third in the period (see Figure 10.2). Use of public standpipes, for example, increased by a 100%;
- Longer distances and queues for nearly half of the year.

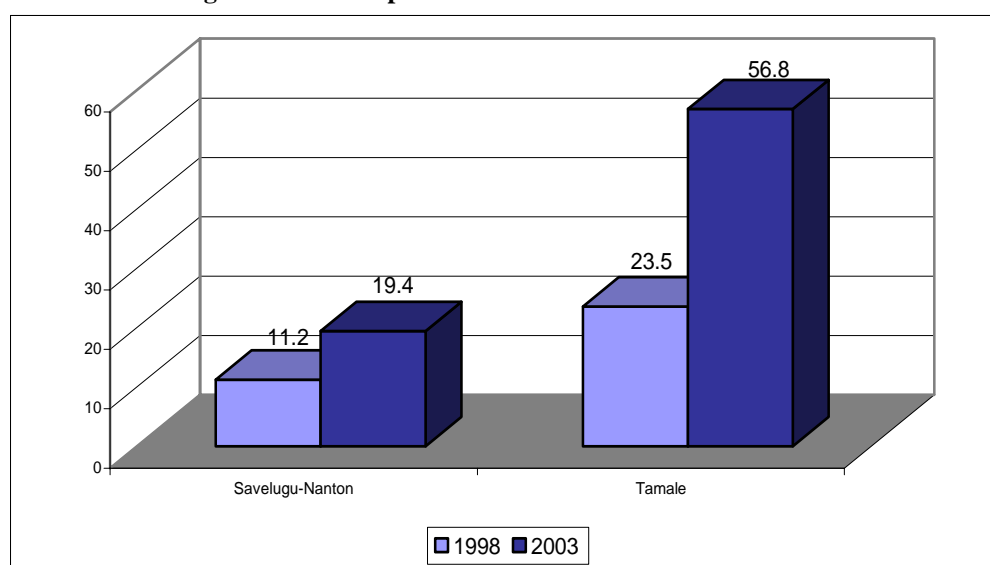
**Figure 10.2: Shifts in use of safe communal sources in Tamale (%)**



## 10.12 Coverage of safe sanitation

Coverage of safe sanitation went up in both Savelugu-Nanton and Tamale between 1998 and 2003. The two districts are however far from universal levels of safe sanitation. Coverage of safe sanitation increased by 42% in Savelugu-Nanton - from 11.2% in 1998 to 19.2% in 2003. In Tamale coverage of safe sanitation increased within the same period by 59%, from 23.5% to 56.8% (see Figure 10.3).

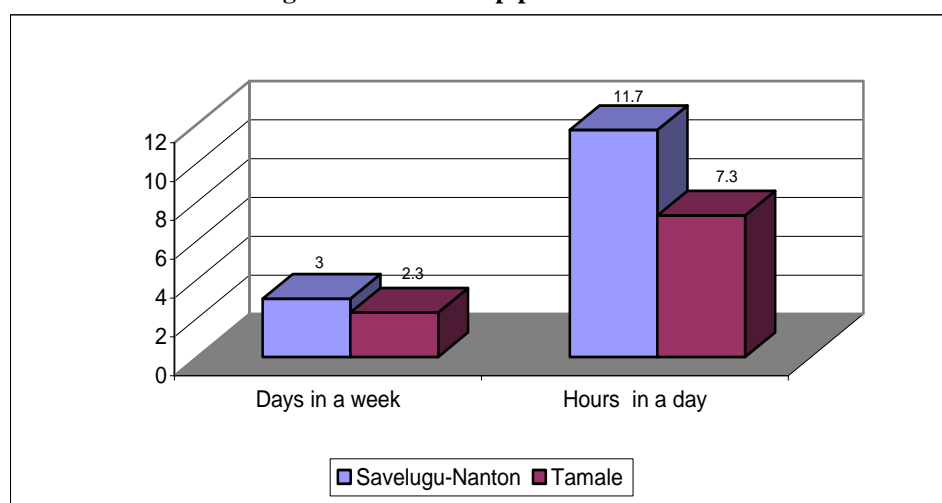
**Figure 10.3: % Population with safe sanitation in the two districts**



## 10.13 Regularity of flow of water

The regularity of flow of safe water in northern Ghana is determined by the management of the systems and the length of the dry season. In terms of piped water, Savelugu-Nanton, which purchases treated water from GWCL and distributes this through its district-managed system, performs better than Tamale, which has its system managed by GWCL (see Figure 10.4).

**Figure 10.4: Flow of piped water in the two districts**



The two districts face serious water shortages in the dry season. In Savelugu-Nanton, the dry season shortage is being reduced through drilling of deeper wells, while in Tamale, it is through further rationing. This shows greater administrative flexibility in pursuing local solutions in Savelugu-Nanton.

In the 1998-2003 period, the coverage of safe water sources at the peak of the dry season in Savelugu-Nanton doubled, from 12.1% to 25.4%. Nevertheless, half of safe water points provided from 1998 to 2002 dry up at the peak of the lean season. This comprises shallow hand-dug wells (mostly provided by NGOs). Shortages in Tamale are managed through further rationing by GWCL – from three days a week of supply in the normal season to one-day a week, fewer hours and long queues at water points.

#### **10.14 Hygiene practices**

The extent of hygienic practices was assessed through individual practices (hand washing) and household practices (evidence of cleanliness of homes/compound). The two districts are making some attempts to promote hygiene education – mainly through occasional community meetings, use of posters, and an annual sanitation week. NGOs and donor projects are keener than the two local governments to push hygiene education. Nevertheless, as the results show, the notion of integrating hygiene education with water and sanitation is at its infant stage in the two districts.

##### ***Hand washing practices***

As discussed in Chapter 4, hand washing with soap (or other effective cleaning material) is particularly important for realising health outcomes from investment in water and sanitation. In Ghana, where hands are directly used for feeding, hand washing is even more important.

Tamale is slightly ahead of Savelugu-Nanton in hand washing, as Table 10.1 shows. The study however, did not come across any substantial initiative or investment in hand washing in both Tamale and Savelugu-Nanton district. It is possible therefore that the difference is due to varying levels of education (see Chapter 7), an issue for further research.

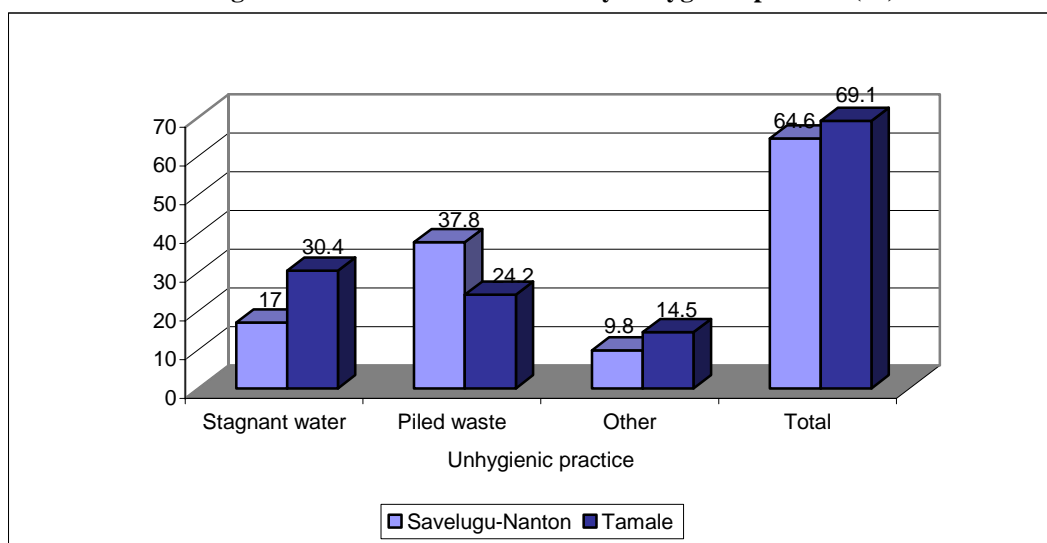
**Table 10.1: Persons practising hand washing (%)**

<b>Persons practicing</b>	<b>Tamale</b>	<b>Savelugu-Nanton</b>
Washing with soap before eating	10.9	6.0
Washing with soap before breastfeeding	16.9	5.5

##### ***Household and community practices***

There are substantial defaults in hygiene practices at the household and community levels in both districts. Generally, Tamale is slightly worse off (see Figure 10.5), especially in the management of liquid waste.

**Figure 10.5: Households affected by unhygienic practice (%)**



### 10.15 Summary performance in effectiveness

Overall, we find Savelugu-Nanton to have been more effective than Tamale in the provision of water and in cleanliness of compounds in the 1998-2003 period. This is particularly so in coverage of safe water and regularity of flow (see Table 10.2). Tamale, however, performed better in coverage of safe sanitation, though both districts have poor service coverage. Both lag behind in adoption of hygienic practices, a critical component in realising health outcomes.

**Table 10.2: Summary performance in effectiveness**

Indicator	Tamale	Savelugu-Nanton
Coverage of safe water	% change 1998-2003 = 0	% change 1998-2003 = 263
Coverage of safe sanitation	% change 1998-2003 = 59	% change 1998-2003 = 42
Reliability of flow of water	Days a week: 5 (1998) to 2.3 (2003)	Days a week: >1 (1998) to 3 (2003)
Hand washing with soap before eating	2003 data only: 11%	2003 data only: 6%
Compounds with clean environment	2003 data only: 31%	2003 data only: 35%

## **10.2 Efficiency**

Efficiency is analysed in terms of water loss, length of time taken to repair a broken down water point, waiting time at water point and the trend of investment in the sector.

### **10.21 Water loss**

Water loss is extremely high in Tamale though on the decline. Unaccounted-for-water declined from 64% in 1998 to 48% in 2003 - well above the norm of 10% to 20%<sup>84</sup>. About half of the unaccounted-for-water in Tamale is due to mechanical leakages; the remainder is due to inefficiencies in metering. Unaccounted-for-water in the Savelugu town water system is at 5% to 10%.

### **10.22 Repair time**

There is no improvement in length of time for repairs in Tamale (two days for the 1998-2003 period). That for Savelugu has been reduced from seven to two-and-half days. According to sector officials, the dramatic reduction in time for repairs in Savelugu is due to a plural institutional approach, which promotes management of new investment by local skills.

Maintenance in Savelugu is a shared responsibility – between local government, private operators and community groups. Community groups, particularly women have been trained to undertake minor repairs. Area mechanics (private operators) have also been trained by CWSA in replacement of parts. The District Engineer is responsible for more difficult repairs. The DWST monitors maintenance.

However, a major constraint is the unavailability of parts on the local market. Due to the low demand for parts in northern Ghana, which has relatively new water systems, parts are usually obtained in larger cities in southern Ghana; hence, the average two-and-half days for repairs.

Unlike the case of Savelugu-Nanton, responsibility for maintenance in Tamale is concentrated in the GWCL. This implies that every case of maintenance has to be referred to the GWCL. Where parts have to be obtained from GWCL Headquarters in Accra, the delay is even worse.

### **10.23 Waiting time**

Average waiting time at a water point doubled in Tamale for both normal and dry seasons in the 1998-2003 period (see Table 10.3). Yet, the situation is much better than the case of Savelugu, which has fewer water points. Tamale has realised more gains in water points that dry up in the dry season through its stringent policy of rationing water and use of vendor services.

Waiting time in Savelugu in the dry season averages one hour, due to the drying up of wells. Savelugu-Nanton still has almost all of its hand-dug wells drying up in the lean

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<sup>84</sup> See Wyatt (2002) on efficient water delivery norms.

season, affecting almost 20% of the population. The remedial measure has been to shift from hand-dug wells to boreholes (10% in 1998 to 27% in 2003).

**Table 10.3: Efficiency of water systems**

	Tamale		Savelugu-Nanton	
	1998	2003	1998	2003
Unaccounted for water (UFW)	64% (2001)	48%	NA	5%
Length of time to repair to broken down part	2 days	2 days	7 days	2.5 days
Average waiting time at water point (normal season)	2 minutes	5 minutes	10 minutes	10 minutes
Average waiting time at water point (dry season)	5 minutes	10 minutes	60 minutes	60 minutes

## 10.24 Cost of water

Payment for water is almost the same for the two districts, but doubles in Tamale during the lean season, a result of more expensive vendor services and carting water over longer distances by households when rationing is severe (see Table 10.4).

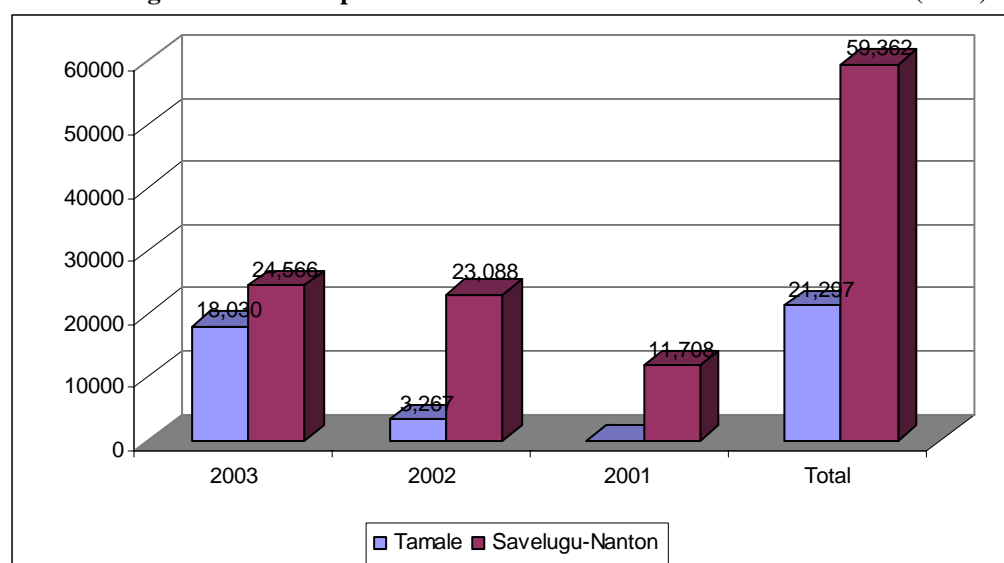
**Table 10.4: Cost of water**

	Tamale	Savelugu-Nanton
Average amount paid for 10 gallons in normal season 2003	322 cedis	317 cedis
Average amount paid for 10 gallons in lean season 2003	690 cedis	337 cedis

## 10.25 Investment per capita

In per capita terms, investment in water and sanitation increased in both Tamale and Savelugu-Nanton from 2001 to 2003. Savelugu-Nanton however attracted investment almost thrice that of Tamale in water and sanitation (see Figure 10.6).

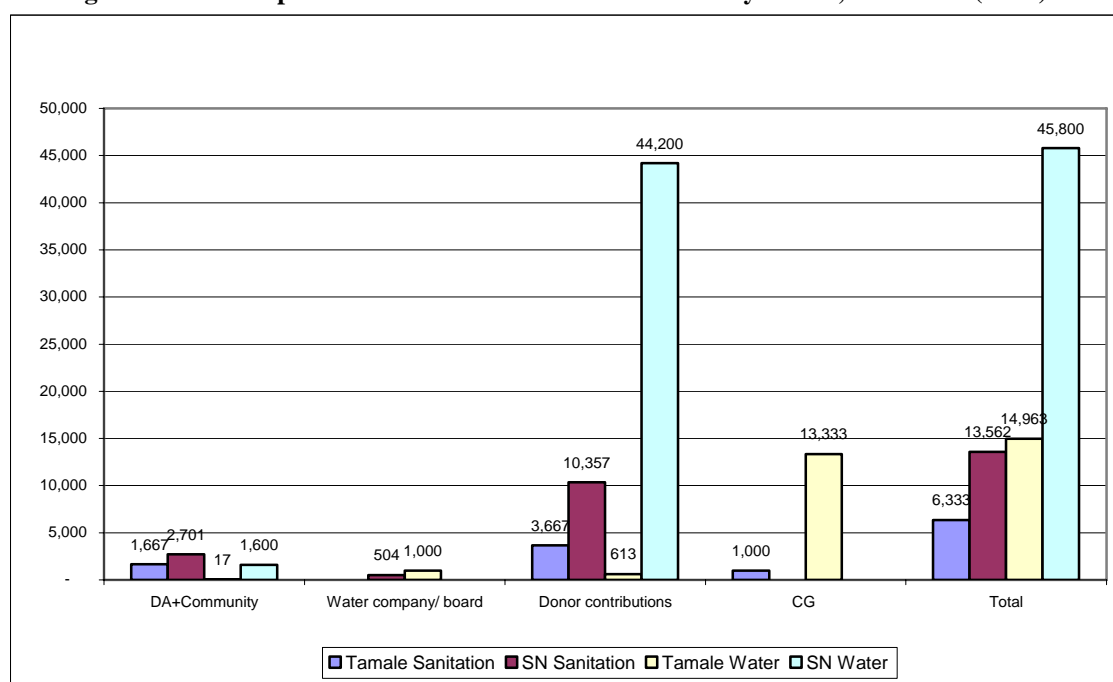
**Figure 10.6: Per capita investment in water and sanitation 2001-2003 (cedis)**



## Sources of investment

Growth in investment in Savelugu-Nanton is largely due to donor contributions (see Figure 10.7). Direct community contribution is also important for water and sanitation in Savelugu-Nanton. In the case of Tamale, central government investment funding to the GWCL and the TMA's capital spending on sanitation are the major sources. Central government's investment in water in Tamale comes from an indirect form of donor contribution, the Highly Indebted Poor Country's Initiative, which is a global initiative that allows selected poor countries, including Ghana, to use funds that will otherwise have gone to debt repayment on poverty reduction initiatives<sup>85</sup>.

**Figure 10.7: Per capita investment in water and sanitation by source, 2001-2003 (cedis)**



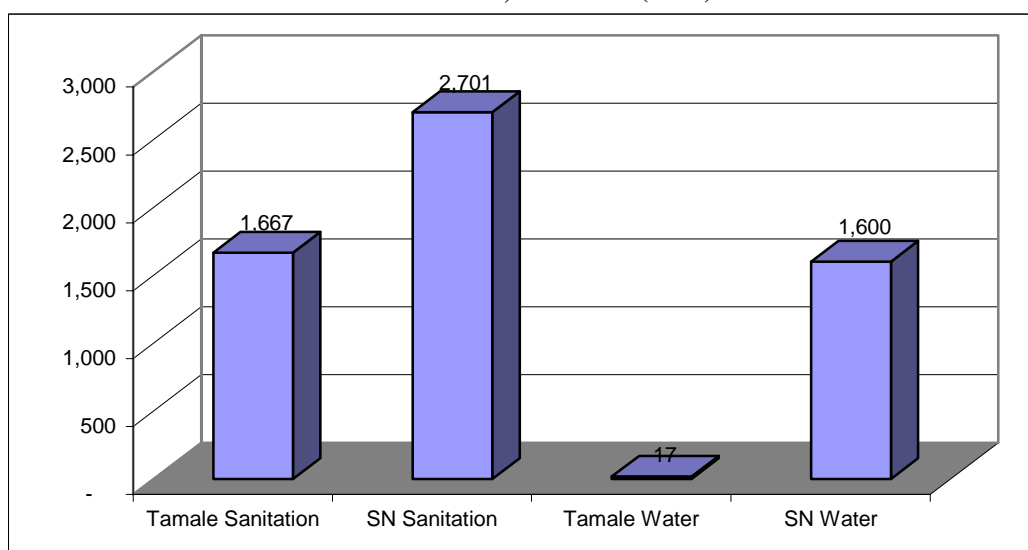
## Local contribution (District Assembly plus community)

As Figure 10.8 shows, local contribution to investment is more for sanitation than for water for the two districts, due to higher role of households in provision of sanitation.

<sup>85</sup> See <http://www.imf.org/external/np/exr/facts/hipc.htm>



**Figure 10.8: Local (DA+Community) contribution to per capita investment in water and sanitation, 2001-2003 (cedis)**

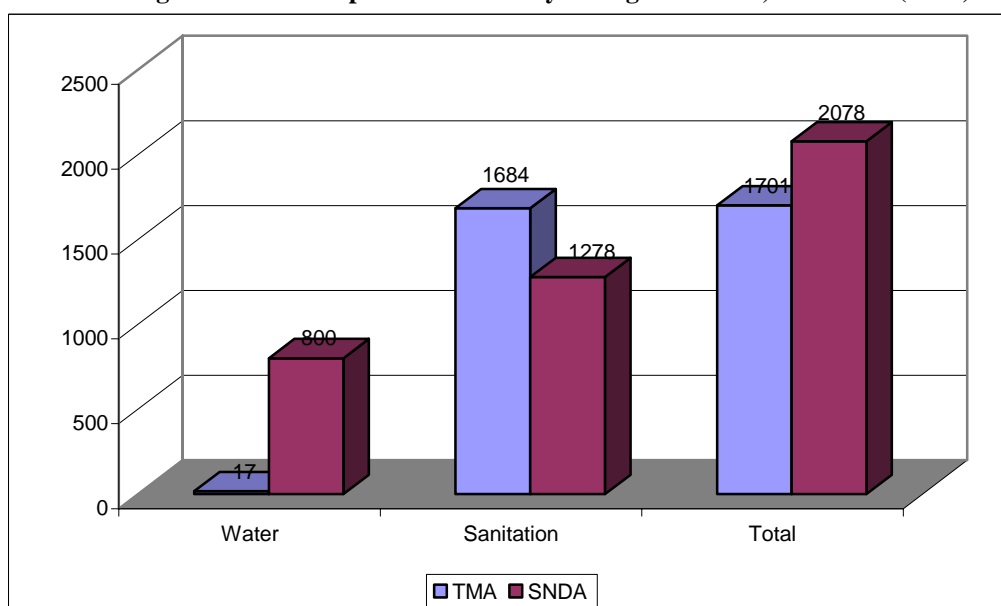


Nevertheless, local contribution to investment is 1.6 times higher in Savelugu-Nanton than Tamale for sanitation, and a substantial 94 times higher for water.

### ***District Assembly contribution***

In per capita terms, the SNDA spends more on water and sanitation than the TMA (see Figure 10.9). For water, in particular, the SNDA spend about 47 times that by the TMA. This is because the TMA has no formal involvement in the activities of the deconcentrated GWCL. The TMA's involvement in water is mainly through the provision of tanker services to senior civil servants when the flow is irregular. The TMA however spends a little more than the SNDA for sanitation.

**Figure 10.9: Per capita investment by local government, 2001-2003 (cedis)**



According to district officials, the TMA's role in water is particularly constrained because it is not part of the GWCL decision-making system.

### **10.26 Summary: *Efficiency***

Savelugu-Nanton appears to be making more gains regarding efficiency (see Table 10.5). The Savelugu town water system is far more efficient in minimizing water loss. Savelugu-Nanton has also made substantial gains in reducing repair time. In addition, Savelugu-Nanton has mobilised more external and domestic resources for service provision. The cost of water is also cheaper in Savelugu-Nanton. Tamale is however working to reduce its very high levels of water loss (though a long way off levels in Savelugu town). Tamale, nevertheless, has a shorter waiting time at a water point in the dry season.

**Table 10.5: Summary Table on Efficiency**

<b>Indicator</b>	<b>Tamale</b>	<b>Savelugu-Nanton</b>
% water lost: trend	Decreased by 25% (2001-2003)	NA (extremely limited functioning piped system at beginning of study period)
% water lost: level	48% (2003)	5% (2003)
Repair time: level	2 days (2003)	2.5 days (2003)
Repair time: trend	No change (1998-2003)	Reduced by 64% (1998-2003)
Average waiting time in dry (lean) season	5 minutes (1998) to 10 minutes (2003)	No change: 60 minutes (1998-2003)
Investment per capita: level	About half of national average (2001-2003)	2,500 cedis above national average (2001-2003)

## **10.3 Accountability**

Accountability is assessed through participation of citizens in planning, financing and management, flow of information between service providers and citizens, and regularity of audit and extent of dissemination of audit findings.

### **10.31 Participation of citizens**

#### ***Decision making***

Participation of citizens is much higher in Savelugu-Nanton. Nearly 47% of respondents have participated in at least one decision regarding provision of water and sanitation in Savelugu-Nanton, compared to 11% in Tamale (see Table 10.6).

**Table 10.6: Participation of citizens in decision-making**

	Tamale (%)	Savelugu-Nanton (%)
Participate in decision making		
Yes	11.4	47.1
No	88.6	52.9
Participate in deciding type of water point		
Yes	11.5	40.8
No	88.5	59.2
Knowledge of use of monies paid for water		
Yes	37.3	47.6
No	62.7	52.4
Participate in discussing monitoring report		
Yes	7.5	28.5
No	92.5	71.5
Involved in decision regarding provision of water		
Yes	33.6	58.2
No	66.4	41.8

***Decision on type of water point***

About 41% were consulted in deciding the type of water point to be provided in Savelugu-Nanton. Just 12% of citizens of Tamale were engaged in any discussion regarding the type of service to be provided.

