



Republic of Zambia

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THE NATIONAL DECENTRALISATION POLICY

“TOWARDS EMPOWERING THE PEOPLE”

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November, 2002

FOREWORD

Over the years since our political independence in 1964, successive Governments of our Republic have designed and endeavoured to implement measures aimed at the attainment of full democratic governance and economic independence with prosperity for all citizens.

In view of the highly centralized and exclusive structure and systems of government inherited from the colonial era, the subject of decentralization has as a matter of both objective necessity and popular demand, taken a central place in nearly all past independence government programmes of democratisation and economic development.

Under the Third Republic therefore, Government has elaborated and adopted this policy on decentralization whose major theme is encapsulated in its title 'Towards Empowering the People.' The National Decentralisation Policy provides for the strengthening of local government to facilitate more effective citizen participation in governance and accountable, delivery of public services as the basis for decentralization.

Under the policy, district level shall be the focal point for tile planning and delivery of public services. To facilitate operations at this level, Government will devolve specified functions, authority and resources to Councils which are local (district) bodies comprising democratically elected representatives.

Through this Policy, the long term vision of Government is to achieve a fully decentralized and democratically elected system of (governance characterized by open, predictable and transparent policy making and implementation processes at all levels of the public service, effective local community participation in decision-making and development administration while maintaining sufficient linkages between central and local government.

To attain this vision, Government will review and streamline the current organization structures and their supporting systems.

Government will also outline the functions to be performed at each level; national, provincial, district and sub-district and specify the resources to be availed for the performance of these functions. Comprehensive legislation to back the implementation of the Policy through empowering Councils to determine, manage and control the district's human, material and financial resources will be enacted.

However, Government realizes that currently the capacity to attain such decentralized system of Government does not exist and has therefore, de-concentrated some of its functions, powers and resources to provincial and district administration levels while the*necessary capacities are being developed in the Councils.

The timeframe for the implementation of the Policy is ten (10) years from the time of adoption. The successful implementation of this Policy will require concerted efforts and the commitment of stakeholders at all levels.

I, therefore, wish to urge all institutions and persons charged with the responsibility of implementing the various aspects of this policy to apply themselves fully to the tasks that lie ahead.



Festus Mwaanga, SC
PRESIDENT OF THE REPUBLIC OF ZAMBIA

ACKNOWLEDGEMENT

In formulating the National Decentralisation Policy, comprehensive consultations with various stakeholders were held in order to build consensus and create a sense of ownership. Due appreciation is accordingly being extended to all stakeholders who participated in the formulation and preparation of this Policy document. Among those consulted were:

- (a) The National Steering Committee and sub-committees formed to spearhead the development of the Policy;
- (b) Chiefs, Senior Civil Servants, Councillors, members of general public and private the general public and private sector, Non Governmental Organisations and Co-operating Partners who attended provincial and district workshops which were conducted in January and April 1996;
- (c) Permanent Secretaries drawn from Sector Ministries and Provinces through Seminars, Meetings and Workshops conducted in 1997, 1998 and 1999; and
- (d) Committee of Permanent Secretaries drawn from Sector Ministries and Town Clerks and Council Secretaries through a series of workshops held in 2001 for their valuable guidance and critical comments on the drafts.

Due appreciation is also extended to the World Bank, United Nations Development Programme and the Overseas Development Agency currently Department for International Development through Local Government Support Project for the technical and financial support during the development of the policy.

WORKING DEFINITIONS

- Autonomy:** Independence in decision-making and in the execution of such decisions within a given framework.
- Community:** A group of people with shared interest living in one place, district of Country.
- Council:** A council is a body of democratically elected representatives responsible for policy formulation and delivery of service in a given geographically defined area.
- Council Area:** Geographical area specified under the Local Government Act so declared by the Minister to be designated as such.
- Decentralisation:** Transfer of responsibilities, authority, functions, as well as power and appropriate resources, to provincial, district and sub-district levels. This can take four forms:
- (a) deconcentration is the transfer of functions and resources to lower level units of the same administrative system while authority over decision-making and use of resources remains with the centre (i.e. from the headquarters of an institution or administrative system to the lower levels). In the case of government administration, this would entail the transfer of some functions performed at the headquarters of the ministry to provincial, district and/or sub-district offices while power and authority are retained by the centre;
 - (b) devolution is the transfer of some powers and authority, functions and resources by legal and constitutional provisions to the lower levels. The transfer is within formal political structures and is institutionalised by constitutional means.

For example, when the central government transfers some of its powers and authority to democratically elected councils, local authorities or regional governments, empowering them by law, to determine local taxes, raise own revenue and decide on how to use it. Under this form of decentralisation leadership is accountable to the local population through a system of elections;
 - (c) delegation