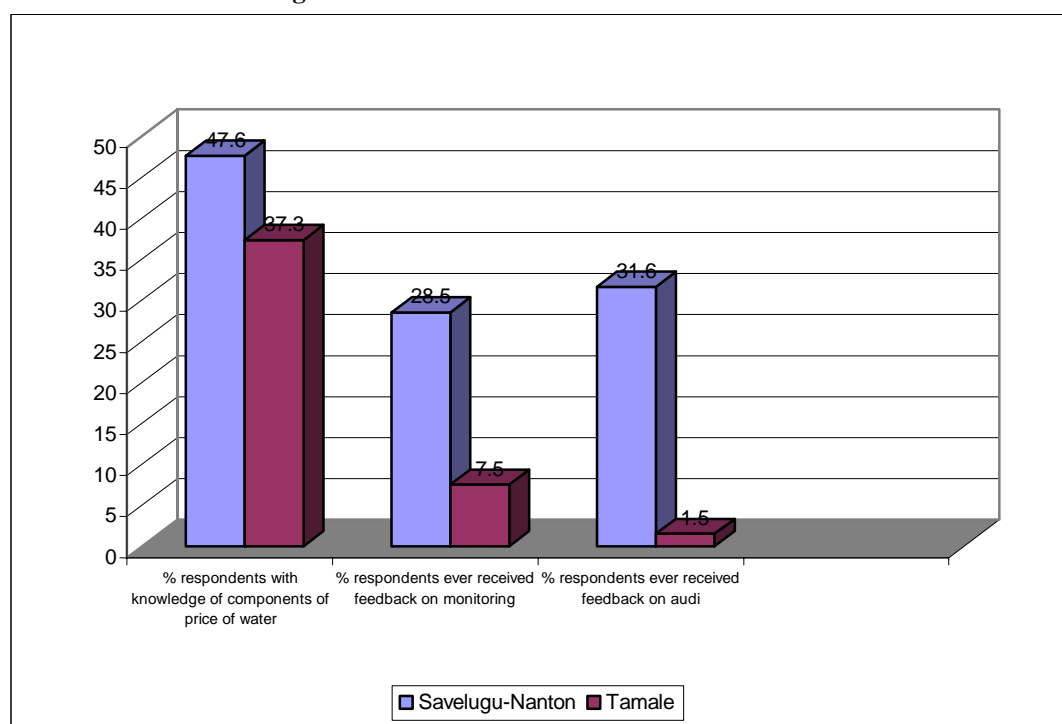
***Keeping the environment clean***

About half of respondents in Savelugu-Nanton play direct roles in deciding how to keep their environment clean, compared to a quarter in Tamale. Town Councils and the Municipal Assembly decide on such matters in Tamale.

***Information flow***

Citizens of Savelugu-Nanton are better informed about what goes into the price of water, progress with service provision and financial performance of their systems (see Figure 10.10).

**Figure 10.10: Information flow in the two districts**



### ***Participation in pricing***

District and community management in Savelugu-Nanton enables participation of more citizens (43%) in pricing of water than the more centralized management model of Tamale (9.8%). The price of water in towns and villages is negotiated on the basis of costs of operation and maintenance and affordability levels as perceived by members of the Community Water and Sanitation Committees and the Savelugu Water Board. As will be discussed in Chapter 11, residents of Savelugu town are willing to pay more than the Public Utility Regulatory Commission (PURC) approved rates for water because of their participation.

#### **Box 10.1: Mechanisms for participation and accountability**

Inherent in the more decentralised Savelugu-Nanton model are clear mechanisms for information flow. Participation through elected community leaders is almost universal. These include leaders of Community Water and Sanitation Committees (CWSCs), Savelugu Water Board (SWB) and Civic Associations.

CWSCs are particularly important mechanisms for citizen participation in planning, fund raising, maintenance and information flow. CWSCs are established just before investments are made in safe water. About 35% of citizens are served by CWSCs, that is, in communities with covered wells and boreholes.

The SWB is another important mechanism for ensuring participation and information flow in service provision in Savelugu-Nanton. The SWB serves an additional 30% of the population. The work of the SWB is discussed in detail in Chapter 11.

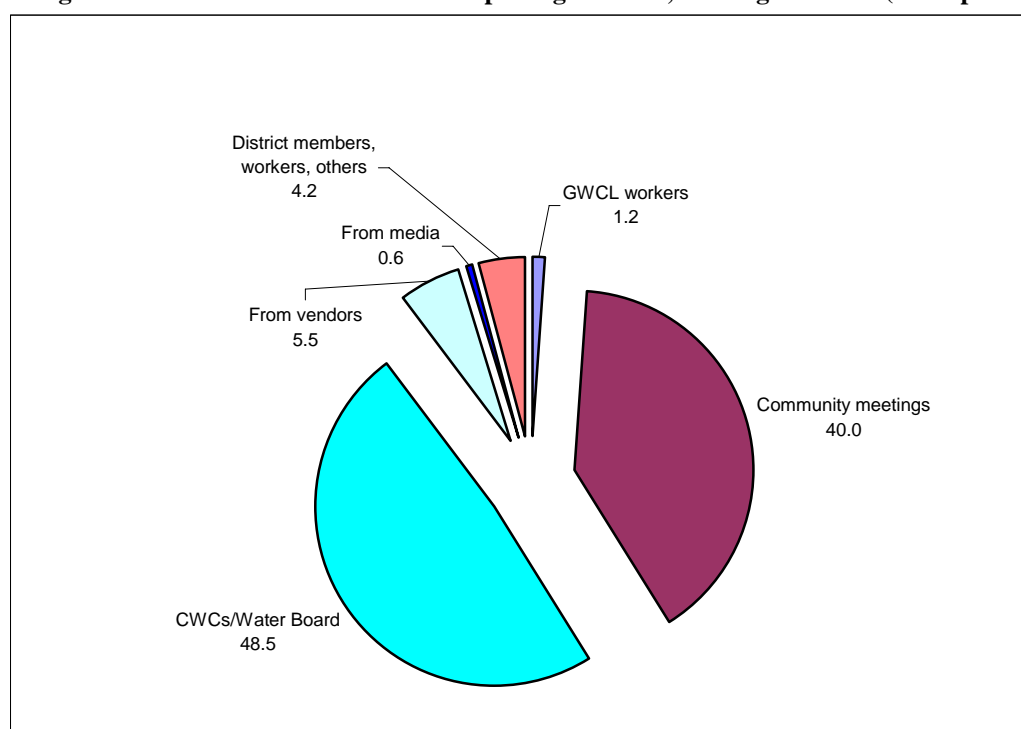
As discussed in Chapter 7, various citizen associations are involved by the District Assembly at various stages of decision-making, including Youth Associations, Food Sellers' Associations, Market Women Association, Butchers' Association, women's groups.

Source: Household survey, Focus Group Discussions and municipal records.

### 10.32 How effective are community organisations in accountability?

Focus group discussions brought out how CWSCs and the Savelugu Water Board (SWB) ensure accountability. CWSCs and the SWB keep their own books, maintain bank accounts and organise meetings to discuss accounts. Meetings review problems with O&M, keeping water points clean, etc. Further, CWSCs and SWB organize community meetings to discuss pricing of services and problems regarding O&M. Nine out of ten respondents in Savelugu-Nanton obtain information in pricing from CWSCs, community representatives on the SWB and community meetings (see Figure 10.11).

**Figure 10.11: Source of information on pricing of water, Savelugu-Nanton (% respondents)**



### 10.33 Audit procedures in local government

Government procedures require that every government unit should be audited twice a year and at the minimum once a year. There were four rounds of external financial audit in both the TMA and SNDA in the 1998-2003 period. In both districts, the Mayor and Presiding Member of the Assembly reviewed findings of the audit reports. None of the reports were however discussed at Assembly meetings.

### 10.34 Procedure for awarding contracts

To further assess accountability, we reviewed the procedure for awarding contracts. Key informants from the two districts were requested to assess the procedure for awarding contract on a scale of three. The two districts were ranked at level “two” for both transparency and competitiveness. The moderate score was due indications of political influences in the award of contracts in both cases.

There is a greater variety of participants in the SNDA's procedure for awarding contracts, due to its more plural arrangements (see Box 10.2). For water, these include the CWSA and donors who operate at the district level. Contracts for sanitation projects usually include the Regional Coordinating Council.

**Box 10.2: Procedure for awarding contracts for water in Savelugu-Nanton**

The procedure for water is as follows:

- Pre bidding workshop by CWSA
- ↓
- Preparation of TOR for consultancy services by CWSA
- ↓
- Recruitment of consultant by DA
- ↓
- Preparation of bidding documents by CWSA and DA
- ↓
- Advertisement/ request for proposals by DA/CWSA
- ↓
- Opening of bids by DA
- ↓
- Evaluation of bids by DA/CWSA
- ↓
- Contract award by DA

Source: Savelugu-Nanton district administration.

The TMA procedure for awarding contracts shares responsibilities between the Assembly and the Regional Coordinating Council in the case of sanitation projects. The TMA is not involved in contracting procedures of the GWCL and vice versa.

### 10.35 Summary: Accountability

Generally, accountability in the provision of water and sanitation is better in Savelugu-Nanton than Tamale (see Table 10.7). The Savelugu-Nanton approach to delivery of water and sanitation promotes more participation and results in better flow of information. This is essentially due to the pluralist arrangement. The Tamale approach promotes concentration of information and roles in the government structure. Nevertheless, the government system in both districts is not strong in audit and sharing audit reports.

**Table 10.7: Summary Table on Accountability**

Indicator	Tamale	Savelugu-Nanton
Mechanisms for participation	Announcements through media	Community organisations
Frequency of government audit	No change: once a year (1998-2003)	No change: once a year (1998-2003)
Local government's response to audit	No change: only DCE and PM have knowledge (1998-2003)	No change: only DCE and PM have knowledge (1998-2003)
% respondents with knowledge of components of price of water	37% (2003)	48% (2003)
% respondents ever received feedback on monitoring	2% (2003)	32% (2003)

## **10.4 Sustainability**

The study measured *Sustainability* in terms of use of local skills in operation and maintenance and proportion of local financing for new investments.

### **10.41 Responsibility for repairs**

Responsibility for repairs is firmly placed in community leadership structures in Savelugu-Nanton, unlike the case in Tamale, where it is placed within structures - GWCL for water, and the TMA for sanitation. The O&M arrangement in Savelugu-Nanton transfer skills to community agents as follows:

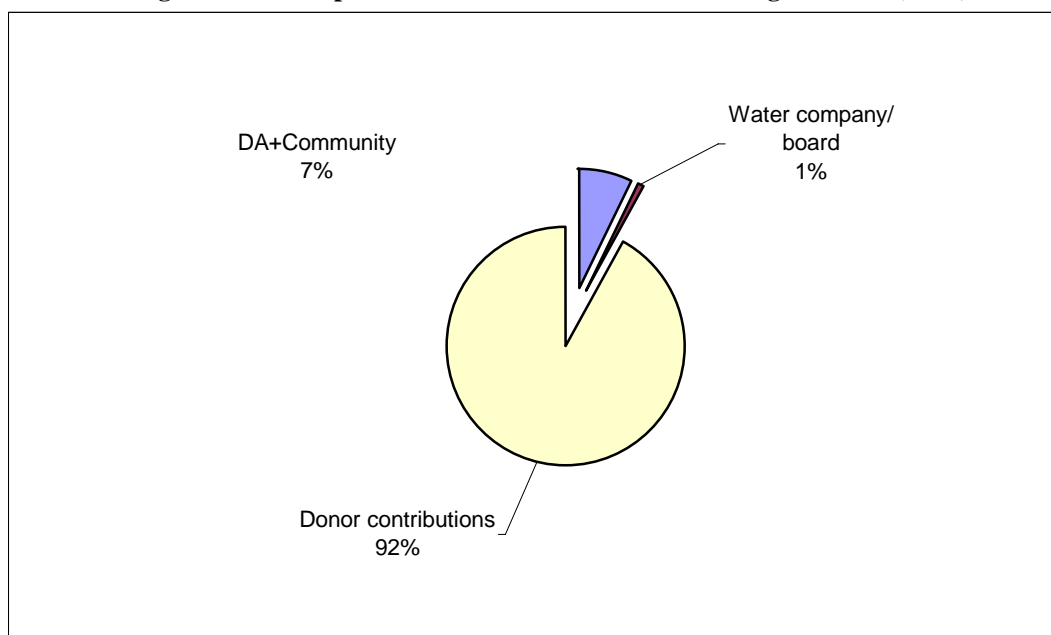
- CWSC members – minor repairs like fixing loose bolts and nuts
- Local artisans/Area Mechanics – replacement of parts (paid by CWSCs)
- District Engineer – monitoring/replacement of parts in case of difficulty

In Savelugu-Nanton, a total of 95% of technical staff (for operation and maintenance) are from the district. In the case of TMA, GWCL has its own system of staff management, which recruits from all over the country, and rotates staff at different points in time.

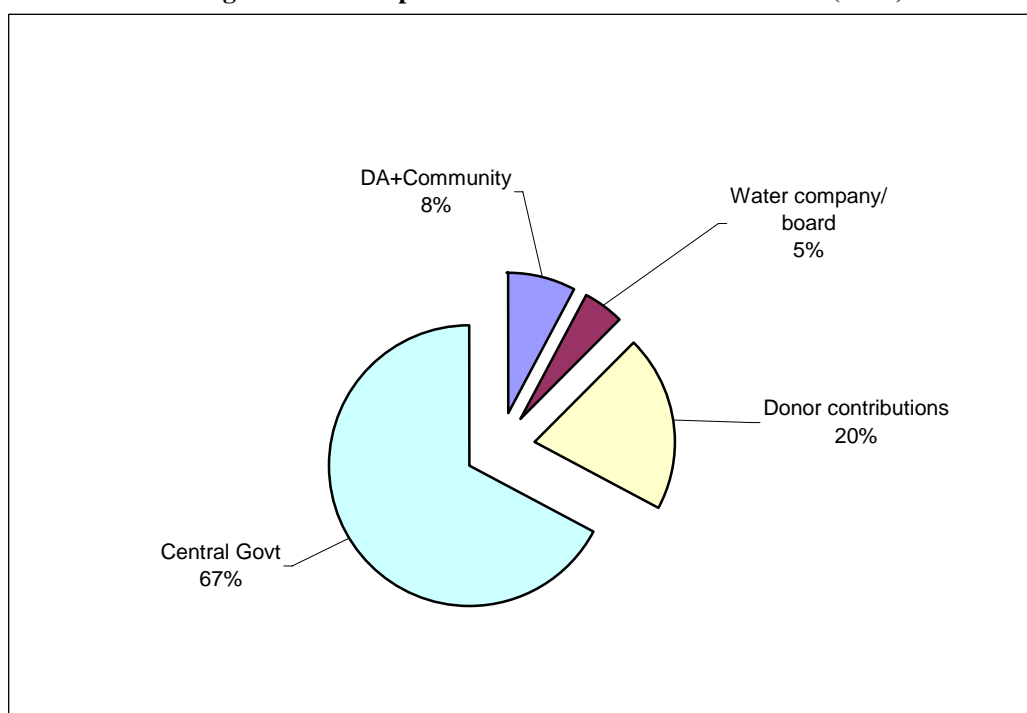
### **10.42 Proportion of local financing for new investments**

Tamale contributes slightly more local contribution as a proportion to total investment in water and sanitation (see Figure 10.12 and Figure 10.13). However, Savelugu-Nanton contributes more in absolute terms. As discussed in section 10.25 above, local contribution to investment is 1.6 times higher in Savelugu-Nanton than Tamale for sanitation, and a substantial 94 times higher for water.

**Figure 10.12: Proportion of local contribution in Savelugu-Nanton (cedis)**



**Figure 10.13: Proportion of local investment in Tamale (cedis)**



### 10.43 Summary for Sustainability

Regarding sustainability of service provision, Savelugu-Nanton has the advantage of using local skills for operation and maintenance, unlike Tamale, which relies in a substantial manner on skills from outside the district. However, Savelugu-Nanton relies heavily on foreign aid to invest in its systems. Tamale also relies substantially on central government grants for investments.



Officials in Savelugu-Nanton have another concern about sustainability, that is, ownership of water assets, thereby responsibility for replacement. Unlike the GWCL system, the law is not clear about who owns the assets in district-community managed system – is it the District Assembly, the Water Board, the community or the CWSA.

**Table 10.8: Summary Table on Sustainability**

Indicator	Tamale	Savelugu-Nanton
Proportion local contribution to investment (2003)	8%	7%
Per capita local (DA+community) investment in water and sanitation (cedis 2001-2003)	1,684	4,301
Use of local skills (2003)	Mostly outside	Mostly local

### 10.5 Possible influence on health

The study measures *the possible influence* that the provision of water and sanitation may have on health in the two districts. This is done by assessing the incidence of guinea worm and cholera. Ghana's Ministry of Health (2003) cites several ailments that are directly affected by poor access to water and sanitation in the country. These include diarrhoea, dysentery, malaria, cholera and guinea worm. The study chose to focus on cholera and guinea worm because they are more easily determined by households. We chose to explore the *possible influence on health* by the provision of water and sanitation and not the *impact*, which required collection of data on many other variables beyond the scope of our study.

To determine the possible influence on health we reviewed the incidence of the two ailments in the 1998-2003 period, in line with the period used for analysis of new investments in water and sanitation. The indicator used was the *incidence rate ratios* (IRR), that is, incidence rates five years ago divided by the incidence rates in the current year.

There was appreciable decline in incidence of the two ailments for both districts, using the IRR (see Table 10.9). The IRR for cholera of 1998 to 2003 current for Tamale is 1.33, while that for Savelugu-Nanton is 1.63. The IRR for guinea worm for 1998 to 2003 for Tamale was 2.82, slightly higher than that of Savelugu-Nanton, which was 2.52.

**Table 10.9: Influence on health: Incidence Rate Ratios**

	Tamale	Savelugu-Nanton
	IRR (95% CI)	IRR (95% CI)
<b>Cholera</b>		
2003	1.00	1.00
1998	1.33	1.63
<b>Guinea worm</b>		
2003	1.00	1.00
1998	2.82	2.52

Overall, Savelugu-Nanton influenced to a greater degree the prevention of the deadly cholera. Tamale performed better in the case of guinea worm. We acknowledge the possible influence of other factors in interpreting these results, particularly anthropological factors that are beyond the scope of our study.

## **10.6 Conclusions**

The second hypothesis of the study states that “when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly”. As discussed in chapter 5, *performance* is assessed by the study through five criteria: *effectiveness*, *efficiency*, *accountability*, *sustainability* and possible *influence on health*.

Overall, the study confirms the second hypothesis regarding *effectiveness*, *efficiency* and *accountability*. We find the more decentralised and plural Savelugu-Nanton district to have performed better than Tamale in the 1998-2003 period in the provision of water and sanitation in terms of effectiveness in providing more and better quality services to users; in the efficiency of its systems; and, in accountability of service providers to users.

The picture regarding the possible influence on health is not conclusive, given the possible role of anthropological factors. We also observe considerable challenges with sustainability faced by the two districts. Savelugu-Nanton is nonetheless strengthening its chances for sustainability through greater use of local skills and local contribution to investments.

We use a more qualitative approach in the next chapter to explore factors which influence performance of the water and sanitation sector in the more plural and decentralised Savelugu-Nanton district.

## CHAPTER 11

### 11.0 SAVELUGU TOWN WATER SYSTEM: AN EMERGING MODEL OF INSTITUTIONAL PLURALISM

In this chapter, we choose a town water system from the more successful Savelugu-Nanton district (see discussion on performance in previous chapter), to ascertain how decentralisation and pluralism influence performance. The selected case is the Savelugu (town) Water System (SWS), which is a component of the entire water system for Savelugu-Nanton district, but serves just the capital town. We begin with an examination of the extent of decentralisation and pluralism in institutional arrangements underlying the SWS. We then assess the performance of the system to determine that this particular case is indeed performing well. Finally, through the use of qualitative approaches, we explore factors that explain performance.

Data for the assessment is drawn from both primary and secondary sources. Primary sources include interviews with managers of the SWS, members of the Board, managers of the Savelugu-Nanton District Assembly (SNDA), GWCL, CWSA and donor agencies, as well as discussions with residents of the town. Secondary sources include financial records of the SWS, minutes of meetings of the SWS Board and previous research material.

#### 11.1 Background

Savelugu is the capital of the Savelugu-Nanton district. It has a population of about 30,000<sup>86</sup>. It is an administrative and trading post, utilising advantages of its location on the artery that links the south of Ghana to sahelian countries such as Burkina Faso, Mali and Niger (Savelugu-Nanton District Assembly, 2000).

The drinking water situation was acute in Savelugu before the SWS was developed. GWCL had old pipelines dating back to the 1960s. These pipelines had broken down for over a decade. The main source of safe water was six kilometres away, which was very irregular. Citizens therefore relied on expensive vendors or unsafe sources, particularly four dams. Dams were used to trap water during the rainy season. Three of the dams dried up for four months (the peak of the dry season – December to April). Women's productivity was affected most, since women had to abandon economic activities in search of water. In the same way children had to spend part of their school hours in search of water<sup>87</sup>.

The four dams were all infested with guinea worm<sup>88</sup>. The incidence of guinea worm and other water-borne diseases was high in the town. Every other home had a guinea worm case<sup>89 90</sup>. Many citizens affected by deadly diseases like cholera lost their lives (Savelugu-Nanton District Assembly, 2000).

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<sup>86</sup> Derived from Republic of Ghana (2001).

<sup>87</sup> *Ibid.*

<sup>88</sup> *Ibid.*

<sup>89</sup> Data obtained from records of the District Health Service 1995-2000.

<sup>90</sup> A guinea worm patient takes three to twelve months to recover. Productivity of the people was thus low, deepening poverty.

The GWCL had not invested in providing safe water to Savelugu in decades because of its inability to attract investment as well as its experience of low level revenue recovery associated with peri-urban and semi-urban districts. The one-point borehole/hand-dug well of the CWSA system was also assessed as not economical to meet the demands of residents and small businesses in the town.

Meanwhile, several donors showed interest in reducing the incidence of water borne diseases, particularly guinea worm in Savelugu<sup>91</sup>. Consequently, the SNDA took up the leadership to work with its partners to develop the town's water system. The objectives were to establish a water system that was economical in terms of scale, served the population on a sustainable basis and led to the eradication of water-borne diseases, especially guinea worm<sup>92</sup>. The result is the SWS, which is made up of transmission lines from the GWCL system, a stocking system (reservoir and pumps), a distribution network to homes and public fountains. About 90% of the population of the town are served by public fountains, with the remaining 10% having indoor connections. The policy on community, rather than indoor connections was adopted by the Savelugu Water Board when the SWS was established to reduce unaccounted for water, manage the demand for water and enhance the recovery of tariffs.

## **11.2 Choice of the Bulk Purchase system**

The SNDA, with support from its partners, undertook feasibility studies through local firms before deciding on the scale and model of service delivery. The first of such studies (conducted in October-November 1998) was to determine technical options for provision of safe water. Three options emerged as follows<sup>93</sup>:

- a) Extraction of underground water for mechanization in a piped network
- b) Bulk purchase from the GWCL regional system that also supplies Tamale
- c) Extraction of underground water through boreholes/hand dug wells

An international NGO, World Vision International supported the decision-making process with hydro geological investigation of underground water potential in February 1999. There were about 48 drilling attempts within a six kilometre radius, 16 were successful, of which four had yields adequate for mechanisation. Unfortunately, all the four were not within four kilometres from the town, and thus with high financial costs implications<sup>94</sup>.

Consequently, the second preferred option, the Bulk Purchase from GWCL was selected for implementation as a "relief" measure, knowing the limitations of the GWCL system, and pending the availability of improved technology and funding in the future to pursue extraction of underground water in a piped network<sup>95</sup>.

The third option was eliminated due to failure to extract ground water within walking distance and the high cost of meeting the demands of citizens with this approach (by

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<sup>91</sup> Derived from Gariba and Associates (1998).

<sup>92</sup> See Community Partnerships for Health and Development - CPHD (2003); SNDA records, 2003

<sup>93</sup> By Afrowood Ltd (1998), a private consulting firm based in Accra, Ghana.

<sup>94</sup> *Ibid.*

<sup>95</sup> *Ibid.*

CWSA standards, a total of 100 boreholes would be required to serve the population of 30,000).

The Bulk Purchase system ranked second to mechanised underground water in terms of a range of technical factors. The community also preferred the mechanized underground water system due to known irregular and unreliable flow of water from the GWCL system and fears about the fate of such an arrangement in the event of a private takeover of GWCL<sup>96</sup>.

However, bulk purchase of water from GWCL had advantages - particularly in avoiding the high cost of underground water extraction and distribution in the normally difficult terrain of the Northern Region. In addition Savelugu did not have the skills to manage the treatment and transmission of water<sup>97</sup>. As local officials put it: “Savelugu had to learn from a smaller scale of operation” (see discussion on “scale” in section 11.61).

### **11.3 Clarity and sharing of roles and partnership building**

The Savelugu Water System adopts a pluralist approach to provide safe water. A partnership arrangement was established to provide safe water to the town. Principal partners were the SNDA and the town’s residents on one hand, represented by the SWB, and the Ghana Water Company Limited on the other hand. Supporting partners were CWSA, UNICEF, World Vision International (WVI) and the Guinea Worm Eradication Programme (GWEP) of the Ministry of Health.

The study found out that the SNDA has so far played the *leadership* and *brokerage* roles<sup>98</sup>. However, it relies substantially on technical support from supporting partners to perform tasks associated with these two critical roles, particularly in drafting of technical proposals, fund raising and establishment of coordination mechanisms.

#### **11.31 Roles of principal partners**

Under the arrangement, GWCL supplies treated water in bulk to the Savelugu Water Board, which in turn stocks and sells to the public and recovers tariffs to pay GWCL for the cost of water, like any unsubsidized consumer in cities.

The terms of contract between GWCL and Savelugu establishes clear roles as follows<sup>99</sup>:

##### ***Treatment and bulk distribution***

- a) GWCL sells treated water on a Bulk Purchase basis to the SWB. The price of water is according to rates of the Public Utilities Regulatory Commission<sup>100</sup> for commercial and domestic uses. GWCL also provides technical advice on matters related to the bulk purchase of water.

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<sup>96</sup> Discussions about privatisation of Water in Ghana were ongoing at the same time that the SWS was initiated.

<sup>97</sup> Gariba and Associates (1998)

<sup>98</sup> See Chapter 2 for Cohen and Peterson’s definition of various roles in service provision.

<sup>99</sup> SNDA records, 1999.

<sup>100</sup> See Chapter 3 for the role of PURC in tariff approval in Ghana.

### ***Stocking, redistribution and payment of tariffs***

- b) GWCL is obliged to provide water daily. The SWB stocks and redistributes the water and pays the full cost at the end of each month based on the amount of water supplied. Savelugu does not benefit from the GWCL subsidy of life-line tariff to the poor because of its bulk purchases.

### ***Maintenance of mains***

- c) GWCL carries out major repair works on the transmission mains within the Savelugu system; SWB pays for the work done.

### ***Expansion***

- d) The SWB provides data and plans for expansion<sup>101</sup>, whilst GWCL provides technical support for job execution.

### ***Quality***

- e) The SWB is obliged to pay regularly for water consumed; the GWCL is obliged to sustain water supply in terms of adequate pressure and flow, and of acceptable quality according to WHO standards.

Partnership meetings to review any modification in the agreement occur every six months. Where any party is unable to fulfil its part of the obligation, that party is expected to explain the circumstances leading to the failure and recommend measures to address them.

## **11.32 Roles of supporting partners**

The principal partners were supported by others in starting the SWS, in particular, United Nations Children's Fund (UNICEF), World Vision International (WVI), the Guinea Worm Eradication Programme (GWEP) of the Ministry of Health and the Community Water and Sanitation Agency (CWSA).

UNICEF financed up to 70% of the total cost of establishing the SWS, about US\$650,000.00. The Guinea Worm Eradication Programme of the Ministry of Health used its central government weight to mobilize UNICEF and World Vision International.

World Vision International financed hydro-geological studies and the construction of six boreholes within the town to supplement water from GWCL. One borehole, located about five kilometres from the town has been mechanised to augment supply from GWCL, and three others of about six kilometres away have been capped pending mechanisation in the near future, when new investment is available.

All supporting partners financed technical assessments, supported meetings and negotiations between the SWB and the GWCL and contributed towards the development of capacity of the district to manage the system.

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<sup>101</sup> Including more public stand posts (public fountains) and household connections, but for now, the quantity of water supplied by GWCL is a serious limitation to household connections.

The CWSA assists in the training of management staff where necessary. CWSA is currently mobilizing central government funds (from HPIC relief sources) for further extraction of underground water, which was originally the most preferred option.

### 11.33 Interests of partners

The partnership arrangement was possible because both principal and supporting partners had varied, yet converging interests in the provision of safe water. For some, the interest was in providing safe water as a means to their objective, while to others the provision of safe water was the reason for their existence. A summary of the various interests is as follows:

Partner	Interest
Community members	<ul style="list-style-type: none"> <li>• Eliminate incidence of water-borne diseases; increase equitable access to safe water</li> <li>• Eliminate the activities of vendors who for decades had controlled the price of water</li> </ul>
GWCL	<ul style="list-style-type: none"> <li>• For business reasons - the potential of the arrangement to reduce the rate of unaccounted for water and increase revenue through efficient distribution, billing and tariff collection.</li> <li>• The GWCL Manager saw opportunities to learn from a system to which it made no capital investment, yet realized gains which could be replicated in Tamale and beyond.</li> </ul>
SNDA	<ul style="list-style-type: none"> <li>• Responsible for provision of basic services</li> <li>• Reducing the incidence of water-borne diseases</li> </ul>
Guinea Worm Eradication Programme (Ministry of Health)	<ul style="list-style-type: none"> <li>• Eliminate guinea worm from the country</li> </ul>
UNICEF	<ul style="list-style-type: none"> <li>• Fulfil global mandate of advocating for rights of children to safe water and good health</li> </ul>
World Vision International	<ul style="list-style-type: none"> <li>• Fulfil organizational mandate of accelerating development of deprived areas</li> </ul>
CWSA	<ul style="list-style-type: none"> <li>• Ensure provision of safe water in semi-urban and rural districts</li> </ul>

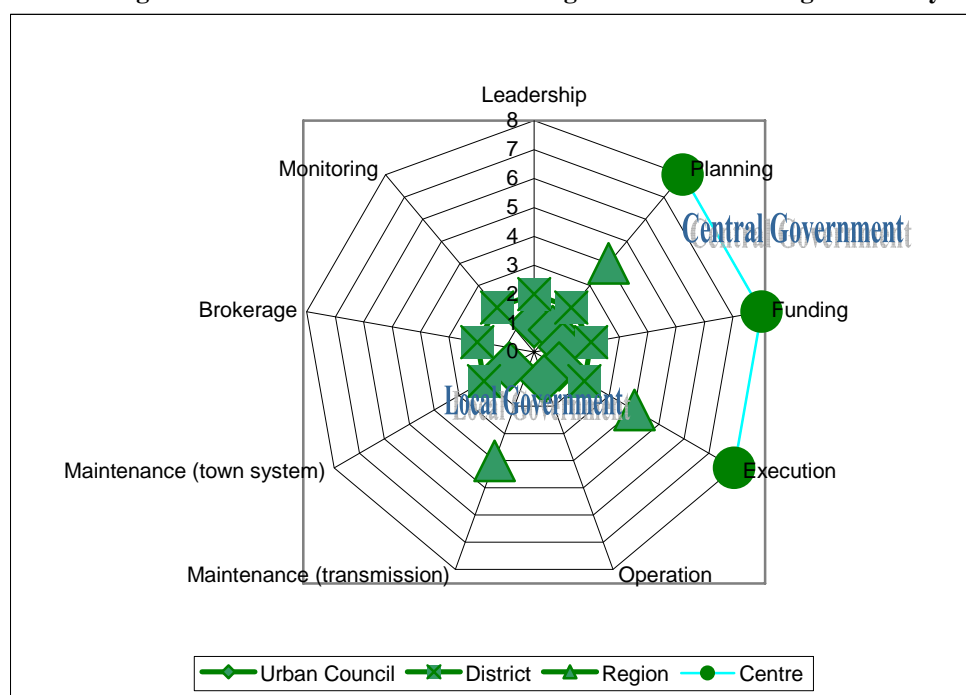
The SWS can therefore be said to be exhibiting pluralism. It fulfils the requirements of Cohen and Peterson (1999) of *clarity of roles in sharing of tasks by two or more governmental institutions* (SNDA, GWCL, CWSA) *and private sector firms* (private contractors, NGO, commissioned revenue agents) *and community organizations* (SWB, water and sanitation committees).

### 11.34 Role distribution and decentralisation

According to Cohen and Peterson (1997) institutional pluralism can occur at the spatial centre or decentralized levels. Pluralism at the decentralized level is particularly essential for purposes of accountability by service providers to consumers. In this regard, the study ascertained the location of partners of the SWS, that is, the location from which roles were performed.

The Savelugu town and the Savelugu-Nanton district perform tasks in each of the key roles, and indeed performed many of the key roles involved in the provision of water, an indication of decentralization. Figure 11.1 provides a spatial view of concentration of roles around the Savelugu town and the Savelugu-Nanton district.

**Figure 11.1: Decentralisation and management of the Savelugu Water System**



Moreover, the Savelugu town plays a part in usually externally-led roles such as funding and planning/technical design. The private for and not-for profit sector also has clearly defined roles (see Table 11.1).

**Table 11.1: Roles in establishing the Savelugu Water System**

Role	Responsibility
Leadership	SNDA
Planning (technical feasibility, socio-economic feasibility, technical and financial proposals):	SNDA
	GWCL Regional Office
	Private firms
	World Vision International
	UNICEF
Funding	UNICEF
	World Vision International
	SNDA
	Residents
Execution	GWCL Regional Office
	World Vision International
	Private firms
	SNDA (District Engineer)
Operation	SWB's Management Committee
	CWSA Regional Office (for skill development only)
	Commissioned agents for revenue collection
Maintenance (transmission lines)	GWCL Regional Office
Maintenance (town system)	SWB's Management Committee
	Artisans
Brokerage	SNDA
Monitoring	SNDA



Thus, the SWS can be said to be exhibiting *clarity* of roles in *sharing of tasks by two or more governmental institutions* (SNDA, GWCL, CWSA) *and private sector firms* (private contractors, NGO, commissioned revenue agents) *and community organizations* (SWB, water and sanitation committees) and at a very *decentralized* level (Town/Urban Council and community level). The SNDA played the leadership role in mobilizing partners and resources to establish the SWS. The District Coordinating Director and District Engineer worked with consultants and staff of partners to undertake studies and execute the SWS. In terms of operation and maintenance, the District Engineer and DWST assist in supervision of use of water from the system as well as any other in the district. The SNDA and SWB purchase water services associated with transmission from the GWCL. The GWCL sells water and skills for maintaining transmission to the SWB. GWCL is the major, but not the only provider of water. The SWB supplements GWCL sources with underground water. It is noteworthy that according to the bulk purchase arrangement for the SWS, GWCL, the national public utility plays the role of a contractor.

#### **11.4 Is Pluralism performing?**

The study further ascertained whether the pluralist arrangement is promoting accountability, effectiveness and efficiency. Has the partnership approach and Bulk Purchase model delivered safe water in accountable, effective and efficient ways?

##### **11.41 How accountable is the Savelugu Water System?**

To assess accountability in the management of the SWS, the study looked at three variables: degree of autonomy of the management<sup>102</sup>, use of participatory processes and transparency in financial management.

##### **a) Degree of autonomy and participatory processes**

There are structures to promote accountability in the SWS, including the Water Board, Management Committee, Water and Sanitation Committees and the SNDA. The roles played by these structures promote significant local autonomy.

##### **The Savelugu Water Board**

##### ***Who chairs the Board?***

The Savelugu town system is managed by a ten-member Board. The Board is chaired by an elected Assembly member. The Chairman is elected by other members of the Board. The Board Secretary is the system's manager (Project Manager) and therefore not elected. The Treasurer is however elected by other members.

##### ***Who represents consumers?***

Consumers' interests are taken care of by elected Assembly members of the town, who are represented on the Board. A representative of women's groups also has a seat on the Board. Members meet once a quarter. Community views are presented by the elected Assembly members and women's representative, and vice versa. Annex 11.1

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<sup>102</sup> See Bahl and Linn (1992).

presents a list of members of the Water Board, their background and how each of them got on to the Board.

***What is the role of Water and Sanitation committees?***

For purposes of managing water, the town is zoned into six areas. Each zone has a Water and Sanitation Committee, comprising equal numbers of men and women. Water and Sanitation Committees are represented on the Board. By virtue of their location, Water and Sanitation Committees serve as a link for information flow between households and the Board.

***What is the role of the Mayor?***

As discussed in Chapter 3, the District Chief Executive (Mayor) is not elected, but appointed by the President of the country. In Savelugu, the Mayor is a member of the Board without a vote. However, all members and officials interviewed indicated the considerable power he exercises over the Board, especially in the tariff setting and mobilization of resources. The Mayor has two main tools to influence Board decisions, one informal and the other formal. The informal tool is lobbying other members of the Board to elect his preference as Chair. The formal tool is the approval power of the SNDA over tariff decisions.

***Who does the Board report to?***

The Board submits quarterly reports, including accounts to the SNDA, but not to the CWSA or GWCL, giving an indication of *local autonomy and devolution*. As one official put it, the practice of submitting quarterly reports, including accounts to the District Assembly “is unimaginable in the GWCL or some other providers of basic services, particularly the Department of Health”<sup>103</sup>. There are however mixed views of officials and residents about the apparent subordination of the SWB to the SNDA. These include fears about undue allegiance to the Mayor, who many times looks up to political bosses in the region and centre for direction. However, others also point to the advantages, particularly, the Mayor’s key role in mobilising financial resources from World Vision International and UNICEF to start the water system. Nevertheless, concerns are high among officials that political concerns may override economic ones in the tariff setting, and that a not-so cooperative Mayor may one day start interfering directly in how resources are allocated by the SWB.

***Who sets tariffs?***

The Board makes recommendations for tariff changes for approval by the SNDA. The SNDA has in the past overruled tariff decisions of the Board. The Board is however responsible for other major decisions, including approval of proposals made by its Management Committee.

***Annual General Meetings***

Annual General Meetings are held once a year. Meetings are open to residents. Meetings focus on the general status of the system, performance of the system and tariff proposals.

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<sup>103</sup> The Department of Health in Savelugu-Nanton reports to the Region and not the SNDA. The SNDA has nevertheless developed tools for information sharing, including participatory planning meetings.

## **b) Transparency in Financial Management**

### ***Evidence of financial audit***

The study found no evidence of a formal audit of the system. The only controls are: (i) the SNDA's Budget and Finance Officers are occasionally requested by the Mayor to comment on financial reports of the SWB. (ii) The SNDA is a co-signatory (with the SWB) of the bank account of the system. Payments to GWCL, staff salaries, maintenance and repairs are drawn from this account.

## **11.42 Effectiveness**

### ***Coverage***

The SWS has proved to be effective in increasing the coverage of safe water. About 75% of Savelugu town was fully served with safe water in 2003, a dramatic jump from 10% in 1999. However, in cases of shortages from the GWCL system, residents rely on longer walking distance to boreholes in neighbouring settlements or resort to vendors or unsafe sources.

### ***Regularity of flow***

The GWCL is unable to meet the full daily water requirement of the community. The SWB has therefore put in place a system of rationing, 12 hours of flow per day for each zone.

### ***Equity concerns***

Households that are unable to pay immediately are allowed to keep a register for future payment. Those unable to pay at all are allowed to fetch water using very small containers on a regulated basis.

## **11.43 Efficiency concerns**

### ***Management of the System***

A Management Committee is responsible for the day-to-day management of the water system. The Committee oversees technical and financial operations of the system. Members of the Management Committee are hired, paid and fired by the Water Board. They comprise a System Manager, Pump Attendants and a Revenue Officer. The Management Committee keeps books on transactions of the system and liaises with the GWCL on operational issues.

Each Water and Sanitation Committee (WSC) has an Overseer, a Treasurer and a Liaison. Commissioned Agents are appointed by Water and Sanitation Committees to collect user fees at public fountains. These agents submit accounts to the management through the (WSC) Treasurer each day. The Liaison makes reports of malfunctions of the system to the Management Committee.

The System Manager keeps monthly performance charts on the pump attendants, which are discussed at either Board or Water and Sanitation Committee meetings. Revenue accrued from water sales are paid into a bank account, with joint signatories from the SWB and the SNDA. Payments to GWCL, staff salaries, maintenance and repairs are drawn from this account. The District Engineer assists with maintenance

assessments and provides advice on repair works. The works engineer of the District Assembly is also responsible for the technical supervision of the system.

### **Staffing**

The system currently engages the services of four salaried workers, one plumber on contract and 21 commissioned agents. The salaried workers include a System Manager, Revenue Officer, Pump Attendant and a Security Officer. Commissioned Agents supervise the sale of water at public fountains and are paid 10% of total sales.

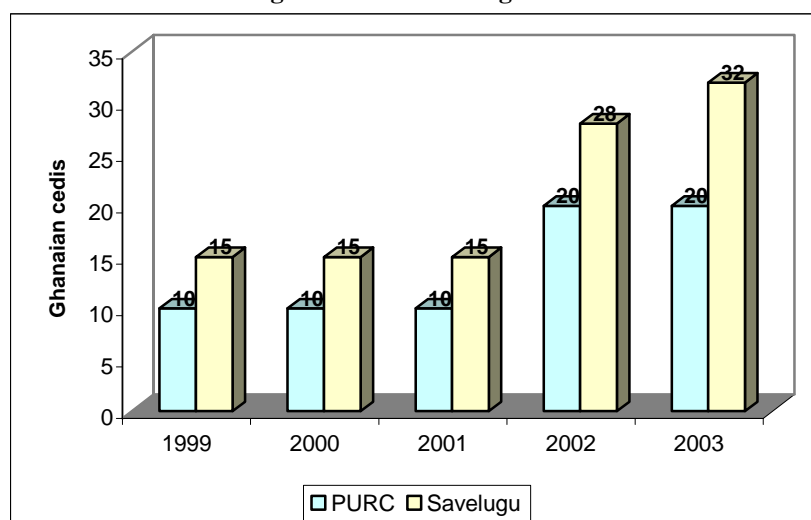
### **Water losses**

Unaccounted for Water (UFW) arising from physical losses, illegal connections, as well as un-recovered tariffs are lower in Savelugu than neighbouring towns. Actual UFW (refers to losses to the system) at Savelugu is 15%. Underlying reasons include occasional pipe bursts, especially in the night when pressure is high, spillage at fetching points and concessions granted to the poor. Actual UFW is 48% for Tamale and 70% for neighbouring town of Kumbungu (CPHD, 2004).

### **Tariff setting**

Tariffs are proposed by the SWB, and approved by the SNDA. The basis of tariff approval is always PURC levels *plus* a margin for local operation and maintenance and expansion costs. Savelugu water tariffs are therefore higher than that of the PURC system (see Figure 11.2).

**Figure 11.2: Cost of a gallon of water**

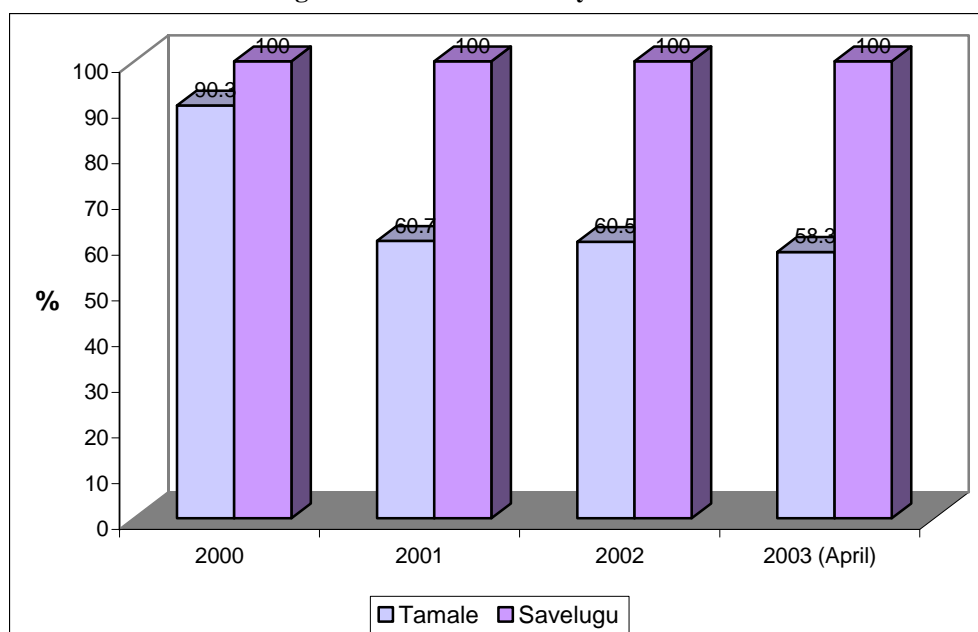


### **Tariff Recovery**

The Tariff Recovery Rate for Savelugu (refers to the proportion of water supplied to the town for which the full cost has been paid). This stands at 100% for the period January 2000 to April 2003, meaning full cost recovery by the GWCL in its dealings with Savelugu. As depicted by Figure 11.3, this is in sharp contrast to the rather very low tariff recovery for the GWCL system in Tamale. The high recovery rate (90%) for Tamale in 2000 was due to government paying most of its bills. The central role of SNDA in the Savelugu system ensures more prompt payment of bills by government departments. High tariff recovery in Savelugu is also due to limited in-door connections, community sensitisation to report pipe leakages promptly, promoting

water fetching habits that minimise losses, regular servicing of meters, stringent measures to check financial leakages and a contractual arrangement with private plumbers to attend promptly to reported cases of pipe leakages.

**Figure 11.3: Tariff recovery rate**



### ***Capital investment in the System***

A capital investment of 4,500,000,000 cedis (about US\$ 650,000) has been made in the SWS. The major contributor was UNICEF (about 70%). Other contributors were GWCL (overhead tank), World Vision (8%), SNDA (1.5%) and community members (1%).

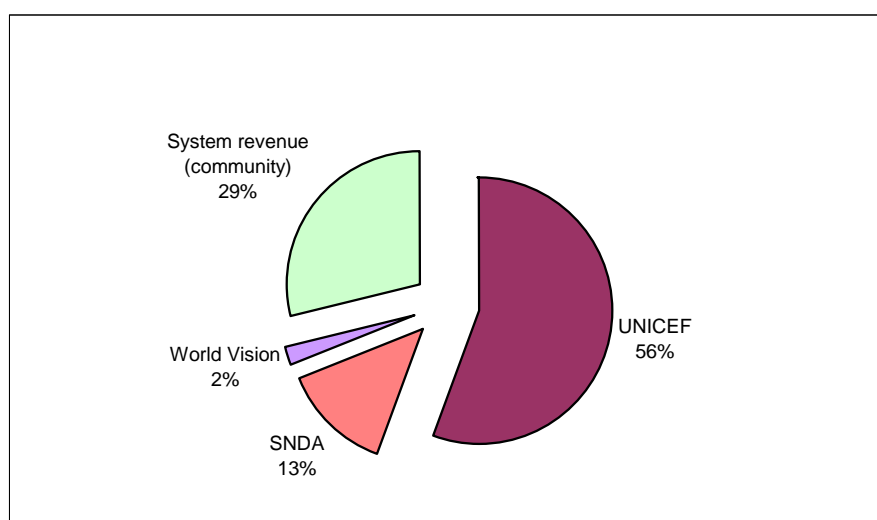
### ***Operation and Maintenance***

Operations costs involve fuel for the booster station, utility bills and remuneration of staff. Maintenance has so far been minor, including replacement of damaged secondary pipe lines and taps. User charges have fully financed the cost of operations and maintenance since the establishment of the system.

### ***Expansion and future replacement***

The story is however different for expansion of the network. The system is only able to finance labour costs, which constitute about a third of expansion costs. UNICEF has financed a little over half of the cost of expansion, mainly in the form of direct supply of parts. The District Assembly has contributed just 13% of expansion costs. In all total local contribution (system revenue + SNDA contribution) is 42% (see Figure 11.4 below).

**Figure 11.4 Source of finance for expansion 2000-mid 2003**



Total savings by the Savelugu town system at the end 2002 was about 22, 340,000 cedis (about US\$ 2972), though having increased from 4,900,400 cedis (about US\$ 980) in 2000.

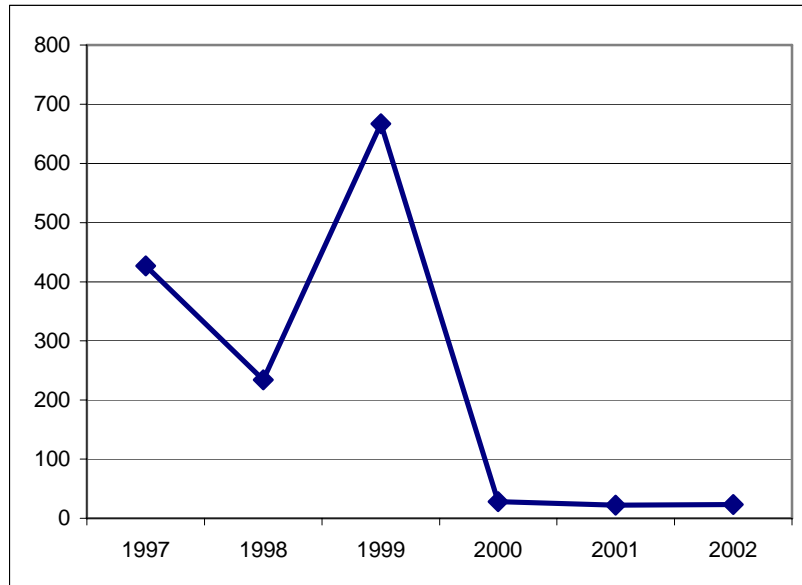
According to local officials, future expansion and sustainability of the system will depend on the possibility of siting a high yielding borehole in the district whose water will not be treated so that the system can stop depending on the water from Tamale. Currently most of the revenue from the system goes to pay GWCL for supplies.

Nevertheless, the system's pluralist arrangement has the potential of compensating for its inability to fully finance expansion and future replacement. The SNDA and CWSA presented a proposal to central government for grants under the HIPC Relief Initiative to finance the development of mechanized extraction of underground water. The proposal is meant to reduce Savelugu's dependence on the Bulk Purchase arrangement with the GWCL, thereby saving more resources to expand the network. Approval of the proposal will add to the value of the pluralist arrangement, which enables the District Assembly to mobilise funds from a wide range of sources.

#### **11.44 Possible influence on health**

The "use" of "guinea worm reduction" to attract external resources appears to have paid off. The number of cases in the town declined from 667 in 1999 to 23 in 2002 (see Figure 11.5 below).

**Figure 11.5: No of guinea worm cases in Savelugu town**



### **11.5 Explaining performance**

Local officials, Board members, supporting donors and consumer representatives were asked during the research to explain the performance of the system through ranking of several possible factors. These factors were mentioned by officials and community leaders who took part on focus group discussions and key informants' interviews. They include Manageable scale and technology, Participation, Competition, Accountability, More decentralization, Capacity of local government and Capacity of private sector. Results of the ranking exercise were as follows:

#### ***Highly ranked factors***

Highly ranked factors were those judged to have a direct positive contribution to performance:

- Manageable scale and technology
- More decentralization and partnerships
- Accountability of service providers to consumers

There was consensus among all officials and community leaders that these three factors had contributed to performance in a direct way.

#### ***Moderately ranked factors***

Moderately ranked factors were those judged to have a not- so-direct contribution to performance, but were nevertheless positive factors. Two factors fell in this category:

- Capacity of local government
- Capacity of private sector

#### ***Lowly ranked factors***

Lowly ranked factors were those judged to have the least contribution to performance. These were:

- Participation
- Competition

Further discussions with local officials explained that Participation was ranked low, not because it was not an important factor, but due to its implied role in promoting accountability and management of the system. The point that emerged strongly was that Participation would be most rewarding if used as a means to Accountability and better management.

Competition was ranked lower than Participation. Respondents acknowledged that given the scale of service and the role of the SNDA, which they regarded as positive, competition was at best limited to smaller operational areas, particularly among Commissioned Agents for collection of fees.

Highly ranked factors are discussed in greater detail.

### **11.51 The scale and technology factor**

#### ***Indoor vs. community services***

As discussed, public fountains serve about 90% of residents, with the remaining 10% having indoor services. According to the System Manager, this decision was reached after several rounds of discussions with residents and based on two factors: *initial cost* of extending services to all zones of the town, and *reducing unaccounted for water*. Public fountains were seen as the short-term answer to reduce constraints associated with household connections, particularly collecting user fees and reducing leakages.

#### ***Choice of technology***

Reasons for the choice of technology have been discussed in detail in section 11.3. The Bulk Purchase arrangement was selected mainly because of two reasons: avoiding costs and skills associated with *treatment and transmission of surface water*, which GWCL bears; avoiding the *cost of transmitting underground water* from sources several kilometres away from the town. All respondents indicated that Savelugu did not have the skills to manage treatment of water. Secondly, it was more manageable, given existing skills and institutions, to buy safe water for distribution than to generate it.

#### ***Technology and skill base***

Respondents pointed out that the most important management factor has been skills. The SWS relied extensively on its external partners for skills to establish the system, thus the need to start with a relatively low level technological option. Respondents emphasised the need for Savelugu to learn from a smaller scale of operation.



## **11.52 The decentralization and partnership factor**

Decentralization has been promoted by the leadership role of local government, the SNDA; and the design features of the SWS.

### ***Leadership by local government***

Local leadership and brokerage by the SNDA is at the heart of the success of the SWS. Savelugu is characterized by poverty (see Chapter 6) and lack of technical skills. Central government grants are not adequate to scale up provision of basic services. In this context, local government, the SNDA, has responded in various ways to ensure safe water by playing the role of:

- a) *Leader* in mobilizing skills and resources;
- b) *Broker* in facilitating preparation of technical proposals, sharing of costs among donors and resolving different interests; and a medium for channelling resources of external agencies, both state and non state, with an interest in a water-related problem such as the eradication of guinea worm, reduction of other water-borne diseases or the promotion of the right to safe water;
- c) *Overseer* of the Savelugu Water System. The Savelugu Water board reports to the SNDA, which monitors its accounts, regularity of flow of water and on several occasions provides technical and financial support.

### ***Design of the SWS: akin to institutional pluralism***

The SWS has the following institutional design features:

- a) *Delegation by the SNDA* to the SWB to manage the SWS with elements of *devolution* and. Delegation is through the reporting relationship between the SWS and SNDA, approval of tariffs by the SNDA and the strong influence of the Mayor in mobilizing resources and in approval of tariffs. Devolution is supported by the domination of elected officials on the Board and the wide powers of the SWB in managing the system, including decisions on scale of service provision.
- b) *Pluralism* through partnerships between community organizations, the SWS, the SNDA for managing the system; the SNDA, NGOs and donors for the provision of financial and technical resources; the GWEP of the MoH and the SNDA for the eradication of guinea worm; contract arrangements with private commissioned agents to collect user fees and artisans to maintain the system; and representation of community groups, the town's Council and the SNDA on the SWB. The SWS relied substantially on financial and technical support from NGOs and donors to establish the system.
- c) *Pluralism* through partnership with the GWCL in the Bulk Purchase agreement, where the GWCL is a supplier of treated water to the SWS. The SWS pays fully for the purchase of water and for maintenance carried out by the GWCL on transmission lines. The relationship between the SWS and GWCL is an unusual one in Ghana – that is having a district level company contract the main public utility for the supply of treated water through a service agreement.

### **11.53 The Accountability factor**

Management of the SWS is designed to ensure participation of elected officials at most stages of service provision. Secondly, Annual General Meetings of the SWB ensure information exchange between consumers and the SWB. Thirdly, delegation of management of public fountains to area Water and Sanitation Committees promotes early reporting of leakages and oversight over Commission Agents for collection of user fees. In addition, presentation of the SWB's accounts to the SNDA promotes accountability.

The design and implementation of these mechanisms for accountability were influenced by three factors:

- a) The CWSA model for provision of water in semi-urban districts, which requires the establishment of Water and Sanitation Committees, regular meetings of these Committees and maintenance of given management practices (see Chapter 6 for more detailed discussion)
- b) Donor requirements to reduce financial leakages and promote sustainability of their investments
- c) SNDA's interest in overseeing the SWS. The SNDA regards the SWS as a semi-autonomous agency, which is subject to two controls: submission of financial and technical reports every quarter and approval of tariffs.

### **11.54 Will the current trend of performance continue?**

Views of respondents were mixed about whether the SWS will be able to sustain gains and to expand coverage and efficiency.

#### ***Not so positive views***

Many officials point out factors that threaten the SWS. Key among these are:

- a) The heavy reliance on donors for funds and skills for expansion. The SWS was established on heavy donor contribution (about 80% of investment costs). Subsequent expansion has also depended heavily of donor support (58%).
- b) Absence of any form of preparation for future replacement. The current tariff structure has two components: user fees to pay GWCL and operation and maintenance costs. Savings have been made from O&M in the past five years as the system is new. These savings have gone into expansion. Officials have not factored in the current arrangement future O&M costs that are likely to rise, as well as replacement costs.
- c) Accountability mechanisms, though promoting transparency, has lacked external and independent audit.

#### ***Positive views***

Some officials are however optimistic about further expansion and sustainability of the SWS. They raise the following points:

- a) Continued donor investment is contingent on good management of the system, especially in terms of accountability and efficiency, areas the SWS has made

significant gains. Donor support is also regarded as having been attracted by the clarity of roles, which is facilitated by local leadership.

- b) Leadership role of the SNDA. Officials argue that once the SNDA got involved in any scheme as a central actor, various interests rallied to perform assigned tasks.
- c) Maintaining a pluralist approach will bring innovative ways of mobilizing funds and skills. The Regional CWSA has for example, submitted a proposal to Central Government for funds to develop a network based on extraction of underground water. The objective is to reduce dependence on GWCL and expand the system.
- d) Growing acknowledgement of the CWSA approach to service provision, which continues to attract donor funds and has started to attract increases in Central Government support.

## **11.6 Conclusions**

In an attempt to explain factors that influence performance, this chapter started by establishing that the institutional approach adopted by the SWS is that of institutional pluralism. Subsequently, the chapter determined, and with a positive result, how well pluralism was performing, in terms of accountability, effectiveness and efficiency.

Using more qualitative methods, the study then identified factors that explain performance of the SWS, which represents an example of a plural arrangement for service delivery. Outstanding among the factors are manageable scale and technology, decentralisation and partnerships and accountability. Local capacity concerns also influenced the adoption of the particular scale and technology as well as plural arrangements. Competition, though present, was limited to contracting out operations and maintenance of specific components of service delivery, due to capacity considerations.

Underlying these influencing factors for performance are the roles that the SNDA has played in the process, particularly, in leadership, brokerage and oversight. The answer to the question “will performance continue?” appears to be dependent on how well the SNDA continues to play these three roles in the future.

## CHAPTER 12

### 12.0 SUMMARY OF THE ANALYSES AND IMPLICATIONS FOR THE THEORETICAL FRAMEWORK

#### 12.1 The Analytical Framework

We started this thesis with an argument by Linder (2002) that decentralisation leads to new institutions of government; and that decentralisation, together with other institutions, the market and the social system contribute to the transformation of society. Our analytical framework for the study in Chapter 5 defines in a logical manner the way we expect decentralisation to influence the delivery of basic services<sup>104</sup>.

The main elements of our analytical framework on how decentralisation influences the delivery of basic services are that: (a) underlying legislation and subsequent policies serve as *inputs*; (b) the emerging type of decentralization and distribution of roles are the *immediate effects*; (c) the emerging institutional approaches to service delivery (monopoly, distributed monopoly, pluralism) at the decentralised level of governance are the *outputs*; and, (d) improved performance in the delivery of services serve as *outcomes*. We tested our hypotheses through this analytical framework and summarise the findings in this Chapter. Subsequently, we formulate conclusions for theoretical framework on the basis of our findings. We end the Chapter with policy implications of the study for Ghana.

#### 12.2 Testing the hypotheses

##### 12.21 First hypothesis

The first hypothesis for the study was that *decentralisation in practice in Ghana does not reflect what is specified by the country's laws and referred to by Rondinelli (1981) as devolution, but rather a mixture of deconcentration and delegation*. This hypothesis has been tested for Ghana in general in Chapter 3 and for the water and sanitation in particular in Chapters 7, 8 and 9 of the study.

We discussed some theoretical frameworks on decentralisation in Chapter 2 to provide a basis for testing the two hypotheses of the study. These frameworks were clustered under the *structure* oriented Type Function Framework (TFF) by the Cheema-Nellis-Rondinelli-Silverman school; the *roles* oriented analysis of decentralisation through the Administrative Design Framework (ADF) by the Cohen-Peterson school; and the Enablement Framework (EF) by the Helmsing school. We noted the argument of the TFF that various combinations of the main *forms* of decentralisation, political, administrative and fiscal decentralisation result in *types* of decentralisation - deconcentration, delegation and devolution; from the ADF that various combinations of roles in service provision result in monopoly, distributed monopoly or pluralism at centralised or decentralised levels of governance; and from EF that local governments can perform better if they play an enabling rather than direct service provision role.

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<sup>104</sup> We use evaluation techniques discussed by Bamberger, et al.(2006) as the basis of our analytical framework.

Further, we reviewed the evolution of decentralisation in Ghana in chapter 3 starting from pre-independence days. On the basis of secondary data we examined in detail the most recent wave of reform that started in 1988 and which states *devolution* as its objective (MLGRD, 1996). We noted the challenges to decentralisation that the literature on Ghana<sup>105</sup> brings out. Regarding political decentralisation, there are challenges in the determination of a manageable level of participation at the level of local government. Additionally, there is the challenge of moving beyond the government sector to structured participation of the private sector and civil society in local development. We also ascertained that the implementation of administrative decentralisation has been slow. Incentives that make staff at the local government level have strong allegiance to their parent ministries at the centre are still in place. Also, public-private partnerships for the provision of basic services are at an early stage of development. We again observed weaknesses in fiscal decentralisation. Discretion of local government over the use of the District Assembly Common Fund, the main fiscal instrument for decentralisation, is limited. About half of the Fund is earmarked by the Ministry of Local Government & Rural Development (MLGRD). Moreover, recurrent budgets for the delivery of basic services are largely held by parent ministries, who disburse to their respective departments at the local level in a deconcentrated fashion.

In addition, we reviewed the economic characteristics of water and sanitation in Chapter 4 and how these relate to decentralisation and pluralism. We noted the possibility of a wide range of institutional approaches to service delivery, particularly various forms of private sector involvement and community participation at the different levels of government.

We then tested the first hypothesis using the case of water and sanitation provision. We collected and analysed primary data for this purpose from two districts, Tamale and Savelugu-Nanton. Tamale and Savelugu-Nanton have similar economic and social characteristics and are neighbours to each other. Tamale is a one-town district whereas Savelugu-Nanton is a semi-urban district with a mix of small towns and rural settlements.

We developed a set of indicators for the various elements of the analytical framework shown in Figure 5.2: for *immediate effects* and *outputs*, indicators of the main forms of decentralisation (political, administrative and fiscal decentralisation) as well as indicators of the concentration/distribution of roles in service delivery; and, for *outcomes*, indicators of performance of the water and sanitation sector in the two districts through assessing their effectiveness, efficiency, accountability, sustainability and possible influence on health.

We used these indicators with the help of a household survey, key informants' interviews and an examination of official records in the two study districts. We learned that there are differences in the type of decentralisation and as well as in the distribution of roles for the delivery of water and sanitation in the two districts.

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<sup>105</sup> These include Ayee (1995), Nkrumah (2000), Nkrumah (1998), MLGRD (1996), MLGRD (2002), Laryea-Adjei (2001), World Bank (1993), UN and Republic of Ghana (2005), Alhassan and Arthur (2004).

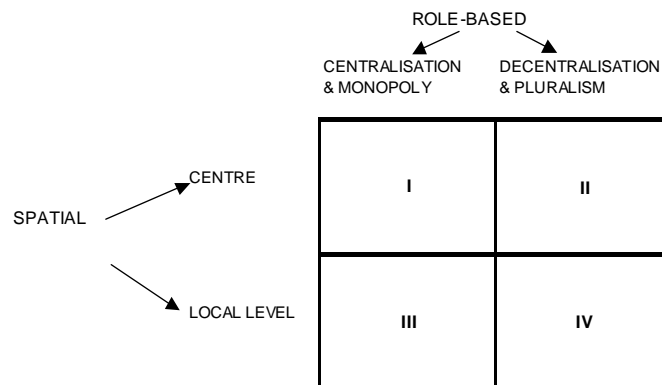
Overall, the *immediate effects* of legislation and policies in Savelugu-Nanton are seen in a more decentralised and plural approach to the delivery of water and sanitation than in the case of Tamale. This is particularly so for water, where GWCL has a deconcentrated approach to service delivery and has no partnership arrangement with local government, the Tamale Municipal Assembly (TMA); and where the TMA has also not initiated any partnership arrangement with the GWCL to improve the delivery of water. Regarding sanitation, both Savelugu-Nanton and Tamale have similar approaches to the delivery of sanitation – more towards decentralisation, but with responsibilities for staffing and in a partial way, funding, managed from above. We also ascertain that pluralism is beginning to emerge in the provision of sanitation in Savelugu-Nanton more than in Tamale, which has roles for service provision largely concentrated in the government structure.

In terms of *outputs*, our analysis shows that the provision of water and sanitation in Savelugu-Nanton is through *delegation* and *pluralism* at the decentralized level of government. Roles are shared by more than one governmental institution, NGOs, private sector firms and community organizations. Roles are also spatially decentralised. Plural arrangements in Savelugu-Nanton have brought opportunities for service delivery - in the form of skills and resources from other actors who are not controlled by government.

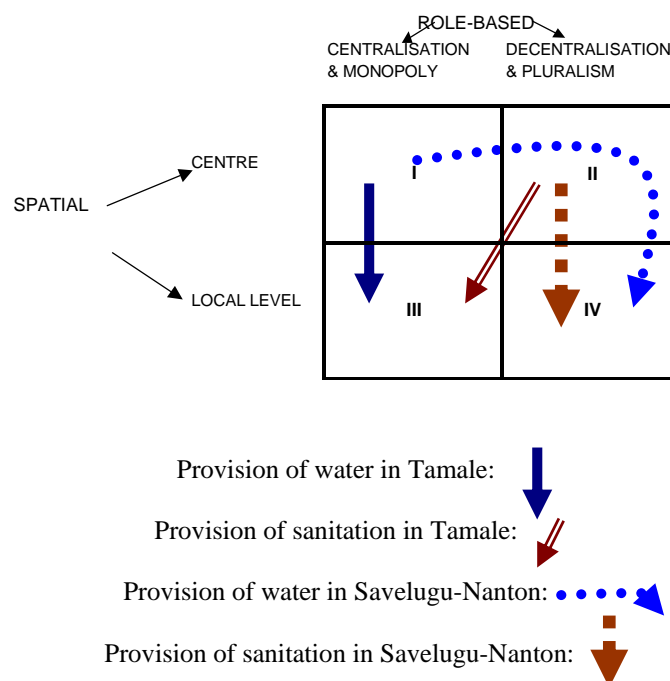
In Tamale, water provision is through a combination of *distributed monopoly* and *deconcentration*. Roles are concentrated in the structure of the GWCL, but spatially distributed from its headquarters in Accra to Tamale. Provision of sanitation in Tamale is through *delegation* and *distributed monopoly* within the government, with signs of a transition to pluralism (mainly through contracting out management of one third of the public sanitation facilities).

We depict in Figure 12.1 the theoretical states of the interaction between decentralisation and distribution of roles (see Chapter 2 for a detailed discussion of this framework). After applying our analytical framework, we demonstrate in Figure 12.2 how decentralisation and pluralism have emerged in the two study districts in the provision of water and sanitation, including the evolution path that they have followed.

**Figure 12.1: Theoretical states of decentralisation and distribution of roles**



**Figure 12.2: Evolution of decentralisation in the two districts**



We further note that extremely limited fiscal decentralisation as well as control of local government staff by the centre are disincentives for devolution in the two districts.

We therefore confirmed the first hypothesis that decentralisation in practice in Ghana does not reflect what is specified by the country's laws as devolution. The design and implementation of reforms have led to a hybrid of types of decentralisation for the provision of each service and a more intricate hybrid for a combination of services. Furthermore, the existence of pluralism differs in each of the two districts, even for the same service.

Subsequently, we assessed reasons provided by key informants for the differences in the type of decentralisation and distribution of roles in the two districts. The first reason is that provision of water is via two approaches in Ghana, one more centralised than the other. Tamale falls under the more centralised GWCL system and Savelugu-Nanton, the more decentralised CWSA system. The inference is that policies for delivery of basic services have all not been revised to support the objective of decentralisation. The two main public agencies for delivery of water have different approaches, with CWSA seeking a central role for local government in service delivery, and the GWCL operating in a deconcentrated manner.

The second reason given by managers for the differences in decentralisation is the role that local government plays in the delivery of services, even in cases of a strong central pull. The Savelugu-Nanton District Assembly (SNDA), with the support of its partners, has enhanced its leadership and brokerage roles in the provision of water and sanitation services. This is demonstrated by its ability to organise and lead participatory planning and monitoring meetings, pool skills from NGOs and the private sector for specific tasks and mobilise financial resources from a wide range of actors for service provision. We found out that staff of the SNDA have a posture of expediting the work of other agencies (state and non-state) involved in direct service provision. Leadership and brokerage roles are much less evident in the TMA.

The third reason is the role of external partners. International development partners have in particular been attracted to work in Savelugu-Nanton because of its plural arrangements. Support is both demand-driven as well donor-driven. International development organisations usually insist on changes to management practices they view as negative to their investment in districts.

## **12.22 Second hypothesis**

The second hypothesis for the study states that *when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly*. We tested this hypothesis at the *outcomes* level of our analytical framework by determining the performance of Savelugu-Nanton and Tamale in the provision of water and sanitation over a five year period, 1998 to 2003. We used indicators of effectiveness, efficiency, accountability, sustainability and possible influence on health for this purpose.

We found in Chapter 10, that Savelugu-Nanton is more effective than Tamale (for the 1998-2003 period of the study), particularly in increasing the coverage and reliability of water to the benefit of users. We also found Savelugu-Nanton to be generally more efficient in the provision of water and sanitation, particularly in minimizing water loss and in mobilising both local and external resources for investment. Savelugu-Nanton also performs better than Tamale in terms of local accountability. Savelugu-Nanton promotes more participation and better flow of information in the provision of services. This is essentially due to plural arrangements that have been adopted by the district for the provision of services. On the other hand, the Tamale approach promotes concentration of information and roles in the government structure, a feature that restricts accountability to consumers.



Sustainability appeared to be a challenge for both Tamale and Savelugu-Nanton approaches. The Savelugu-Nanton approach has the strength of using local skills for operation and maintenance, unlike Tamale, which relies heavily on skills from outside the district. Both cases also rely extensively on foreign support to expand their systems.

The picture regarding possible influence on health is not conclusive. Savelugu-Nanton has performed better in the prevention of the deadly cholera. Tamale on the other hand has performed better in the reduction of guinea worm.

Overall, we found that the more decentralised and plural Savelugu-Nanton has performed better (from 1998 to 2003) in terms of *effectiveness*, *efficiency* and *accountability*. Our findings are however not conclusive regarding *sustainability* and *influence on health*.

Thus we partially confirmed the second hypothesis in that when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly in terms of *effectiveness*, *efficiency* and *accountability*. We could not confirm with certainty that pluralism at the decentralised level of government yields better performance than distributed monopoly in terms of *sustainability* and *possible influence on health*. Our findings also did not show the reverse – that distributed monopoly performs better than pluralism at decentralised level of government in terms of sustainability and possible influence on health. More work is needed in this area.

Furthermore, our conclusion regarding the second hypothesis is confirmed when we cross tabulate (see Table 12.1 to 12.4) the type of decentralization and performance using selected indicators, including:

- Regularity of flow of piped water (hours a day) to residents (an indicator of effectiveness)
- Responsibility for operation and maintenance of water facilities (an indicator of administrative decentralisation)
- Length of time taken to repair broken down water points (indicator of efficiency)
- Proportion of households with clean compound (an indicator of effectiveness)
- Proportions of households invited to participate in making decisions on water supply and sanitation (an indicator of political decentralisation)
- Proportion of households taking part in discussing monitoring reports on the state of water points and sanitation facilities (an indicator of accountability)

We find that the households with piped systems in the more decentralised Savelugu town have longer periods of supply in a day than their counterparts in Tamale (see Table: 12.1). The District-managed Savelugu Water Board, which exhibits features of delegation and pluralism, provides longer periods of water supply than the deconcentrated Tamale GWCL.

**Table 12.1: Regular flow of water/responsibility for O&M**

Proportion of households indicating who operates and maintains water facilities (%)	Proportion of households indicating hours a day of piped water to residents (%)	
	Less than 12 hours	12 hours or more
Savelugu Water Board	10.5	89.5
Tamale GWCL	85.8	14.2

N = 364 and 402 for Savelugu-Nanton and Tamale respectively

Furthermore, households with better response time for broken down water points are more likely to be using community and district managed systems rather than relying on the GWCL for maintenance (see Table 12.2).

**Table 12.2: Responsibility for maintenance/time taken for maintenance**

Proportion of households indicating length of time to repair broken down water point (%)	Proportion (%) of households indicating responsibility for broken down water points as:	
	SWB/DWST+ community	GWCL
<b><i>Savelugu-Nanton</i></b>		
Less than 2.5 days	66.2	
More than 2.5 days	33.6	
<b><i>Tamale</i></b>		
Less than 2.5 days		56.2
More than 2.5 days		43.9

N = 364 and 402 for Savelugu-Nanton and Tamale respectively

In addition, households who participated in decision-making are more likely to have clean compounds, an indication of safe sanitary conditions at home (see Table 12.3).

**Table 12.3: Participation/cleanliness of compounds**

Proportion of households with clean compound (%)	Proportion of households indicating involvement in decision-making (%)
Savelugu-Nanton	49.2
Tamale	22.9

N = 364 and 402 for Savelugu-Nanton and Tamale respectively

Households not involved in participation are also not likely to have taken part in reviewing monitoring reports on service provision. The more decentralised Savelugu-Nanton has more households who are involved in both decision-making on service provision as well as in reviewing monitoring reports (see Table 12.4).

**Table 12.4: Participation/accountability**

	Proportions of households invited to participate in making decisions on water supply and sanitation (%)	
Proportion of households taking part in discussing monitoring reports on the state of water points and sanitation facilities (%)	Participated	Did not participate
<b><i>Savelugu-Nanton</i></b>		
Reviewed monitoring report	24.8	3.6
Did not review monitoring report	22.0	49.6
<b><i>Tamale</i></b>		
Reviewed monitoring report	5.3	2.0
Did not review monitoring report	6.1	86.5

N = 364 and 402 for Savelugu-Nanton and Tamale respectively

We further explored, through more qualitative techniques, including key informants interviews and focus group discussions with experts as well as users why Savelugu-Nanton is doing better in terms of *effectiveness*, *efficiency* and *accountability*; and why it is not lagging behind Tamale in terms of *sustainability* and *possible influence on health*. We conclude that the Savelugu Water System draws its strengths from the following:

- a) A local government that plays leadership, brokerage and oversight roles in the provision of services and that has instruments to pool skills and funds from other actors;
- b) Adoption of manageable scale and technology for providing services within the context of available local capacity (capacity available in the area, both in and out of government);
- c) Service provision that is decentralised to the lowest level of governance on the basis of efficiency considerations, which include the ability of the Water Board to collect user charges and to promptly repair broken down facilities.
- d) Formulation of a clear objective of deepening local accountability of the service provider through the design of a water system that is accountable to local government and not to a distant national public utility. Through this arrangement, the Savelugu Water Board is able to convince consumers to pay more than user charges approved by the national Public Utility Regulatory Commission (but less than cost of vendor services). Thus, the Savelugu Water Board fully finances its operation and maintenance and increasingly, its expansion costs. Accountability to local government is also promoted by the adopted scale of service provision.
- e) Setting up of well defined plural arrangements for mobilising technical assistance and funds from NGOs, private consultants, central government and international aid agencies. Local managers indicate that Savelugu-Nanton had no choice but to “open up” to a variety of actors, including non state actors to provide safe water due to its lack of skills and funds.

## **12.3 Conclusions**

Our conclusions of the study are presented in three parts. The first regards our observations on the two cases from Ghana that we have studied. The second set of conclusions relates to the theoretical framework used for the study. The third set is on the policy implications of the study.

### **12.31 Districts in Ghana and the provision of water**

In our study of central-local relations and the provision of water and sanitation in Ghana we conclude that there is a great deal of diversity in institutional approaches for service delivery. Despite the same decentralisation framework for the entire country, there is a great deal of diversity in the form the framework takes in the provision of services at the district level. National policies for delivery of basic services have all not been revised to support the objective of decentralisation. In the case of water, for which two central government agencies, the GWCL and CWSA have oversight responsibility, the decentralisation framework has had some influence on the approach used by one agency, the CWSA which was established in the heat of the reforms; and no influence on the other, the GWCL which was established long before the current wave of decentralisation reforms started. While the CWSA approach seeks a central role for local government in service provision and thereby provides mainly policy and funding roles to local governments, the GWCL operates in a deconcentrated manner having almost no institutional links with local government. By operating under GWCL, Tamale for example, does not enjoy the benefits that decentralisation and pluralism bring, unlike Savelugu-Nanton, which has significantly increased coverage and reliability of services in recent years.

There is also diversity even where just one central agency has oversight responsibility. In the case of provision of sanitation, the two districts use decentralised approaches for service delivery due to the existence of one central government agency, the Ministry of Local Government and Rural Development, which is responsible for policy guidance for all districts. Nevertheless, Savelugu-Nanton has adopted more plural institutional approaches for service delivery.

A distinctive feature of the performance of two cases is the role that local governments play in operationalising decentralisation policies. We have identified three roles that underlie the performance of the more successful Savelugu-Nanton district. These are leadership, brokerage and oversight roles. Our conclusion is that despite a pull from the centre, local governments are able to deepen decentralisation through the roles they choose to play. A passive local government, as in the case of Tamale regarding water provision, neither positions itself nor develops instruments to work with centralised agencies (like the GWCL) for better services for its people.

Distributed monopoly, particularly in the government sector, is dominant, though in different forms, for example, in the form of deconcentration in the provision of water in Tamale and delegation in the provision of sanitation in the same district. We have observed from the case of Savelugu-Nanton that distributed monopoly evolves to pluralism where there are a conscious national policy and an enterprising local government.

Furthermore, there appears to be little consideration for the outcomes of decentralisation in terms of better services in Ghana. It appears that the goals of Ghana's decentralisation reforms are not directly linked to improvements in the provision of basic services. Reforms have focussed more on the general government structure of administration and less on service delivery agencies and their performance.

In addition, there is no consistency in ensuring that all forms of decentralisation, political, fiscal and administrative decentralisation are mutually supportive of each other<sup>106</sup>. All three forms are occurring at very different paces. Central government agencies have no guidance on how they can proceed with all forms of decentralisation either at the same time or in a clearly sequenced manner. The focus has been on establishing District Assemblies and not on reforming central government agencies.

We have also learned that pluralism is facilitated by considerations of manageable scale and technology in service provision. Furthermore, the case of water provision in the two districts show that decentralisation and pluralism make possible increases in coverage and reliability of services, efficiency and accountability to the benefit of users more than through distributed monopolies. Finally, access to aid appears to be a strong "carrot" in getting local governments to adopt more decentralised and plural approaches. This should be a subject of further investigation.

## **12.32 Revisiting the theoretical framework for analysing decentralisation**

Whereas the Cheema-Randinelli-Nellis-Silverman school emphasises the structural elements of decentralisation through the Type Function Framework (TFF), the Cohen-Peterson school, through the Administrative Design Framework (ADF) focuses on the concentration or distribution of roles. The former defines end states in the form of *types* of decentralisation (deconcentration, delegation, devolution); the latter produces an array of options from institutional monopoly to pluralism. We have reviewed various elements of the two schools in our analyses<sup>107</sup>. Our findings have a bearing on these frameworks.

### **12.321 Analysis by *types* of decentralisation**

#### ***Dynamic interactions, not static types of decentralisation***

As our cases have demonstrated, the compartmentalisation of *types* of decentralisation into deconcentration, delegation and devolution is too simplistic and should best be regarded as a theoretical guide in the examination of what happens on the ground. What happens in reality is more complex, more diverse and more dynamic. Various aspects of the provision of each basic service can have features of different types of decentralisation. Our study has revealed the need for a framework that reveals the intricacies of these diverse features for each service and for a combination of services for a given geographical area.

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<sup>106</sup> Reference to Parker's (1995) soufflé theory discussed in Chapter 2.

<sup>107</sup> We have also reviewed the dimensions of community engagement in decision-making as emphasised by the Enablement Framework (EF). Our analyses have nevertheless focused largely on the elements of the ADF and TFF.

Secondly, the notion of a hybrid of types of decentralisation should also be understood as an evolving phenomenon at any given point in time. A hybrid of types can exist for the provision of each service at the local level. Mapping a variety of hybrids will reveal a more intricate mix of types. Moreover, these can change from year to year depending on how political, administrative and fiscal matters are resolved in service provision. It is therefore important to have a framework that maps these dynamics as and when they occur, to determine whether a particular system/district/country is on course to achieve policy objectives. In effect, conclusions about types of decentralisation should reflect details about services and the dynamics of interaction between various actors over time. Analysis of decentralisation by types should therefore go further to reveal (possible) diversity and differences in various aspects of the institutional approach to the provision of each service, how these combine to reinforce each other, and how these are evolving, whether towards more decentralisation or centralisation.

### ***More emphasis on the process of decentralisation in analysis***

Thirdly, we observed the need for greater emphasis on the process of decentralisation and not just the end-state of *types* of decentralisation. Our cases have demonstrated that the process of implementing decentralisation reform is equally as important as its stated objective and design. We have observed that, while the objective of devolution is clearly stated in Ghana's policy documents, policy makers in the country are not addressing the challenges of the processes involved. There is for example no plan to sequence implementation of forms of decentralisation for each basic service towards the objective. The end-state has been fixed by the Ministry of Local Government and Rural Development, but the process has not been given the required attention. Elements of political, administrative and fiscal decentralisation are proceeding at varied stages in an uncoordinated manner and are at variance with Parker's (1995) soufflé. It is therefore important to have a framework that maps the process as well as the end-state at any point in time.

### ***Evolution of relationships and not one-time transfer of authority***

We also observed in chapter 2 that the Cheema-Randinelli-Nellis-Silverman school describe decentralisation in terms the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organisations or the private sector (Randinelli, 1999). Our cases have portrayed that decentralisation is about an evolution of power relations in a dynamic manner rather than a one-time transfer of power to subordinate agencies. The national public utility GWCL for example is a distributed monopoly in Tamale. It is reluctant to share powers with local government, the Tamale Municipal Assembly, in the provision of water. However, in the Savelugu Water System (SWS), the GWCL has virtually been contracted by a more enterprising local government (SNDA) to sell water to the SWS. In effect, power relations between the centre and districts are characterised by a great deal of diversity and dynamics. We therefore note the need to have a framework that captures the diversity and dynamics of power relations.

### ***Centralisation-decentralisation not either-or phenomenon***

Additionally, we have come across critical roles that are best played by central government agencies, including policy guidance, financing and regulating service provision by local governments and their partners. Another challenge therefore is to have a framework that captures the essential roles that need to be retained by central government agencies in decentralisation according to a set of criteria including economic characteristics of services, scale and technology considerations and elements of a sequencing plan.

### ***Always keep development outcomes in mind***

Our study has also emphasised that decentralisation reforms should be driven by the overall outcomes of development. We assessed the performance of two districts in Chapter 10 in this regard. We find that the dichotomy of national and local is essential in analysing the outcomes of decentralisation. As our cases have revealed, the district with the more decentralised and plural arrangements for service delivery performed better than the other with more centralised arrangements in the provision of water and sanitation. Thus, despite the need for some essential roles to be performed by the centre, central-local relations should be skewed towards more decentralisation rather than centralisation; and promote a brokerage role for local government in the provision of basic services.

## **12.322        Roles analysis**

### ***Dealing with transaction costs***

In advocating for the analysis of decentralisation from the roles perspective, the Cohen-Peterson school acknowledges the possibly high coordination costs involved in pursuing institutional pluralism. The challenge with high transaction costs in plural arrangements, particularly from regulation, is also mentioned by Euromarkets (2005). Our study finds that in the more successful Savelugu-Nanton case, transactions costs are reduced through pooling of skills among partners for specific tasks instead of hiring more staff. This way of reducing transactions costs may nevertheless need to be modified as the scale of service increases.

### ***Emphasis on local governance rather than local government***

We also note that there can be unrealistic assumptions about the personnel and financial capacity of private partners. The Savelugu-Nanton case has found a way around this by including staff of partners in its capacity development programmes. Its emphasis has been on building local rather than local government capacity. Nevertheless, there is the possibility of overstating the capacity of private partners in plural arrangements. Our study has revealed the need for a framework that monitors capacity gaps in both public and private agencies.

### ***Essential roles for local government: leadership, brokerage, oversight***

Our study has demonstrated the usefulness in mapping of roles in the analysis of decentralisation, particularly in identifying complementary roles at the centre to keep decentralisation on track and roles that the private (profit and not-for-profit) sector can play in service provision. We have also established how a particular role, like *financing*, can be shared by agencies at different levels of governance and how such roles can be coordinated. Above all, we have found the interrelated roles of leadership, brokerage and oversight as the most important roles in terms of how local government improves its performance in service provision. We therefore note the importance of having a framework that in a given context determines which roles various levels of government and their partners should perform.

### ***Pluralism, but with decentralisation***

The ADF focuses on three criteria for assessing outcomes, effectiveness, efficiency and accountability. In addition to these, we have determined the importance of assessing sustainability, particularly in financing and management arrangements; we also emphasised the assessment of possible influences on health. Our findings are consistent with the emphasis placed by the ADF on pluralism. Our point of departure is lies in our emphasis that pluralism should be in the context of decentralisation for better provision of basic services.

### ***Determining underlying factors***

Finally, our study notes the challenge of attribution in analysing the success or failures decentralisation in terms of development outcomes. In our study, we have relied on descriptive analytical approaches to do this. More work is required in the development of quantitative tools.

In sum, our analysis has shown ways in which the theoretical framework underlying the study can be enhanced. The challenge is to have a framework that strengthens the focus on development outcomes in decentralisation reforms, that is, views decentralisation as the means and not the end. In this regard, what is required is a framework that provides analytical tools for determining which balance in the distribution of roles and authority will enable the realisation of development objectives and outcomes (better health, literacy, higher incomes, etc.).

Such a framework should capture the diversity of various aspects of institutional approaches or types of decentralisation for the provision of each service; and of combinations of services for a given geographical area, and how these are evolving, whether towards more decentralisation or centralisation. It should map the process of decentralisation as well as the end-state at any point in time, including sequencing of reforms. The framework should also map the dynamics of interactions among various actors, including the diversity and dynamics of power relations and whether these add up to the achievement of a country's decentralisation objectives. It should link more strongly the distribution of roles and authority to considerations for service provision in a given spatial unit, particularly the economic characteristics of services, scale and technology considerations and elements of a sequencing plan – to determine which combinations of decentralisation and decentralisation are optimal in the achievement



of results. Finally, an improved framework should deepen the analysis of the role of local government in provision of service provision, in particular leadership, brokerage and oversight roles.

#### **12.4 An improved framework**

Based on the findings of our study, we propose two Tables on how the diversity and dynamics of decentralisation and pluralism can be discussed and presented in a logical way. The first, Table 12.5, presents a guide to analysts and practitioners in providing a snapshot view of the diversity of decentralisation and pluralism in a given spatial unit, including a given district and country. The second Table, Table 12.6 will enable tracking of changes in features of decentralisation and pluralism for the provision of services. Tracking can be done for specific time periods that are dictated by the sequencing plans of countries.

Based on our analytical framework (discussed in chapter 5) and findings, we emphasise in the two Tables, the mapping of the features of decentralisation and pluralism for the provision of each service and for combination of services for which local government has a role according to national laws. We propose four steps for the analysis of central-local relations in a logical way. The four steps will enable analysis of: (a) features of decentralisation and distribution of roles; (b) role of local government; (c) sequencing of reforms; and, (d) performance of systems.

The steps enable analysis of these four issues simultaneously and in a logical way. Sequencing of reforms, for example, can occur according to features of Step 2, with a range of options from deconcentration with distributed monopoly to devolution with pluralism. The ability local government to perform leadership, brokerage and oversight roles, though an integral part of roles analysis in Step 1, are also presented as resulting features of decentralisation in Step 2. This is to place emphasis on the importance of these roles as our study has found. Step 3, provides an opportunity to identify and analyse the intervening variables between decentralisation and performance, including capacity of local partners, scale of provision of services and choice of technology.

We place emphasis on Step 4 to ensure that decentralisation reforms aim at improving the performance of systems that provide basic services. At the end of the day, decentralisation reforms must contribute directly to improving the living standards of citizens.

**Table 12.5: Presenting a snap-shot view of diversity and results in decentralisation**

Features of central-local relations		Indicators (service and country specific)	Basic services (local government by law have role in their provision)			
			Each service		Combination of services	
			Goal	Reality	Goal	Reality
Step 1	<b>Forms of decentralisation</b> (political, administrative, fiscal decentralisation)  <b>Roles analysis</b> Role concentration in one organisation  Role distribution spatially but in one organisation Role sharing among actors, state and non state					
Step 2	<b>Resulting features</b> Deconcentration Deconcentration + pluralism Delegation + distributed monopoly Delegation + pluralism Devolution Devolution + distributed monopoly Devolution + pluralism Leadership role by local government Brokerage role by local government Oversight role by local government					
Step 3	<b>Intervening variables</b> Other variables (scale, technology, macro stability, etc.)					
Step 4	<b>Performance</b> Effectiveness Efficiency Accountability Sustainability Impact					

**Table 12.6: Presenting periodic changes in the diversity involved in decentralisation**

Features of central-local relations		Indicators (service and country specific)	Basic services (local government by law have role in their provision)			
			Each service		Year 3	Year 5
			Goal	Reality	Reality	Reality
Step 1	<b>Forms of decentralisation</b> (political, administrative, fiscal decentralisation)  <b>Roles analysis</b> Role concentration in one organisation  Role distribution spatially but in one organisation Role sharing among actors, state and non state					
Step 2	<b>Resulting features</b> Deconcentration Deconcentration + pluralism Delegation + distributed monopoly Delegation + pluralism Devolution Devolution + distributed monopoly Devolution + pluralism Leadership role by local government Brokerage role by local government Oversight role by local government					
Step 3	<b>Intervening variables</b> Other variables (scale, technology, macro stability, etc.)					
Step 4	<b>Performance</b> Effectiveness Efficiency Accountability Sustainability Impact					

## 12.5 The analytical framework and policy implications

We conclude the study with policy implications for the design and implementation of decentralisation. These are based on lessons from our application of the analytical framework to the two cases.

The first policy implication is the need to have unambiguous laws that define the type of decentralisation that a country is aiming for. Many countries have included the objectives of pursuing decentralisation in their Constitution. These need to be backed by specific laws that lay out the type of decentralisation that the country should pursue. In addition, laws establishing service delivery agencies and possible partnership arrangements should be made consistent with the specific laws that set out the nature of decentralisation reform.

The second policy implication is the need for specific policies to guide implementation of laws on decentralisation. Policies should set out the process of implementing reforms as well as instruments that various levels of government will adopt to ensure implementation of the reforms, including fiscal instruments, institutionalisation of participation and management of staff. Policies should also provide guidance on partnership arrangements for service delivery. Existing policies on the provision of services should be revised in this regard.

The third policy implication of our study is the need to formulate an implementation plan in support of decentralisation laws and policies. As noted from the two cases, there is likely to be a deviation from the original objective of decentralisation if there is no conscious adherence to road-map or sequencing plan. The road-map should include details of how and when to implement the various forms of decentralisation and should be monitored at frequent intervals.

The fourth policy implication is the need for an incentive framework to ensure that local governments play the roles that are expected of them by law; as well as disincentives for central government agencies to avoid competing with local governments over the same tasks. The incentive framework should promote roles that our study has highlighted as essential in the provision of services, including leadership, brokerage and oversight. As discussed, grants from donors have been used to create such a framework in Savelugu-Nanton.

We also note the need for frequent monitoring of improvement in services and other development outcomes. We must keep an eye on the purpose of decentralisation in making life better for citizens.

Finally, this study has learnt about factors that stand out as influencing performance and concludes by emphasising the following in the design of central-local relations in the provision of basic services in Ghana:

- a) Ensure that decentralisation reform covers all forms, so that the resulting type of decentralisation meets the challenges of service provision at the local level;
- b) Develop arrangements for service provision that include rather than exclude actors outside local government, including NGOs and private operators, whether small or large scale; pluralism performs better;
- c) Match the preferred scale and technology for providing services with available local capacity (capacity available in the area, both in and out of government);
- d) Aim at deepening local accountability in decentralisation reforms;
- e) Focus on leadership, brokerage and oversight roles for local government in the design of reforms; these are critical to expanding basic services.

The observation by one of the managers of GWCL, the deconcentrated public utility, is particularly relevant to the conclusion of this study: that reform of agencies that deliver basic services must be in the context of decentralisation; that in the provision of water in urban districts, reforms should promote flexibility for greater partnerships at the decentralised level of governance, particularly with larger roles for local government; and that “more local and shared arrangements are needed to determine options for scale of service provision, reduce leakages, mobilise local skills and funds, and above all improve service delivery”<sup>108</sup>.

Future success will also depend on how well the leaders of local governments adapt to changes in the development environment, particularly the expanding role of the non state sector in the provision of basic services. For this to occur, central-local relations in Ghana will need to continue to evolve; evolve towards greater decentralisation and pluralism.

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<sup>108</sup> The Northern Regional Manager of the GWCL, August 2003, Tamale.

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[www.wsp.org](http://www.wsp.org)

[www.who.int/water\\_sanitation\\_health/index.htm](http://www.who.int/water_sanitation_health/index.htm)

[www.sanicon.net/titles/topicintro.php3?topicId=2](http://www.sanicon.net/titles/topicintro.php3?topicId=2)

[www.socialresearchmethods.net/kb/scalthur.htm](http://www.socialresearchmethods.net/kb/scalthur.htm)

[www1.worldbank.org/publicsector/decentralization/WATER.htm](http://www1.worldbank.org/publicsector/decentralization/WATER.htm)

## Annexes

### Annex 4.1: Options for Private Sector Participation

Sources of information:

- <http://www.worldbank.org/devforum/toolkit.html>
- <http://www.worldbank.org/html/fpd/water/topics/bench/wup.html>
- <http://www.worldbank.org/html/fpd/wstoolkits>
- <http://www.worldbank.org/watsan/pdf/keyprinciples.pdf>
- Idelovitch and Ringskog (1995)
- Roth (1987)

The “Dublin principles” lay the ground for options in the institutional arrangements for service provision. The general literature outlines the range of options - from government ownership and management to private ownership and management. Options range from public to private ownership.

#### **(I) Public ownership:**

- a) Management contracts: the public agency retains responsibility for service provision, but arranges for private management giving the private company freedom for day-to-day management decisions without commercial risks. The private contractor acts at all times on behalf of the public authority. The contractor has no legal relationship with the consumer. The public sector retains financial responsibility for the service and has to provide funds for working and investment capital. Compensation is usually based on improved efficiency, volume of water produced, improved collection rates, and reduction of unaccounted for water. In many cases, management contracts precede longer-term leasing or concession arrangements, by strengthening accounting and consumer records and information on physical facilities. The management contract may include a productivity bonus or a share of the profits.
- b) Contracting: where a government agency is responsible for the whole sector, some activities can be contracted out to private firms. The public authority retains overall responsibility for operation and maintenance of the system, except for specific limited scope of services that are contracted out or outsourced. The public authority bears all the commercial risk and finances fixed assets and working capital. The responsibility of the private sector is limited to management of its own personnel and services efficiently. Public authorities that plan to use service contracts extensively may need to undergo some changes to fulfil their new role, which shifts from execution to supervision. Institutional reforms may be required to decentralise control, to provide technical assistance at the local level, to enforce standards for quality control, and to manage staffing changes. Multiple contracts ensure adequate competition and enable the water authority to compare costs and performance on an ongoing basis. A benefit of service contract is the direct link between work performed and compensation.
- c) Lease contracts: also known as *affermage*, are arrangements where a private operator rents the facilities from the public authority for a certain period and is responsible for operation, maintenance, and management of the system. The

public authority, which remains the sole owner of the assets, is responsible for capital expenditures for new projects, replacement of major works, debt service, and tariffs and cost recovery policies. Leaseholders are responsible for all operation, maintenance functions, including offices, vehicles and spare parts, renewals, and replacements as well as for billing, collection, and financing working capital. Risks are limited. In most cases, the public sector assumes the capital investments risk, and the leaseholder, the commercial risk.

- d) **Concessions:** In a concession, the contractor or concessionaire has overall responsibility for services, including operations, maintenance and management, as well as capital investments for the expansion of services. The fixed assets however remain the property of government, but are entrusted to the concessionaire for the duration of the concession contract and must be returned in the same condition at the end of the concession period. The advantage of combining responsibility for operations and investments in the same entity is that it provides an incentive to the operator to make efficient investment decisions because their consequences will affect it directly. It also provides an incentive for technological innovations, as the operator will directly benefit from efficiency improvements.
- e) **Franchising:** government can issue a competitive bid for a franchise for service provision by the private sector at specified standards and tariffs. Water is provided in France in such a manner.
- f) **Consumer cooperatives:** these are self-governing voluntary organisations that are especially active where the private for-profit sector is weakest. Governments have worked with and through voluntary organisations to provide water and sanitation in several low-income communities of Africa. Water cooperatives are to be found in most developing countries, and although not all have been successful, many have made significant contributions to the development of water supply and other public services. They can be particularly helpful at the village level, where informed consumers, sharing common interests within small communities, can take the place of the professional management that can be afforded only by large systems.

***Private ownership:***

- a) **BOOT (Build-Own- Operate-Transfer) contracts:** under a BOOT contract, a firm or consortium of firms finances, builds, owns, and operates a specific new facility or system. After a predetermined period, ownership of the facility is transferred to the public authority. They are particularly applicable to new plants that require large amounts of financing, e.g. large water treatment plants or wastewater treatment plants. A slight variation of the BOOT is the BOT, where ownership is transferred to the public sector as soon as the facility is completed, and the function of the private firm is only to build and operate it. Another variation is BOO, where ownership is not transferred to the public sector but remains with the private firm that builds and operates the facility.
- b) **Reverse BOOT:** in countries where economic or political risks are high, the private sector may not be interested in participating in a BOOT bidding or may

request very high risk premiums in return for their participation. In such cases, the public sector may finance and build the plant, contract it to the private sector over a long period of time. To acquire the plant gradually, the private firm pays an annual fee to the public authority, which usually covers the full debt service of the entire investment cost.

- c) Joint ownership: under a joint ownership, a private sector firm and the public authority incorporate a firm. The public authority may keep a golden share, which entitle it to special powers that may be used only in specific situations. Corporate agreements spell out how profits/losses will be shared. Successfully jointly owned can establish creditworthiness and raise capital by floating bonds or issuing not. This has the advantage of limiting public sector debt. In countries with a weak regulatory tradition, joint ownership may satisfy regulatory requirements because a board of directors that will have insight into the firm's operations represents the public sector.
- d) Outright sale: the sale and private ownership of water supply and sewerage systems may be prompted by the desire to completely separate ownership from operations and maintenance. Experience with full privatisation of water supply is limited, but shares of the company are usually sold on the stock market to private investors, exerting pressure for efficiency through the stock market.

## Annex 5.1: Key informants

Respondents	Issue	Source of data
Headquarters of MWH, MLGRD, GWCL, CWSA:		
4 Directors of Policy and Planning	(i) Nature of central-local relations of each: (urban water, semi-urban water, sanitation) using indicators of political, administrative, fiscal and partnerships	Official records, interviews using structured questionnaire
	(ii) Who does what	Official records, interviews using structured questionnaire
Regional level:		
2 Head of regional level managers from CWSA, GWCL	(i) + (ii)	Official records, interviews using structured questionnaire
District level:		
2 District Coordinating Directors, 2 District Planning Officers, 2 District Budget Officers, 2 District Environmental Health Officers, 1 District Head of GWCL, 2 District level engineers 4 NGOs and donor projects, 2 Private firms	a) Performance of each type of institutional arrangement	Official records, household survey using structured questionnaire, key informants interview using semi-structured questionnaires
	b) Assess success factors	Case study: Focus group discussion, key informants interview, official records
Sub district/ Community Level: 1 System Manager, 7 Water Board Members, 2 women leaders	a) Assess success factors	Case study: Focus group discussion, key informants interview, official records



## **Annex 5.2: Notes on Sampling**

### **Determining the sample size**

Assumptions:

Access to water at the district level = 55%-65%

Margin of error = 10%

Average household size = 6

Sample size required = 100 households for each district

Nevertheless, a larger sample was drawn due to the interest of the author to carry out other types of analysis, beyond the study, at the sub-district level in future.

A total of 766 respondents were interviewed in the same number of households, 402 from Tamale and 364 from Savelugu-Nanton.

### **Definition of sample strata**

Sample strata	Estimated population size	% of total	Sample
Savelugu-Nanton			
Savelugu UC	26,082	25.8%	94
Nanton	20,810	20.6%	75
Pong-Tamale	9,989	9.9%	36
Diare	13,041	12.9%	47
Moglaa	19,423	19.2%	70
Tampion	11,654	11.5%	42
Total	101,000	100.0%	364
Tamale			
South	208,433	60.9%	245
North	57,000	16.7%	67
Central	76,567	22.4%	90
Total	342,000	100.0%	402

### Annex 5.3: District selection criteria

Score 0-3					
	Representativeness	Ease of obtaining data	Proximity	Similar social characteristics	Total
Weight	2	1	1	1	
<b>Urban district:</b>					
Tamale	6 (3x2)	3	2	3	14
Tema	6 (3x2)	2	3	0	11
Accra Central	4 (2x)	2	3	1	10
<b>Semi-urban district:</b>					
Bawku East	6 (3x2)	2	1	2	11
Elmina	6 (3x2)	2	1	1	10
Savelugu-Nanton	6 (3x2)	3	2	2	13

### Annex 6.1: Water and Sanitation MDG in Ghana: Progress, and Costs

	POPULATION (2000)	ACCESS IN 1990		MDG GOAL			COST OF MDG (\$'M)
	Number (000)	Number (000)	%	Population (2015-w) (2020-sa)	<i>Number Access</i>	%	
<b>Water Supply (MDG: 2015)</b>							
Urban	8,278	4484	59	12,897	11,000	85	891
Rural	10,566	4543	43	15,303	12291	80	654
<b>Sanitation (MDG: 2020)</b>							
Urban	8,278	3349	40	15094	12629	84	722
Rural	10,566	1371	13	19,501	14,903	76	249

Source: MWH (2004)

## **Annex 6.2 Potable Water Facility Options and Standards in Ghana**

The various water facility technology options and standards are as follows:

<b>FACILITY</b>	<b>STANDARD</b>
<b>i. Hand Dug Wells with hand pumps:</b>	This is provided to communities with population less than 150
<b>ii. Boreholes fitted with hand pumps:</b>	This is provided to communities with population less than 300
<b>iii. Small piped systems:</b>	The various systems under pipe are boreholes with mechanized pumps, gravity systems, spring catchments, and surface water. Pipe systems are provided to communities from 2000 to 50,000 who are prepared to manage the piped system themselves.

The Small Towns are further categorized based on population threshold as follows:

<b>CATEGORY</b>	<b>POPULATION THRESHOLD</b>
<b>Category I</b>	2,000-5000
<b>Category II</b>	5,001-15,000
<b>Category III</b>	15,001-30,000
<b>Category IV</b>	30,001-50,000

## **Sanitation Facilities Options and Standards**

Provision of sanitation facilities is targeted mainly at individual households and institutions. The various technology options and their standards are as follows:

<b>FACILITY</b>	<b>STANDARD</b>
<b>VIP latrines</b>	Average of 8 persons per household latrine
<b>Pour/flush toilets</b>	Average of 8 persons per pour/flush toilet
<b>WC/Septic tank</b>	Average of 8 persons per water closet
<b>KVIP latrines</b>	Average of 50 persons per squat hole

## Annex 9.1: Scoring features of central-local relations

Indicators are derived from a wide range of literature<sup>109</sup> (see summary in Chapter 3 and 5). A scale of 0 (minimum score) to 4 (maximum score) is applied. The sum is presented for each form of decentralization as well as for a combination of all three forms (giving an indication of the extent of decentralisation).

Features of central-local relations		SAVELUGU-NANTON		TAMALE	
Features	Indicators		score		score
<b>Political</b>	Involvement of consumers/civic associations in stages of service delivery	medium ranking - at the level of involvement in planning, financing and management (using Holleinstein's typology)	3	low ranking - at the level of "legitimation" (using Holleinstein's typology) for both water and sanitation	1
<b>Administrative</b>	Leadership by local government in setting targets	Partial for water; yes for sanitation	3	No, for water; yes for sanitation	1
	Leadership by local government in setting standards	None	0	None	0
	Responsibility for hiring, firing and wages over staff	national responsibility	1	national responsibility	1
	clarity of responsibilities	mixed but pluralism and sequencing plan towards greater pluralism for both water and sanitation	3	clarity but centralised and concentrated roles within a deconcentrated structure for water; for sanitation role towards decentralisation	2
	Local responsibility for planning, O&M	planning, O&M for both water and sanitation	4	O&M only for water; planning and O&M for sanitation	3
	Responsibility for regulatory framework	enforces nationwide+local leadership for water and sanitation	2	national for water and sanitation	1
<b>Fiscal</b>	Investment in sector financed and earmarked by central transfers	Partial for both water and sanitation	2	Yes for water; partial for sanitation	1
	Investment in sector financed by central but controlled by district	Partial for both water and sanitation	2	No for water; partial for sanitation	1
	local expenditure on sector financed from local revenues	>1% for both water and sanitation	0	>1% for both water and sanitation	0
	share of revenue in sector raised and managed by district	All for both water and sanitation	4	Partial for water; all for sanitation	3
<b>Partnerships</b>	Responsibility for managing partnerships	district responsibility for both water and sanitation under national guidelines	3	national responsibility for water; district responsibility for sanitation under national guidelines	2
	responsibilities devolved to partner	combination: to town councils, NGOs, communities	3	Limited for water NGOs coming in where GWCL fails; for sanitation partial	2
	coordination mechanism	regular planned meetings	3	limited information exchange	1
	co-financing arrangement	user fees+local govt	3	user fees+central govt for water; user fees + local government for sanitation	2
	competition	multiple firms for water; domination of SNDA for sanitation	3	monopoly for water; domination of TMA for sanitation	2
<b>Total score</b>			<b>39</b>		<b>23</b>

<sup>109</sup> See for example, Ndegwa (2002).

## Annex 9.2a: Scoring extent of decentralisation in the provision of water

Extent of Decentralisation: Scale 1-4		SAVELUGU-NANTON		TAMALE	
Types of Dec.	INDICATORS	SCALE	score		score
Political	Involvement of consumers/civic associations in stages of service delivery	involvement in planning, financing and management	4	involvement in financing	2
	Leadership in setting targets	Partial	2	None	1
	Leadership in setting standards	None	1	None	1
Administrative	Responsibility for hiring, firing and wages over staff	national responsibility	2	national responsibility	2
	clarity of responsibilities	mixed but sequencing plan	3	clarity but centralised	2
	Local responsibility for planning, O&M	planning, O&M	4	O&M only	3
	Responsibility for regulatory framework	enforces nationwide+local leadership	3	national weak enforcement	2
	Responsibility for managing partnerships	partially district responsibility	3	national responsibility	2
Fiscal	local expenditure on sector financed and earmarked by central transfers				
	local expenditure on sector financed by central but controlled by district				
	local expenditure on sector financed from local revenues	>1%	1	>1%	1
	share of revenue in sector raised and retained by district				
Partnerships	investment				
	responsibilities devolved to partner	combination: to town councils, NGOs, communities	3	NGOs where GWCL fails	2
	coordination mechanism	regular planned meetings	3	limited information exchange	1
	co-financing arrangement	user fees+local govt	3	user fees+central govt	2
	competition	multiple firms	3	monopoly	1

35

22

## Annex 9.2b: Scoring extent of decentralisation in provision of sanitation

Scale 1-4		SAVELUGU-NANTON	TAMALE		
Types of Dec.	INDICATORS		score		score
<b>Political</b>	Involvement of consumers/civic associations in stages of service delivery	involvement in planning, financing and management	4	involvement in financing	2
	Leadership in setting targets	Partial	2	None	1
	Leadership in setting standards	None	1	None	1
<b>Subtotal</b>			7		4
<b>Administrative</b>	Responsibility for hiring, firing and wages over staff	district responsibility	4	district responsibility	4
	clarity of responsibilities	clear, and towards decentralisation	4	clear, and towards decentralisation	4
	Local responsibility for planning, O&M	planning, O&M	4	planning, O&M	4
	Responsibility for regulatory framework	national weak enforcement	2	national weak enforcement	2
	Responsibility for managing partnerships	district responsibility	4	district responsibility	4
<b>Subtotal</b>			18		18
<b>Fiscal</b>	local expenditure on sector out of total investment		1		2
	local expenditure on sector financed by central but controlled by district		2		2
	local investment on sector financed from local revenues	>1%	1	>1%	1
	share of revenue in sector raised and retained by district				
<b>Subtotal</b>			4		5
<b>Partnerships</b>	responsibilities devolved to partner	combination: to town councils, NGOs, communities + private sector	3	combination: to town councils + private sector	2
	coordination mechanism	regular planned meetings	3	irregular meetings	1
	co-financing arrangement	user fees+local govt	3	user fees+local govt	3
	competition	multiple firms	3	monopoly	1
<b>Subtotal</b>			12		7
<b>Total</b>			<b>41</b>		<b>34</b>

### **Annex 11.1: Composition of the Savelugu Water Board**

The following presents a list of members of the Water Board, their background and how each of them got on to the Board.

<b>Members</b>	<b>Background</b>	<b>How each of them got on to the board</b>
Alhassan Abukari	Businessman (Chairman)	Elected Assembly member
Kwabena Anim M (Secretary)	Teacher (Systems manager)	Elected Assembly member
Mohammed Mumuni	Civil servant (treasurer)	Elected Assembly member
Abukari Iddrisu Karl	Businessman (Board member responsible for sanitation)	Elected Assembly member
Alhaji Mbu Sumani	Businessman (member)	Elected Assembly member
Hajia Gurunpaga	Businesswoman (Board member responsible for sanitation)	
Mariama Abu	Businesswoman	Represents food sellers
Abukari Yakubu	Businesswoman	Nominated by SNDA
District Chief Executive	Mayor (ex officio)	Head of the district
District Coordinating Director	Civil servant (ex officio)	District manager



### **Annex 11.2: Respondents: SWS Case Study**

1. Dr Carl Osei (District Director of Health Services)
2. Abukari Abukari (District Guinea Worm Coordinator)
3. Eric Djokoto (District Engineer)
4. Mohmmmed Mumuni (Systems Treasurer)
5. Ahassan Abukari (Ag Board Chairman)
6. Kwabena Anim M (Ag Systems Manager)
7. Tuahir Sulemana (DWST Team Leader)
8. Abdulmumin Issahaku (Revenue collector)

## Annex 12: Questionnaires

### Annex 12.1 Questionnaire for local managers

#### Survey on type of decentralisation of water and sanitation in Ghana

##### Introductory Note

Decentralisation occurs in three main forms: political, administrative and fiscal. In combination, these forms manifest in a type of decentralisation or a hybrid of types. Types of decentralisation are mainly categorised into: deconcentration (the redistribution of functions to non central government levels within sector ministries or other sector-specific national agencies); delegation (the transfer of decision-making responsibility to semi-autonomous organisations not wholly controlled by the government, but ultimately accountable to it); and devolution (the transfer of decision-making responsibilities to quasi-autonomous units of local government with corporate status).

From the perspective of responsibilities, the ultimate of decentralisation is to move from concentration of roles in a particular level of government to pluralism among government and private organisations.

This survey seeks to analyse the types of decentralisation pursued in the delivery of water and sanitation in urban and semi-urban districts. The objective is to examine how differences in types of decentralisation, particularly in the concentration/distribution of roles and pluralism explain performance in the provision of water and sanitation in urban and semi-urban districts.

##### **Political decentralisation:**

1. How would you rank participation of consumers in delivery of water and sanitation services?

<b>Participation in:</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>None</b>
Planning				
Financing				
Maintenance				
Monitoring				

2. How would you rank participation of citizen associations in service delivery?

<b>Participation in:</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>None</b>
Planning				
Financing				
Maintenance				
Monitoring				

3. Name citizen associations involved:

4. Rank on a scale of five the effectiveness of civil society at keeping accountability in the water and sanitation sector (through budget monitoring, media discussions, etc.)

Not effective	1	2	3	4	5	Very effective

Administrative decentralisation:

5. Definition and clarity of responsibilities

6. Are key roles in service provision clearly defined and distributed within government?

Yes		No	
-----	--	----	--

7. Are there any roles for the private sector?

Yes		No	
-----	--	----	--

8. If yes, are private sector roles clearly specified?

9. Please complete the Table below

Outline stages in provision of water and sanitation and responsible agencies.

Roles in service provision	Is role defined by law/official operational guidelines?		If yes, which agencies are responsible?
	Yes	No	
Leadership			
Policy formulation			
Planning			
Budgeting			
Coordination			
Financing			
Operation (actual service delivery)			
Maintenance			
Regulation			
Oversight, monitoring			
Auditing			
Asset ownership			
Brokerage/partnership building and management			

10. If more than one agency is responsible for a role, explain how duplication and gaps are managed.

11. Are there mismatches between distribution of roles and skills and financial resource flows?

Yes		No	
-----	--	----	--

12. If yes, in what ways?

13. What has been the pattern of distribution of roles in the last five years?

Static	
Towards decentralisation in government	
Towards public-private partnerships	
Towards decentralisation in government and public-private partnerships	

14. Is there a sequencing plan towards greater decentralisation?

Yes		No	
-----	--	----	--

15. If no, why is there no consideration of further decentralisation?

Capacity of District Assembly for planning and coordination for water and sanitation

### Planning process at district-wide level

16. Describe approaches/procedures for district-wide planning and budgeting. (Please attach separate sheet if needed)

17. Describe the strengths and weaknesses of the approach/procedure for district-wide planning and budgeting

Strengths:

Weaknesses:

### **Planning process for water and sanitation**

18. Describe approaches/procedures for planning and budgeting for water and sanitation at the district level. (Please attach separate sheet if needed)

19. Are there mechanisms to promote participation in planning and budgeting?

20. If yes, outline these mechanisms to promote participation in planning and budgeting.

### **Staffing in planning and coordination**

21. How many staff are required for planning and coordination?

22. How many are at post?

23. What is the explanation for the gap?

24. Indicate (a) the level of professional skills and (b) existence of skills in planning, coordination and management of public private partnerships.

Position of professional staff	Qualifications	Years experience

Position of professional staff	Skills in:				
	Planning	Coordination	Monitoring	Contract development and management	Financial management

***Staff directly in water and sanitation:***

25. What tier of government is responsible for determining the salary and hiring of staff in the water and sanitation unit/agency at each level of government?

	National	Regional	District
Salary			
Hiring/Firing			

26. What is the ratio of existing technical staff vs. required? .....

27. What is the ratio of existing administrative staff vs. required .....

28. Indicate characteristics of staff responsible for water and sanitation who are at post and where they are located:

<b>Position of staff</b>	<b>Qualifications</b>	<b>Years experience</b>	<b>Location (national, regional, district)</b>

29. Indicate the existence of skills in sector planning, budgeting, other coordination, monitoring, contract management

<b>Position of staff</b>	<b>Skills in:</b>				
	Water and sanitation sector planning and budgeting	Coordination	Monitoring	Contract development and management	Operation and maintenance

### **Administrative structures**

30. Who does the district manager of water and sanitation report to and receive directives from?

District Chief Executive	
Head of a semi-autonomous/autonomous agency	
Regional manager of water and sanitation	

### **Approval of priorities**

31. Who approves the line item budget at each level of government?

National	
Regional	
District	

### **Regulation**

32. Is there a regulatory framework to guide service provision?

Yes ☐ No ☐

33. If yes, to what extent is the regulatory framework followed?

Not at all      1      2      3      4      5 A great deal

--	--	--	--	--

34. Who is responsible for setting targets/standards for service delivery?

35. Does the District Assembly have a role in setting targets/standards?

Yes ☐ No ☐

36. If yes, explain the role of the District Assembly?



***Fiscal decentralisation:***

37. List the revenues assigned to each level of government.

National:

Regional:

District:

38. Which tiers of government/semi-autonomous agency has the authority to access loans markets?

39. Are utility companies financially autonomous from local governments, or must the local government assume their liability?

Financially autonomous	
Liability assumed	

40. What share of revenue in sector is raised and retained by local government? \_\_\_\_\_

41. What proportion of local expenditure on sector is financed and controlled by central transfers? \_\_\_\_\_ Are transfers regular? \_\_\_\_\_

42. What proportion of local expenditure on sector is financed by central transfers but controlled by local government? \_\_\_\_\_ Are transfers regular? \_\_\_\_\_

43. What proportion of local expenditure on the sector is financed from local revenues? \_\_\_\_

44. What share of aggregate local expenditure on the sector does the local level have effective control over (i.e. can spend at their own discretion)? \_\_\_\_\_

45. Are local governments given unfunded mandates by higher level government units?

46. What percentage of the sector budget at local level is taken up by salaries?

## Assessing performance of decentralisation types in the provision of water and sanitation

From records:

### Assessing *Effectiveness*

Effectiveness will be measured by access to the three essential services in the provision of water and sanitation, that is, safe water, household latrines and public education on hand washing; and by changes in reliability of services in past five years.

Trends in access to safe water:

47. Indicate the proportion of the population without a safe water point (i.e. inside pipe, water vendor from a treated source, public standpipe, borehole, covered well)

	% population with access to:					
	Piped water	Borehole	Covered well	Uncovered well	River/stream	Other (specify)
2002						
2001						
2000						
1999						
1998						

48. Indicate the proportion of the population with safe water points that fail (dry up, break down, etc.) for most part of the year

	% population with access to safe water in the lean season
2002	
2001	
2000	
1999	
1998	

49. Indicate the proportion of the population without safe toilets (flush toilet (WC), Ventilated Improved Pit latrine (VIP))

	% population with access to:					
	Flush toilet (WC)	Ventilated Improved Pit (VIP)	Bucket/pan latrine	Traditional pit	No latrine	Other (specify)
2002						
2001						
2000						
1999						
1998						

50. Do you have public education programmes on hygiene and handwashing?

51. If yes, describe the content of and channels used for the programmes.

52. Who finances the programmes?
53. When did such programmes start?
54. What proportion of the population is covered by the programmes?
55. Have you assessed the impact of the programmes?
56. If yes, describe the impact in concrete terms.

### **Assessing Efficiency**

Efficiency will be measured by the time it takes to repair a broken-down facility, attraction of new investments and changes in the two factors in the last five years.

57. What percentage of water is lost through leakage (for piped systems)? \_\_\_\_\_
58. What percentage of water was lost through leakage five years ago? \_\_\_\_\_
59. What percentage of pipelines/wells/borehole is broken down?
60. What was the situation five years ago?
61. What percentage of pipelines/wells/boreholes dry up in the dry season?
62. What percentage dried up five years ago?
63. Who is responsible for the repair of broken-down water point (pipeline, handpump, etc.)?
64. On average, how long does it take to repair a broken-down water point (pipeline, handpump, etc.)? \_\_\_\_\_
65. How long did it take to repair a broken-down water point (pipeline, handpump, etc.) five years ago?
  - (a) Same period of time \_\_\_\_\_
  - (b) Shorter period of time \_\_\_\_\_
  - (c) Longer period of time \_\_\_\_\_
66. Indicate the investment in water in the last five years:

	Source of investment				
	District Assembly	Water company/board	Donor contributions	Direct community contributions	Total
2002					
2001					
2000					
1999					
1998					
Total					

67. Indicate the investment in sanitation in the last five years:

	Source of investment				
	District Assembly	Sanitation agency	Donor contributions	Direct community contributions	Total
2002					
2001					
2000					
1999					
1998					
Total					

### Assessing Accountability

Assessing accountability will focus on the direct involvement of citizens in service provision, as well as on feedback mechanisms that ensure that service providers respond to the demands of consumers.

68. How many external audits have been carried out in the last five years of the District Assembly and Water Company?

- (a) Financial audit of the District Assembly \_\_\_\_\_
- (b) Financial and technical audit of the District Assembly \_\_\_\_\_
- (c) Financial audit of the Water Company \_\_\_\_\_
- (d) Financial and technical audit of the Water Company \_\_\_\_\_

69. How many Assembly members were provided with copies of the audit reports?

70. How many of the audit reports have been discussed at District Assembly meetings? (Obtain Municipal and central government records on audits and minutes of meetings with Assembly members, community leaders to discuss audits)

71. State the procedure for awarding contracts for service delivery

Step in contracting	Responsibility

72. To what extent is the process of contracting competitive? (Rank on a scale of three)

Not competitive      1      2      3      Competitive

73. To what extent is the process of contracting transparent? (Rank on a scale of three)

Not transparent      1      2      3      Transparent

### ***Assessing Influence on health***

Influence on health will be determined through patterns of diseases that are a direct consequence of the lack and use of safe water and sanitation as well as the contribution of improved services to girl enrolment in basic school.

74. Indicate the trend of out-patient (OPD) attendance for malaria and typhoid and incidence of guinea worm in the last five years.

	OPD attendance for malaria	OPD attendance for typhoid fever	OPD attendance for cholera	Incidence of guinea worm
2002				
2001				
2000				
1999				
1998				

75. Indicate the trend of girl enrolment in basic education in the past five years:

	Primary school Gross enrolment rate for girls	Total primary school Gross enrolment rate	Junior secondary Gross enrolment rate for girls	Total junior secondary Gross enrolment rate
2002				
2001				
2000				
1999				
1998				

### ***Assessing Sustainability***

Sustainability will be measured by the proportion of local financing for operation and maintenance, local financing for new investments and use of local skills in operation and maintenance.

76. What proportion of the cost of operation and maintenance is financed by consumers?

77. What was the proportion five years ago?

78. What proportion of new investments is financed by:

- (a) Consumers \_\_\_\_\_
- (b) The District Assembly \_\_\_\_\_

79. What was the proportion five years ago?

80. What proportion of your technical staff (for operation and maintenance) are from:

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country

81. What was the situation five years ago?

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country

82. State whether the following features exists in the provision of the service:

	Feature exists	Feature does not exist
Clarity of responsibilities (especially for local government and the non state sector)		
More decentralisation		
Competition		
Structured participation		
Manageable scale and technology		
Transparent procedures		
Capacity of local government to undertake tasks		
Capacity of private sector to undertake tasks		

## Annex 12.2 Supplementary questionnaire for Tamale Metropolitan Assembly

1. Who is responsible for setting targets for delivery of:

a) Water \_\_\_\_\_

b) Sanitation \_\_\_\_\_

Fiscal decentralisation:

List the revenues assigned to the TMA.

Revenue sources	2002	2003
From National: - - - -		
Regional		
District - - -		
Others - - -		

2. What proportion of TMA's expenditure on water and sanitation is financed and controlled by central transfers? \_\_\_\_\_ Are transfers regular? \_\_\_\_\_
3. What proportion of TMA's expenditure on water and sanitation is financed by central transfers but controlled by TMA? \_\_\_\_\_ Are transfers regular? \_\_\_\_\_
4. What proportion of TMA's expenditure on water and sanitation is financed from local revenues? \_\_\_\_
5. What share of aggregate TMA's expenditure on water and sanitation does TAMA have effective control over (i.e. can spend at their own discretion)? \_\_\_\_\_
6. Are local governments given unfunded mandates by higher level government
7. units?

Trends in access to safe water:

8. Indicate the proportion of the population covered by safe water provision in the Tamale municipality (i.e. inside pipe, water vendor from a treated source, public standpipe, borehole, covered well)

	% population with access to:					
	Piped water	Borehole	Covered well	Uncovered well	River/stream	Other (specify)
2003						
2002						
2001						
2000						
1999						
1998						

9. Indicate the proportion of the population with safe water in the lean season (dry up, break down, etc.)

	% population with access to safe water in the lean season
2003	
2002	
2001	
2000	
1999	
1998	

### **Assessing Efficiency**

10. What percentage of water is lost through leakage (for piped systems)? \_\_\_\_\_

11. What percentage of water was lost through leakage five years ago? \_\_\_\_\_

12. What percentage of water points are broken down?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

13. What was the situation five years ago?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_



14. What percentage of water points dry up in the dry season?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

15. What percentage dried up five years ago?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

16. Who is responsible for the repair of broken-down water point?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

17. On average, how long does it take to repair a broken-down water point?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

18. How long did it take to repair a broken-down water point five years ago?

- (a) Same period of time \_\_\_\_\_
- (b) Shorter period of time \_\_\_\_\_
- (c) Longer period of time \_\_\_\_\_

19. Describe how rationing of water is carried by the GWCL in Tamale.

a) In the normal season

b) In the peak season

20. Indicate the investment in water in the last five years:

	Source of investment				
	District Assembly	Water company/ board	Donor contributions	Direct community contributions	Total
2003					
2002					
2001					
2000					
1999					
1998					
Total					

### ***Assessing Influence on health***

21. Indicate the trend of out-patient (OPD) attendance for malaria and typhoid and incidence of guinea worm in the last five years.

	OPD attendance for malaria	OPD attendance for typhoid fever	OPD attendance for cholera	Incidence of guinea worm
2003				
2002				
2001				
2000				
1999				
1998				

22. Indicate the trend of girl enrolment in basic education in the past five years:

	Primary school Gross enrolment rate for girls	Total primary school Gross enrolment rate	Junior secondary Gross enrolment rate for girls	Total junior secondary Gross enrolment rate
2003				
2002				
2001				
2000				
1999				
1998				

### **Assessing Sustainability:**

23. What proportion of the cost of operation and maintenance is financed by consumers?

24. What was the proportion five years ago?

25. What proportion of new investments is financed by:

- (a) Consumers \_\_\_\_\_
- (b) The District Assembly \_\_\_\_\_

26. What was the proportion five years ago?

27. What proportion of your technical staff (for operation and maintenance) are from:

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country

28. What was the situation five years ago?

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country

### 12.3 Supplementary questionnaire for Tamale Municipality GWCL

1. Describe approaches/procedures for planning and budgeting for water in the Tamale municipality. (Please attach separate sheet if needed)
  
2. Do you have any support for sanitation (sewerage, institutional sanitation, etc.)? If yes, state type of support, area covered and money involved.
  
3. What tier of government is responsible for determining the salary and hiring of staff in your agency (at your level of administration)?

Salary	
Hiring/Firing	

4. What is the ratio of existing technical staff vs. required? .....
5. What is the ratio of existing administrative staff vs. required .....
6. Indicate characteristics of management staff:

Position of staff	Qualifications	Years experience

7. Who approves the budget of your agency (at your level of administration)?

8. Is there a regulatory framework to guide service provision?

Yes ☐ No ☐

9. If yes, to what extent is the regulatory framework followed?

Not at all 1 2 3 4 5 A great deal

--	--	--	--	--	--

10. Who is responsible for setting targets/standards for service delivery?

Trends in access to safe water:

11. Indicate the proportion of the population covered by safe water provision in the Tamale municipality (i.e. inside pipe, water vendor from a treated source, public standpipe, borehole, covered well)

	% population with access to:					
	Piped water	Borehole	Covered well	Uncovered well	River/stream	Other (specify)
2003						
2002						
2001						
2000						
1999						
1998						

12. Indicate the proportion of the population with safe water in the lean season (dry up, break down, etc.)

	% population with access to safe water in the lean season
2003	
2002	
2001	
2000	
1999	
1998	

13. Do you have public education programmes?

14. If yes, describe the content of and channels used for the programmes.

15. Who finances the programmes?

### **Assessing Efficiency**

16. What percentage of water is lost through leakage (for piped systems)? \_\_\_\_\_

17. What percentage of water was lost through leakage five years ago? \_\_\_\_\_

18. What percentage of water points are broken down?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

19. What was the situation five years ago?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

20. What percentage of water points dry up in the dry season?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

21. What percentage dried up five years ago?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

22. Who is responsible for the repair of broken-down water point?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

23. On average, how long does it take to repair a broken-down water point?

- (a) Pipelines \_\_\_\_\_
- (b) Wells \_\_\_\_\_
- (c) Borehole \_\_\_\_\_

24. How long did it take to repair a broken-down water point five years ago?

- (a) Same period of time \_\_\_\_\_
- (b) Shorter period of time \_\_\_\_\_
- (c) Longer period of time \_\_\_\_\_

25. Describe how rationing of water is carried by the GWCL in Tamale.

a) In the normal season

b) In the peak season

26. Indicate the investment in water in the last five years:

	Source of investment				
	District Assembly	Water company/ board	Donor contributions	Direct community contributions	Total
2003					
2002					
2001					
2000					
1999					
1998					
Total					

### **Assessing Accountability**

27. How many external audits of GWCL Tamale have been carried out in the last five years?

28. How widely were the audit findings disseminated? (describe)

29. State the procedure for awarding contracts for service delivery

Step in contracting	Responsibility

30. To what extent is the process of contracting competitive? (Rank on a scale of three)

Not competitive      1      2      3      Competitive

31. To what extent is the process of contracting transparent? (Rank on a scale of three)

Not transparent      1      2      3      Transparent

### **Assessing Sustainability**

32. What proportion of the cost of operation and maintenance is financed by consumers?

33. What was the proportion five years ago?

34. What proportion of new investments is financed by:

- (a) Consumers \_\_\_\_\_
- (b) GWCL \_\_\_\_\_

35. What was the proportion five years ago?

36. What proportion of your technical staff (for operation and maintenance) are from:

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country



37. What was the situation five years ago?

- (a) The District
- (b) Region
- (c) Accra
- (d) Hired from outside the country

## 12.4 Questionnaire for national and regional managers

Survey on type of decentralisation of water and sanitation in Ghana

### Introductory Note

Decentralisation occurs in three main forms: political, administrative and fiscal. In combination, these forms manifest in a type of decentralisation or a hybrid of types. Types of decentralisation are mainly categorised into: deconcentration (the redistribution of functions to non central government levels within sector ministries or other sector-specific national agencies); delegation (the transfer of decision-making responsibility to semi-autonomous organisations not wholly controlled by the government, but ultimately accountable to it); and devolution (the transfer of decision-making responsibilities to quasi-autonomous units of local government with corporate status).

From the perspective of responsibilities, the ultimate of decentralisation is to move from concentration of roles in a particular level of government to pluralism among government and private organisations.

This survey seeks to analyse the types of decentralisation pursued in the delivery of water and sanitation in urban and semi-urban districts. The objective is to examine how differences in types of decentralisation, particularly in the concentration/distribution of roles and pluralism explain performance in the provision of water and sanitation in urban and semi-urban districts.

### *Political decentralisation:*

1. How would you rank participation of consumers in the delivery of water and sanitation?

Participation in:	High	Medium	Low	None
Planning				
Financing				
Maintenance				
Monitoring				

2. How would you rank participation of citizen associations in service delivery?

Participation in:	High	Medium	Low	None
Planning				
Financing				
Maintenance				
Monitoring				

3. Rank on a scale of five the effectiveness of civil society at keeping on accountability in the water and sanitation sector (through budget monitoring, media discussions, etc.)

Not effective	1	2	3	4	5	Very effective

**Administrative decentralisation:**

Definition and clarity of responsibilities

4. Are key roles in service provision clearly defined and distributed within the sector?

Yes		No	
-----	--	----	--

5. Are there any roles for the private sector?

Yes		No	
-----	--	----	--

6. If yes, are private sector roles clearly specified?

Please complete the Table below

7. Outline stages in provision of water and sanitation and responsible agencies.

Roles in service provision	Is role defined by law/official operational guidelines?		If yes, which agencies are responsible?
	Yes	No	
Leadership			
Policy formulation			
Planning			
Budgeting			
Coordination			
Financing			
Execution (actual service delivery)			
Regulation			
Oversight, monitoring			
Auditing			
Asset ownership			
Brokerage/partnership building and management			

8. If more than one agency is responsible for a role, explain how duplication and gaps are managed.

9. Are there mismatches between distribution of roles and skills and financial resource flows?

Yes ☐ No ☐

10. If yes, in what ways?

11. What has been the pattern of distribution of roles in the last five years?

Static	<input type="checkbox"/>
Towards decentralisation in government	<input type="checkbox"/>
Towards public-private partnerships	<input type="checkbox"/>
Towards decentralisation in government and public-private partnerships	<input type="checkbox"/>

12. Is there a sequencing plan towards greater decentralisation?

Yes ☐ No ☐

13. If no, why is there no consideration of further decentralisation?

14. Capacity for planning and coordination for water and sanitation

15. Indicate (a) the level of professional skills and (b) existence of skills in planning, coordination and management of public private partnerships.

Position of professional staff	Qualifications	Years experience

Position of professional staff	Skills in:				
	Planning	Coordination	Monitoring	Contract development and management	Financial management

16. What tier of government is responsible for determining the salary and hiring of staff in the water and sanitation unit/agency at each level of government?

	National	Regional	District
Salary			
Hiring/Firing			

#### Administrative structures

17. Who does the district manager of water and sanitation report to and receive directives from?

District Chief Executive	
Head of a semi-autonomous/autonomous agency	
Regional manager of water and sanitation	

#### Approval of priorities

18. Who approves the line item budget at each level of government?

National	
Regional	
District	

**Regulation**

19. Is there a regulatory framework to guide service provision?

Yes ☐ No ☐

20. If yes, to what extent is the regulatory framework followed?

Not at all	1	2	3	4	5 A great deal
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

21. Who is responsible for setting targets/standards for service delivery?

22. Does the District Assembly have a role in setting targets/standards?

Yes ☐ No ☐

23. If yes, explain the role of the District Assembly?

**Fiscal decentralisation**

24. Is there a clear assignment of expenditure functions to each level of government?

25. List the functions assigned to each level of government

(a) National:

(b) Regional:

(c) District:

26. Are any functions assigned to multiple levels of government? List these.

27. Is there a clear assignment of revenues to each level of government?

28. List the revenues assigned to each level of government.

(a) National:

(b) Regional:

(c) District:

29. Which tiers of government/semi-autonomous agency has the authority to access loans markets?

30. Are utility companies financially autonomous from local governments, or must the local government assume their liability?

Financially autonomous	
Liability assumed	

Are local governments given unfunded mandates by higher level government?

31. What percentage of the sector budget at local level is taken up by salaries?

32. State whether the following features exists in the provision of the service:

	<b>Feature exists</b>	<b>Feature does not exist</b>
Clarity of responsibilities (especially for local government and the non state sector)		
More decentralisation		
Competition		
Structured participation		
Manageable scale and technology		
Transparent procedures		
Capacity of local government to undertake tasks		
Capacity of private sector to undertake tasks		



## 12.5 Questionnaire to assess partnerships

Survey on type of decentralisation of water and sanitation in Ghana

Respondents: Agencies directly involved in service delivery

### **Introductory Note**

Decentralisation occurs in three main forms: political, administrative and fiscal. In combination, these forms manifest in a type of decentralisation or a hybrid of types. Types of decentralisation are mainly categorised into: deconcentration (the redistribution of functions to non central government levels within sector ministries or other sector-specific national agencies); delegation (the transfer of decision-making responsibility to semi-autonomous organisations not wholly controlled by the government, but ultimately accountable to it); and devolution (the transfer of decision-making responsibilities to quasi-autonomous units of local government with corporate status).

From the perspective of responsibilities, the ultimate of decentralisation is to move from concentration of roles in a particular level of government to pluralism among government and private organisations.

This survey seeks to analyse the types of decentralisation pursued in the delivery of water and sanitation in urban and semi-urban districts. The objective is to examine how differences in types of decentralisation, particularly in the concentration/distribution of roles and pluralism explain performance in the provision of water and sanitation in urban and semi-urban districts.

**Purpose of questionnaire: To ascertain the existence of results-yielding attributes of a pluralist system. The questionnaire seeks to provide an answer to: Which features of the pluralist approach have determined the performance of semi-urban districts in the provision of water and sanitation, relative to the approach in urban municipalities?**

---

Name of agency:

Location and address:

Telephone:

Fax:

Email:

Position of respondent:

Year started operations in district:

Aspect of service delivery agency is involved in:

---

## Contribution to service delivery in district

1. What has been the contribution of your agency to provision of water and sanitation in the past five years?

### Water:

	Amount of money			Number of persons trained to improve service delivery
	Investment in operation	Investment in maintenance	Investment in expansion of service	
2002				
2001				
2000				
1999				
1998				

### Sanitation:

	Amount of money			Number of persons trained to improve service delivery
	Investment in operation	Investment in maintenance	Investment in expansion of service	
2002				
2001				
2000				
1999				
1998				

2. How many people have been served by your investments in the district?

### Water:

	Population served by your:		
	Investment in operation	Investment in maintenance	Investment in expansion of service
2002			
2001			
2000			
1999			
1998			

**Sanitation:**

	<b>Population served by your:</b>		
	Investment in operation	Investment in maintenance	Investment in expansion of service
2002			
2001			
2000			
1999			
1998			

**Contribution to skill availability for service delivery**

3. Indicate the number of staff of your agency with skills in the following?

<b>Skill area</b>	<b>No. of staff</b>
Planning	
Contract management	
Technical supervision	
Monitoring	
Financial management	
Community mobilisation/engagement	

**Participation in planning**

4. To what extent are private and non-governmental organisations involved in planning for service delivery?

Full participation in planning	
Partial participation	
Minimal participation	
No participation	

**Policy on scale**

5. What is the policy on the preferred scale of water systems?

Small underground systems	
Large dammed systems	
Others: specify	

6. Why is this scale preferred?

**Transparency, accountability and competition**

7. Do following features of transparency exist? Yes/No

Contract awarded by legally endorsed body	
Process of certifying completion of work observed	
Separation of responsibilities in awarding contract, quality monitoring and authorisation of payment	
Contract procedures have been made public	
Other transparency measures: specify	

8. Is competition in service delivery promoted? Yes/No

9. If yes, how is competition promoted?

Use of pre-qualification criteria	
Open selection processes	
Allocation of geographical areas to different contractors	
Others: specify	

10. Do the following features of accountability exist? Yes/No

Legal backing	
Oversight by political leaders	
Effective performance tracking and reporting	
Appointment of supervisor reserved for only District Assembly (without consent of the partner)	
Direct role of communities in assessing performance	
Arms length relationship between government and partners	
Others: specify	

## Strategy for partnerships

11. What are the strategies of the District Assembly to promote partnerships?

Matching funds	
Maintaining contingency capacity (e.g. for emergencies, as a bargaining point, to ensure competition, etc.)	Indicate contingency capacity:
Sharing of geographical areas with private sector for service provision	
Training programmes for both government and non government staff involved in service provision	
Creation of units/depts to promote and manage partnerships	
Others: specify	

12. If unit/dept exists within the District Assembly for the promotion and management of partnerships, which skills are available?

(investigate the exact role of unit/dept)

(investigate evidence and result of how local government has undertaken key roles, particularly, leadership, planning and coordination, financing, oversight and brokerage)

## Effects

13. What is the effect of partnerships on the cost of service provision?

Cost of water per litre before and during partnership	
Cost of unit of sanitation facility before and during partnership	
Introduction of piped system	(Indicate coverage)
Expansion of piped system	(Indicate coverage)
Other: specify	

(Investigate economic capacity of partner(s) to meet the challenge of achieving total coverage in the shortest possible time)

## Financial standing of agency

14. What is the source of your investments?

Own capital	
Bank finance	
Central government	
Local government	
Donors (specify)	
Others: specify	

## **Annex 12.6: Questionnaire for household heads**

### **Assessing performance of decentralisation types in the provision of water and sanitation**

Personal characteristics of household head:

Sex: M \_\_\_\_\_ F \_\_\_\_\_

No of household members: M \_\_\_\_\_ F \_\_\_\_\_

No of children (below 15 years) in household: M \_\_\_\_\_ F \_\_\_\_\_

Observe and make notes on the following:

a) Cleanliness of compound (running water, piled waste, etc.)

b) Distance from water point to house

c) Distance from toilet to house

Name of community and Area Council:

Assessing Effectiveness:

Effectiveness will be measured by access to the three essential services in the provision of water and sanitation, that is, safe water, household latrines and public education on hand washing; and by changes in reliability of services in past five years.

1. What is your main source of drinking water?

- (a) Inside pipe
- (b) Water vendor
- (c) Neighbour/private pipe
- (d) Public standpipe
- (e) Borehole
- (f) Covered well
- (g) Uncovered well
- (h) Dam
- (i) Dug-out
- (j) River/stream

2. Who provided the water facility?

- (a) Household provided/financed
- (b) Community provided financing
- (c) NGO provided/financed
- (d) District Assembly provided/financed
- (e) Joint provision/financing \_\_ : Specify partners \_\_\_\_\_

3. If household uses unsafe sources, why?

- (a) Distance \_\_\_\_\_
- (b) Waiting time \_\_\_\_\_
- (c) Cost \_\_\_\_\_
- (d) Taste \_\_\_\_\_
- (e) Other (specify) \_\_\_\_\_

4. How far is the main source of drinking water? Km \_\_\_\_\_ m \_\_\_\_\_

5. How long does it take to get there? \_\_\_\_\_ hours \_\_\_\_\_ minutes

6. If piped water, how many hours in a day/week do you have water supply?

- (a) \_\_\_\_\_ hours in a day
- (b) \_\_\_\_\_ days in a week

7. If borehole or covered well, how many months in year do you have water?

\_\_\_\_\_ months in a year

8. In case of irregular supply of potable water, what do you rely on?

9. How far is your source when there is irregular supply of potable water? Km \_\_\_\_\_ m \_\_\_\_\_

10. What was the main source of drinking water five years ago?

- (a) Inside pipe
- (b) Water vendor
- (c) Neighbour/private pipe
- (d) Public standpipe
- (e) Borehole
- (f) Covered well
- (g) Uncovered well
- (h) Dam
- (i) Dug-out
- (j) River/stream

11. How far was the main source of drinking water five years ago? \_\_\_\_\_

12. How long did it take to get there? \_\_\_\_\_ Hours \_\_\_\_\_ Minutes

13. How regular was the supply of drinking water to your household five years ago?

- (a) \_\_\_\_\_ Hours in a day
- (b) \_\_\_\_\_ Days in a week
- (c) \_\_\_\_\_ Months in a year

14. What kind of toilet facility does your household have/use?

- (a) Own flush toilet (WC)
- (b) Shared flush toilet (WC)
- (c) Ventilated Improved Pit latrine (VIP)
- (d) Kumasi Ventilated Improved Pit latrine (KVIP)
- (e) Traditional pit toilet
- (f) Bucket/pan
- (g) No facility (bush/field)

15. Who provided the toilet facility?

- (a) Household provided/financed
- (b) NGO provided/financed
- (c) District Assembly provided/financed
- (d) Joint provision/financing \_\_ : Specify partners \_\_\_\_\_

16. What kind of toilet facility did your household have five years ago?

- (a) Own flush toilet (WC)
- (b) Shared flush toilet (WC)
- (c) Ventilated Improved Pit latrine (VIP)
- (d) Kumasi Ventilated Improved Pit latrine (KVIP)
- (e) Traditional pit toilet
- (f) Bucket/pan
- (g) Communal (specify) \_\_\_\_\_
- (h) No facility (bush/field)
- (i) Other (specify) \_\_\_\_\_

17. When in a day and with what do you wash your hands? (tick answer by discussing the issue and not through a direct question)

When? \ With What?	Water only	Water and soap	Water and ash
Before eating			
After eating			
Before feeding your child			
After using the toilet			

18. Other events for washing hands and with what (specify) \_\_\_\_\_

19. If washes hands with water and soap/ash who advised you to wash your hands before meals or after using a toilet?

20. Did you observe the same hand-washing practices five years ago?



Assessing Efficiency:

Efficiency will be measured by frequency of breakdown, the time it takes to repair a broken-down facility, attraction of new investments and changes in the two factors in the last five years.

21. How often does your water point breakdown? (pipeline, handpump, etc.)
  - (a) In a month \_\_\_\_\_
  - (b) In a year \_\_\_\_\_
22. Who is responsible for the repair of broken-down water point (pipeline, handpump, etc.)?
23. On average, how long does it take to repair a broken-down water point (pipeline, handpump, etc.)? \_\_\_\_\_
24. How long did it take to repair a broken-down water point (pipeline, handpump, etc.) five years ago?
  - (a) Same period of time \_\_\_\_\_
  - (b) Shorter period of time \_\_\_\_\_
  - (c) Longer period of time \_\_\_\_\_
25. On average, how long does a person have to wait at the water point to fetch water?
  - (a) Dry season \_\_\_\_\_
  - (b) Rainy season \_\_\_\_\_
26. On average, how long did a person have to wait at the water point to fetch water five years ago?
  - (a) Dry season \_\_\_\_\_
  - (b) Rainy season \_\_\_\_\_

Assessing Accountability:

27. Assessing accountability will focus on the direct involvement of citizens in service provision, as well as on feedback mechanisms that ensure that service providers respond to the demands of consumers.
28. Are you invited to participate in making decisions on water supply and sanitation in your community? (Obtain evidence of recording e.g. minutes from civic associations)
29. If yes, what kind of discussions have you been involved in so far?



41. How many times did you have the diseases five years ago?

- (a) Fever (malaria) \_\_\_\_\_
- (b) Cholera \_\_\_\_\_
- (c) Guinea worm \_\_\_\_\_
- (d) Diarrhoea \_\_\_\_\_
- (e) Dysentery \_\_\_\_\_

42. (If there is a change in the incidence of diseases) What do you attribute to the change in the incidence of diseases?

43. Are all girls in your household in school?

44. Where all girls in your household in school five years ago?

45. (If there is a change in girl school enrolment) What would you attribute to the change in enrolment of girls in your household in school?

Assessing Sustainability:

Sustainability will be measured by the proportion of local financing for operation and maintenance, local financing for new investments and use of local skills in operation and maintenance.

46. How much did you contribute to install/construct the facility? \_\_\_\_\_ cedis

47. Do you contribute to the operation and maintenance of your water points and sanitation facilities?

48. How much and how often do you contribute? \_\_\_\_\_ cedis every \_\_\_\_\_

49. How is the facility for maintained/managed?

- (a) Separate bank account exists \_\_\_\_\_
- (b) Bookkeeping exists \_\_\_\_\_
- (c) Meetings to discuss account organised \_\_\_\_\_
- (d) Pays to Water Company \_\_\_\_\_

50. Are there times when the facility breaks down but there is money for repair?

51. Who operates and maintains your water and sanitation facilities?

52. How many are they?

53. Where were they recruited?

- (a) From district \_\_\_\_\_
- (b) From region \_\_\_\_\_
- (c) From Accra \_\_\_\_\_
- (d) From outside the country \_\_\_\_\_

54. Do you have a WATSAN Committee?

55. How many members are on the WATSAN Committee? Men \_\_\_\_\_ Women \_\_\_\_\_

56. Is the community able to pay for repairs?

## Executive Summary in English

### *Introduction*

The relations between central and local governments as well as with their partners in the delivery of services is the subject of this study. This subject is important in understanding the way institutions contribute to development, particularly given the argument that decentralisation accelerates poverty reduction through the delivery of basic services.

For many developing countries, the challenge faced in decentralisation is how to balance central-local relations in a way that improves the provision of basic services. A second challenge is how to strengthen partnerships with non state actors to expedite the delivery of services.

Decentralisation can sometimes lead to *pluralism* or to *distributed institutional monopoly*. Pluralism refers to a situation where decentralisation ensures that roles are shared by two or more organisations or institutions. Distributed monopoly refers to a situation where roles are distributed spatially (from the centre to the local government level), but concentrated in one organisation or institution.

In this study we explore the reality of balancing central-local relations in the provision of basic services in Ghana; the type of decentralisation that has emerged since the introduction of economic and institutional reforms in the late 1980s; and, whether it is characterised by distributed monopoly or pluralism. We further examine whether plural central-local relations, where they exist, perform better than monopoly arrangements in the delivery of basic services, with an emphasis on water and sanitation.

### *Hypotheses*

The theory on decentralisation provides a basis for formulating the hypotheses of the study. This theory clusters the analysis of decentralisation under the *structure* oriented Type Function Framework (TFF) by the Cheema-Nellis-Randinelli-Silverman school; the *roles* oriented analysis of decentralisation through the Administrative Design Framework (ADF) by the Cohen-Peterson school; and the Enablement Framework (EF). The argument of the TFF is that various combinations of the main *forms* of decentralisation, political, administrative and fiscal decentralisation result in *types* of decentralisation - deconcentration, delegation and devolution. The argument of the ADF is that various combinations of roles in service provision result in monopoly, distributed monopoly or pluralism at centralised or decentralised levels of governance. The argument of the EF is that local governments can perform better if they play an enabling rather than direct service provision role.

Based on a combination of the three frameworks a conceptual framework for the study is developed (see Figure 5.1) indicating that the features of central-local relations are revealed by the forms and types of decentralisation as well as by the distribution of roles. These combine to determine whether service provision is mainly through monopoly or plural arrangements. The resulting institutional arrangement

influences performance of local governments in the provision of services. The hypotheses of the study are formulated in this context.

The first hypothesis for the study is that *decentralisation in practice in Ghana does not reflect what is specified by the country's laws as devolution, but rather a mixture of deconcentration and delegation*. This hypothesis is tested for Ghana in general and for the water and sanitation in particular.

The second hypothesis is that *when pluralism emerges at the decentralised level of government, it yields better performance than the case of distributed monopoly*. The underlying idea is that decentralised decision-making can contribute considerably to improving the provision of water and sanitation.

### ***Research strategy and analytical framework***

Primary and secondary data are used to test the hypotheses. Two districts in Ghana are selected for this purpose - Tamale and Savelugu-Nanton districts. Tamale and Savelugu-Nanton have similar economic and social characteristics and are neighbours. Tamale is a one-town district whereas Savelugu-Nanton is a semi-urban district with a mix of small towns and rural settlements. Primary data was obtained from a survey of 402 and 364 households in Tamale and Savelugu-Nanton respectively as well as from 30 key informants from the two districts, their partners and central government agencies.

An analytical framework was developed (Figure 5.2) to define in a logical manner the way decentralisation influences the delivery of basic services: underlying legislation and policies serve as *inputs*; the emerging type of decentralisation and distribution of roles as the *immediate effects*; emerging institutional approaches to service delivery (monopoly, distributed monopoly, pluralism) at the decentralised level of governance as the *outputs*; and, improved performance in the delivery of services as the *outcomes*.

A set of indicators is selected for the levels of the analytical framework: at the level of *immediate effects* and *outputs*, indicators of the main forms of decentralisation (political, administrative and fiscal decentralisation) as well as indicators of the concentration/distribution of roles in service delivery; and at the level of *outcomes*, indicators of performance in service delivery – mainly from the perspective of users through assessing the effectiveness, efficiency, accountability, sustainability and possible influence on health that decentralisation is expected to bring in the provision of water and sanitation. These indicators are applied to the two study districts using data from the household survey, the key informants' interviews and an examination of official records.

### ***Findings***

Analysis of the data revealed that there are differences in the type of decentralisation as well as in the distribution of roles for the delivery of water and sanitation in the two districts. In terms of *inputs*, the Constitution and various laws define what type of decentralisation should be pursued, namely *devolution*. However, laws and policies that guide the delivery of water and sanitation present different types of decentralisation. Policies on provision of water, in particular emphasise the

role of a public enterprises, the Ghana Water Company Limited (GWCL) in urban districts like Tamale, and that of Community Water and Sanitation Agency (CWSA) in semi-urban districts like Savelugu-Nanton.

Overall, the *immediate effects* of legislation and policies in Savelugu-Nanton are seen in a more decentralised and plural approach to the delivery of water and sanitation than in the case of Tamale. This is particularly so for water, where GWCL has a deconcentrated approach to service delivery and has no partnership arrangement with local government, the Tamale Municipal Assembly (TMA); and where the TMA has also not initiated any partnership arrangement with the GWCL to improve the delivery of water. Regarding sanitation, both Savelugu-Nanton and Tamale have similar approaches to the delivery of sanitation – more towards decentralisation, but with responsibilities for staffing and in a partial way, funding, managed from above. We also ascertain that pluralism is beginning to emerge in the provision of sanitation in Savelugu-Nanton more than in Tamale, which has roles for service provision largely concentrated in the government structure.

In terms of *outputs*, the analyses show that the provision of water and sanitation in Savelugu-Nanton is through *delegation* and *pluralism* at the decentralised level of government. Roles are shared by more than one governmental institution, NGOs, private sector firms and community organizations. Roles are also spatially decentralised. This has resulted in Savelugu-Nanton reaping the benefits that plural arrangements for service delivery have brought - in the form of skills and resources from other actors who are not controlled by government.

In Tamale, water provision is through a combination of *distributed monopoly* and *deconcentration*. Roles are concentrated in the structure of the GWCL, but spatially distributed from its headquarters in Accra to Tamale. Provision of sanitation in Tamale is through *delegation* and *distributed monopoly* within the government structure. Extremely limited fiscal decentralisation as well as control by the centre of local government staff are disincentives for devolution in the two districts.

The first hypothesis is therefore confirmed - that decentralisation in practice in Ghana does not reflect what is specified by the country's laws as devolution. The design and implementation of reforms have led to a hybrid of types of decentralisation for the provision of each service. Furthermore, the distribution of roles differs in each of the two districts, even for the same service.

Regarding the second hypothesis, overall, the more decentralised and plural Savelugu-Nanton has performed better (from 1998 to 2003) in terms of *effectiveness*, *efficiency* and *accountability*. The findings are however not conclusive regarding *sustainability* and *influence on health*. Thus, the second hypothesis is partially confirmed.

Savelugu-Nanton is more effective than Tamale (for the 1998-2003 period of the study), particularly in increasing the coverage and reliability of water to the benefit of users. Savelugu-Nanton is also generally more efficient in the provision of water and sanitation, particularly in minimising water loss and in mobilising both local and external resources for investment. Savelugu-Nanton also performs better than Tamale in terms of local accountability. Savelugu-Nanton promotes more participation and better flow of information in the provision of services. This is essentially due to the

plural arrangement that has been adopted by the district for the provision of services. On the other hand, the Tamale approach promotes concentration of information and roles in the government structure, a feature that restricts accountability to consumers.

Sustainability appeared to be a challenge for both Tamale and Savelugu-Nanton approaches. The Savelugu-Nanton approach has the strength of using local skills for operation and maintenance, unlike Tamale, which relies heavily on skills from outside the district. Both cases also rely extensively on foreign support to expand their systems.

The picture regarding possible influence on health is not conclusive. Savelugu-Nanton has performed better in the prevention of the deadly cholera. Tamale on the other hand has performed better in the reduction of guinea worm.

Using more qualitative techniques, including key informants interviews and focus group discussions with experts as well as users, it was explored why Savelugu-Nanton is doing better in terms of *effectiveness*, *efficiency* and *accountability*; and why it is not lagging behind Tamale in terms of *sustainability* and *possible influence on health*.

A distinctive feature of the performance of two cases is the role that local governments play in operationalising decentralisation policies. We identified three roles that underlie the performance of the more successful Savelugu-Nanton district. These are leadership, brokerage and oversight roles.

We conclude that Savelugu-Nanton draws its strengths from the following:

- a. A local government that plays leadership, brokerage and oversight roles in the provision of services and that has instruments to pool skills and funds from other actors;
- b. Adoption of manageable scale and technology for providing services within the context of available local capacity (capacity available in the area, both in and out of government);
- c. Service provision that is decentralised to the lowest level of governance on the basis of efficiency considerations, which include the ability of the Savelugu Water Board to collect user charges and to promptly repair broken down facilities.
- d. Formulation of a clear objective of deepening local accountability of the service provider through the design of a water system that is accountable to local government and not to a distant national public utility. Through this arrangement, the Savelugu Water Board is able to convince consumers to pay more than user charges approved by the national Public Utility Regulatory Commission (but less than cost of vendor services). Thus, the Savelugu Water Board fully finances its operation and maintenance and increasingly, its component of expansion costs. Accountability to local government is also promoted by the adopted scale of service provision.
- e. Setting up of well defined plural arrangements for mobilising technical assistance and funds from NGOs, private consultants, central government and international aid agencies. Local managers indicate that Savelugu-Nanton had no choice but to “open up” to a variety of actors, including non state actors to provide safe water due to its lack of skills and funds.



## ***Conclusions***

The conclusion is that despite the same decentralisation framework for the entire country of Ghana, there is a great deal of diversity in the form the framework takes in the provision of services at the district level. National policies for delivery of basic services have all not been revised to support the objective of decentralisation. In the case of water, for which two central government agencies, the GWCL and CWSA have oversight responsibility, the decentralisation framework has had some influence on the approach used by one agency, the CWSA which was established in the heat of the reforms; and no influence on the other, the GWCL which was established long before the current wave of decentralisation reforms started. While the CWSA approach seeks a central role for local government in service delivery and thereby provides mainly policy and funding roles to local governments, the GWCL operates in a deconcentrated manner having almost no institutional links with local government. By operating under GWCL, Tamale for example, does not enjoy the benefits that decentralisation and pluralism bring, unlike Savelugu-Nanton, which has significantly increased coverage and reliability of services in recent years.

There is also diversity even where just one central agency has oversight responsibility. In the case of provision of sanitation, the two districts use decentralised approaches for service delivery due to the existence of one central government agency, the Ministry of Local Government & Rural Development, which is responsible for policy guidance for all districts. Nevertheless, Savelugu-Nanton has adopted more plural institutional approaches for service delivery.

The conclusion is that despite a pull from the centre, local governments are able to deepen decentralisation through the roles they choose to play. A passive local government, as in the case of Tamale regarding water provision, neither positions itself nor develops instruments to work with centralised agencies (like the GWCL) for better services for its people.

There is also no consistency in ensuring that all forms of decentralisation, political, fiscal and administrative decentralisation are mutually supportive of each other. All three forms are occurring at very different paces. Central government agencies have no guidance on how they can proceed with all forms of decentralisation either at the same time or in a clearly sequenced manner. The focus has been on establishing District Assemblies and not on reforming central government agencies.

Moreover, there appears to be little consideration for the outcomes of decentralisation in terms of better services. It appears that the goals of Ghana's decentralisation reforms are not linked directly to improvements in provision of basic services. Reforms have focussed more on the government administrative structure and less on service delivery agencies and their performance.

## ***Revisiting the theoretical frameworks***

The findings of the study have a bearing on frameworks that are used to analyse decentralisation. The research has indicated the need to emphasise the following elements in such frameworks:

- The dynamic interactions that are at play in central-local relations and not only the static types that are usually characterised (for example as deconcentration, delegation and devolution);
- Decentralisation as an evolution of relationships and not a one-time transfer of authority;
- Deeper analysis of the process of decentralisation and of approaches to sequencing reforms;
- Analysis of the outcomes of decentralisation reforms in terms of whether more basic services are being provided to citizens in a better way;
- Local governance rather than local government due to the effects of pluralism in service provision;
- Deeper analysis of the essential roles for local government in the provision of services, particularly leadership, brokerage, oversight roles;
- Analysis of the role of pluralism in deepening decentralisation.

Furthermore the study proposes four steps for the analysis of central-local relations in a logical way. These are demonstrated in Tables 12.5 and 12.6. The four steps enables analysis in a simultaneous and logical way the: (a) features of decentralisation, including distribution of roles; (b) role of local government; (c) sequencing of decentralisation reforms; and (d) performance of service delivery systems at the decentralised level of governance.

## Samenvatting in het Nederlands

### *Introduction*

De relaties tussen de centrale en de lokale overheid en de relaties met hun partners bij het verlenen van diensten zoals drinkwater en riolering zijn het onderwerp van dit proefschrift. Dit onderwerp is belangrijk om te begrijpen hoe instituties bijdragen aan ontwikkeling. Met name het argument dat decentralisatie helpt om de armoede te verlichten zal onder de loupe worden genomen.

Voor veel ontwikkelingslanden is de uitdaging van decentralisatie hoe de relaties tussen de centrale en de lokale overheid in evenwicht te houden en daardoor de dienstverlening aan de burgers te verbeteren. Een tweede uitdaging is om partnerships aan te gaan met particuliere organisaties die kunnen helpen om de dienstverlening te verbeteren.

Decentralisatie kan leiden tot *pluralisme* of tot *distributed institutional monopoly*. Pluralisme refereert aan een situatie waar decentralisatie er voor zorgt dat de rollen gedeeld worden door twee of meer organisaties. Distributed monopoly refereert aan een situatie waar de rollen ruimtelijk verdeeld zijn tussen de centrale overheid en de lokale overheid, maar geconcentreerd blijven in een organisatie.

In deze studie wordt deze balanceer act tussen de centrale en lokale overheid met betrekking tot het verschaffen van basisvoorzieningen bestudeerd in een ontwikkelingsland, Ghana. Het gaat er om welk type decentralisatie er uiteindelijk uitgekomen is na de economische en institutionele hervormingen van de tweede helft van de jaren tachtig. Is dit *pluarisme* of *distributed institutional monopoly*? Verder wordt nagegaan of pluralistische relaties tussen de centrale en de lokale overheid resulteren in een betere prestatie dan monopoly arrangements als het gaat om het voorzien in basisvoorzieningen en met name drinkwater en riolering.

### *Hypothesen*

Op grond van theorieën over decentralisatie zijn enkele hypothesen geformuleerd. Deze theorieën zijn of meer *structure* oriented zoals het Type Function Framework (TFF) van de Cheema-Nellis-Rondinelli-Silverman school; of meer op de *rollen* van de actoren gericht zoals het Administrative Design Framework (ADF) van de Cohen-Peterson school. Als derde theoretische stroom wordt het Enablement Framework (EF) van Helmsing gebruikt. Het argument van de TFF school is dat verschillende combinaties van de belangrijkste *vormen* van decentralisatie, politieke, administratieve en fiscale decentralisatie resulteren in verschillende *types* decentralisatie, namelijk: deconcentratie, delegatie en devolutie. Het argument van de ADF school is dat verschillende combinaties van rollen in de voorziening van diensten resulteert in een (machts) monopolie, een distributed (machts) monopolie of in pluralisme op het gedecentraliseerde bestuursniveau. Tenslotte beweert de EF dat de lokale overheid betere prestaties kan leveren indien het zich toelegt op het faciliteren van de dienstverlening.

Gebaseerd op een combinatie van deze drie denkkaders is een conceptueel kader voor de studie ontwikkeld (figuur 5.1) dat de belangrijkste aspecten van de relaties tussen het centrale en lokale niveau weer geeft, als verschillende vormen en typen van decentralisatie en van de verdeling van de rollen tussen beide overheidsniveaus.

De eerste hypothese voor de studie is dat *decentralisatie in de Ghanese praktijk niet weer geeft wat gespecificeerd is in de wetten van het land, namelijk devolutie, maar veeleer een mengeling is van deconcentratie en delegatie*. Deze hypothese is getest voor Ghana in het algemeen en voor de voorziening van drinkwater en riolering in het bijzonder. De onderliggende gedachte is dat gedecentraliseerde besluitvorming in aanzienlijke mate bij kan dragen aan het verbeteren van de dienstverlening.

De tweede hypothese is dat *indien pluralisme zich manifesteert op het gedecentraliseerde niveau dit leidt tot betere prestaties wat betreft het voorzien van basisvoorzieningen dan in het geval van een (distributed) monopolie*.

### ***De research strategie en het analytische kader***

Gebruik wordt gemaakt van zowel primaire als secundaire data om de hypothesen te toetsen. Twee districten, Tamale en Savelugu-Nanton zijn voor dat doel geselecteerd. Zij hebben vergelijkbare economische en sociale kenmerken en liggen dicht bij elkaar. Tamale is een district dat door een stad wordt gedomineerd, terwijl Savelugu-Nanton een semi-urbaan district is met een mengeling van kleine steden en vestigingen op het platteland. Primaire data werden verkregen middels een survey van 402 en 366 huishoudens in respectievelijk Tamale en Savelugu-Nanton en van sleutel informanten in de twee districten en in de centrale overheidsdiensten.

Het analytische kader (zie figuur 5.2) geeft aan hoe decentralisatie de voorziening van basisvoorzieningen beïnvloedt: de wetgeving en het beleid dienen als *inputs*; het resulterende type decentralisatie en de verdeling van rollen zijn de *immediate effects*; de gekozen institutionele benadering (monopoly, distributed monopoly, pluralism) op het gedecentraliseerde bestuursniveau is de *output*; en de verbeterde performance in de dienstverlening is de *outcome*.

Verder is een aantal indicatoren gekozen voor de verschillende niveaus van het analytische kader: op het niveau van de *immediate effects* en *outputs*, zijn de indicatoren de resulterende vormen van decentralisatie (politieke, administratieve en fiscale decentralisatie) en indicatoren van de concentratie of verdeling van de rollen met betrekking tot de dienstverlening; en op het niveau van de *outcomes*, zijn indicatoren voor performance gekozen vanuit het gezichtspunt van de gebruiker, door naar de effectiviteit, efficiency, accountability, duurzaamheid en mogelijke invloed op gezondheid te kijken die verwacht wordt van decentralisatie en met name door het verschaffen van drinkwater en riolering. Deze indicatoren worden in de twee districten gemeten door het huishoud survey, het bevragen van sleutel informanten en het raadplegen van de officiële verslagen.

### ***Resultaten***

De analyse van de data toont een verschil in het type decentralisatie als wel in de verdeling van de rollen voor het verschaffen van water en riolering in de twee

districten. In termen van *inputs*, specificiert de grondwet en verschillende andere wetten welk type decentralisatie na gestreefd zou moeten worden, namelijk *devolutie*. Maar de wetten en het gevoerde beleid met betrekking tot de voorziening van water en riolering resulteert in andere typen decentralisatie. Beleid met betrekking tot drinkwater in het bijzonder benadrukt de rol van een publiek bedrijf, de Ghana Water Company Limited (GWCL) in stedelijke districten zoals Tamale, en dat van de Community Water en Sanitation Agency (CWSA) in semi-urbane districten zoals Savelugu-Nanton.

De *immediate effects* van de wetgeving en het beleid in Savelugu-Nanton zijn een meer gedecentraliseerde en plurale benadering van drinkwater voorziening en de aanleg van riolering dan in het geval van Tamale, waar men eerder deconcentratie een distributed monopoly aan treft. Dit is in het bijzonder zo voor water, waar GWCL een gedeconcentreerde benadering heeft en geen partnership arrangements met de lokale overheid, de Tamale Municipal Assembly (TMA) aangaat; en waar de TMA ook geen partnership arrangement met GWCL is aangegaan om de levering van water te verbeteren. Met betrekking tot riolering, volgen Savelugu-Nanton en Tamale dezelfde benadering. Dat komt meer met decentralisatie overeen, maar de verantwoordelijkheid voor het personeel en voor de financiering ligt bij hogere niveaus van de overheid. Ook werd vastgesteld dat pluralisme ontstaat bij het aanleggen van riolering in Savelugu-Nanton nog meer dan in Tamale, waar de rollen met betrekking tot dienstenverlening meer geconcentreerd zijn bij de centrale overheid.

In termen van *outputs* toont de analyse dat de voorziening van water en riolering in Savelugu-Nanton verloopt middels *delegatie* en *pluralisme*. Rollen worden er meer gedeeld door overheidsinstellingen, NGOs, de particuliere sector en community organisaties. Rollen zijn er ook ruimtelijk gedecentraliseerd. Een transitie naar devolutie lijkt het geval te zijn wat betreft de aanleg van riolering. Savelugu-Nanton lijkt hier voordeel te hebben van de plurale benadering van de dienstenverlening in de vorm van het gebruiken van de bekwaamheden en resources van de andere actoren die niet door de centrale overheid gecontroleerd worden.

In Tamale, vindt de drinkwater voorziening plaats door een combinatie van *deconcentratie* en *distributed monopoly*. De rollen zijn er geconcentreerd in de structuur van de GWCL, maar ruimtelijk verdeeld tussen het hoofdkwartier in Accra en Tamale. De voorziening van riolering in Tamale vindt plaats middels *delegatie* en *distributed monopoly*.

Daardoor wordt de eerste hypothese bevestigd, dat decentralisatie in de praktijk in Ghana niet overeen komt met wat de wet voorschrijft, namelijk devolutie. De design en implementatie van de hervormingen hebben geleid tot een aantal hybride types decentralisatie voor de voorziening van elke dienst. Verder is de verdeling van rollen in elk van de twee districten, hetzelfde, zelfs voor dezelfde dienst.

Met betrekking tot de tweede hypothese, werd vastgesteld dat in het meer gedecentraliseerde en plurale Savelugu-Nanton district dingen beter gingen (in de periode 1998 tot 2003) in termen van *effectiviteit*, *efficiency* en *accountability*. De resultaten zijn echter niet eenduidig voor *duurzaamheid* en de invloed op de gezondheid van de mensen.

Het Savelugu-Nanton district is effectiever dan Tamale (zelfde periode), in het bijzonder wat betreft de toename van de coverage en de betrouwbaarheid van de water toevoer. Tevens werd vast gesteld dat het Savelugu-Nanton district in het algemeen efficiënter is in de voorziening van water en riolering, in het bijzonder in het minimaliseren van de water verliezen en in het mobiliseren van zowel lokale als externe investeringsbronnen. Het Savelugu-Nanton district doet het ook beter dan Tamale in termen van accountability. Savelugu-Nanton bevordert de participatie van de doelgroep en zorgt voor een betere informatiestroom over de betreffende diensten. Dit is het gevolg van de plurale benadering die in het district gekozen is voor de voorzieningen van basisbehoeften. Anderzijds bevordert de in Tamale gekozen benadering de concentratie van informatie en rollen bij de overheid, wat de accountability ten opzichte van de gebruikers beperkt.

Duurzaamheid is een uitdaging zowel in Tamale als in het Savelugu-Nanton district. De Savelugu-Nanton benadering heeft als sterk punt dat lokale krachten gebruikt worden voor het laten functioneren en onderhouden van de voorzieningen, terwijl Tamale, in sterke mate afhankelijk is van expertise buiten het district. Beide districten zijn in belangrijke mate afhankelijk van steun van buiten voor het uitbreiden van hun voorzieningen.

Het beeld met betrekking tot de invloed op de gezondheidszorg is niet geheel eenduidig. Savelugu-Nanton heeft het beter gedaan wat betreft de preventie van de dodelijke ziekte cholera. Anderzijds heeft Tamale het beter gedaan wat betreft het terugdringen van de guinea worm.

Met behulp van meer kwalitatieve technieken (sleutel informanten en focus group discussies met experts en gebruikers) tonen aan waarom het Savelugu-Nanton district het beter doet in termen van *effectiviteit*, *efficiency* en *accountability*; en waarom het district niet achterloopt bij Tamale in termen van *duurzaamheid* en mogelijke *invloed op de gezondheid van de mensen*. De conclusie is dat het Savelugu water system zijn kracht ontleent aan de volgende factoren:

- f) De lokale overheid speelt de 'leadership, brokerage en oversight' rollen in de verlening van deze diensten en heeft instrumenten ontwikkeld om kennis en fondsen te mobiliseren van andere actoren;
- g) De lokale overheid heeft gekozen voor technologieën die aangepast zijn en de juiste schaal hebben, waardoor diensten verleend worden die de capaciteit van lokale overheid niet te boven gaan;
- h) Dienstverlening op het laagst mogelijke niveau betekent meer efficiëntie onder andere omdat de Water Boards er in staat zijn om de bijdragen van de gebruikers te verzamelen en snel kapotte faciliteiten kunnen repareren.
- i) De lokale overheid heeft een duidelijke doelstelling namelijk het verbeteren van de lokale accountability omdat het systeem zo ontworpen is dat men verantwoording schuldig is aan de lokale overheid en niet aan nationale organisatie die ver weg in de hoofdstad huist. Door deze keuze is de Savelugu Water Board in staat de gebruikers te overtuigen dat zij meer moeten betalen dan de in Ghana gebruikelijke 'user charges' die goedgekeurd zijn door de nationale Public Utility Regulatory Commission (men betaalt nog steeds minder dan wat er aan een 'water vendor' betaald moet worden). Zodoende financiert de Savelugu Water Board haar activiteiten geheel, zowel het

normale functioneren als het onderhoud en in toenemende worden ook de uitbreidingskosten gedekt. Accountability aan lokale overheid wordt ook bevorderd door de gekozen schaal van de voorzieningen.

- j) De lokale overheid heeft voor een goed gedefinieerde plurale benadering gekozen om zo technische assistentie en fondsen te mobiliseren van NGOs, particuliere consultants, de centrale overheid en internationale hulporganisaties. Lokale managers gaven aan dat het Savelugu-Nanton district geen keuze had dan zich open te stellen voor het hele gamma van actoren, inclusief allerlei non state actoren. die konden helpen om veilig water voor de mensen te leveren omdat het verder zelf geen deskundigheid of fondsen ter beschikking had.

### *Conclusions*

De conclusie is dat ondanks hetzelfde decentralisatie kader dat voor heel Ghana geldt, er een grote mate van verscheidenheid bestaat wat betreft de verlening van basisvoorzieningen op het districts niveau. Het nationale beleid voor de voorziening van basisvoorzieningen is niet aangepast om de doelstellingen van het decentralisatieproces te ondersteunen. In het geval van water, zijn er twee centrale overheidsinstanties verantwoordelijk, de GWCL en de CWSA. Het decentralisatiebeleid heeft alleen enige invloed gehad op een van de twee namelijk de CWSA, die in het kader van het hervormingsproces is opgericht, maar geen invloed op de GWCL die al veel eerder was opgericht. Terwijl de CWSA decentraal opereert, functioneert de GWCL op een gedeconcentreerde manier, bijna zonder institutionele relaties met de lokale overheid. Door van de GWCL afhankelijk te zijn heeft Tamale bij voorbeeld niet de voordelen van decentralisatie en pluralisme genoten, terwijl het Savelugu-Nanton district recentelijk wel de coverage en de betrouwbaarheid van de watervoorziening significant uitbreidde.

Er is ook een diversiteit binnen een organisatie van de centrale overheid wat betreft de verantwoordelijkheid voor basisvoorzieningen. In het geval van rioleringen, volgen de twee districten een gedecentraliseerde benadering, omdat er maar een organisatie voor bestaat, namelijk het Ministerie of Local Government & Rural Development, dat verantwoordelijk is voor het beleid in alle districten.

De conclusie is dat ondanks druk van het centrale niveau de lokale overheden decentralisatie kunnen verdiepen door de rol die zij voor zich zelf weg gelegd zien. Een passieve lokale overheid, zoals in het geval van Tamale als het om drinkwater gaat, plaatst zichzelf niet in de juiste positie en ontwikkelt geen instrumenten om met gecentraliseerde diensten (zoals de GWCL) te werken en zo betere dienstverlening voor de bevolking te realiseren.

Er is ook geen poging gedaan om er voor te zorgen dat de verschillende vormen van decentralisatie (politieke, fiscale en administratieve decentralisatie) elkaar wederzijds ondersteunden. Alle drie vormen komen voor, maar hun ontwikkeling gaat in een geheel verschillend tempo. De centrale overheidsdiensten krijgen geen aanwijzingen hoe ze alle vormen van decentralisatie tegelijkertijd zouden kunnen bevorderen. De focus heeft gelegen op het in stellen van District Assemblies en niet op het hervormen van de diensten van de centrale overheid.

Tenslotte is er weinig oog voor de feitelijke uitkomst van het decentralisatieproces in termen van betere dienstverlening aan de burgers. Het lijkt er op dat de doelstellingen van Ghana's decentralisatie poging niet gerelateerd zijn aan een directe verbetering van de basisvoorzieningen. De hervormingen hebben zich vooral gericht op het anders inrichten van de overheid en minder op het verbeteren van de dienstverlening door de overheid.

### ***Herziening van het theoretische kader***

De resultaten hebben ook consequenties voor de kaders die gebruikt zijn om decentralisatie te analyseren. Het onderzoek heeft aangegeven dat de volgende elementen belangrijk zijn voor zo'n kader:

- Het gaat niet alleen om de statische interactie die gewoonlijk genoemd worden zoals deconcentratie, delegatie en devolutie, maar juist om de dynamische interacties tussen de centrale en lokale overheid;
- Decentralisatie is een evolutie van relaties en niet een eenmalige overdracht van autoriteit;
- Het is nodig om tot een diepere analyse van het proces van decentralisatie te komen en goed op de volgorde van de hervormingen te letten;
- Analyseer het resultaat in termen van de uitkomsten bij voorbeeld of er sprake is van betere dienstverlening aan de burger;
- De nadruk dient te liggen op de lokale bestuursstructuur (the local governance structure) en niet alleen op het functioneren van de lokale overheid sec;
- Er is ook een dieper gaande analyse van de essentiële rollen van de lokale overheid in de voorziening van basisbehoeften nodig en in het bijzonder van rollen zoals 'leadership, brokerage en oversight';
- Tenslotte moet de rol van pluralisme voor het verdiepen van het decentralisatieproces bestudeerd worden.

De analyse van de relatie tussen de centrale en lokale overheid kan in vier stappen worden gedaan (zie tabel 12.5 en 12.6). Deze impliceren gelijktijdigheid en een logische volgorde: a) analyseer de kenmerken van decentralisatie, inclusief de verdeling van de rollen; b) focus op de rol van de lokale overheid; c) let op de volgorde van de hervormingen; en d) neem de performance betreffende de voorziening van diensten in beschouwing.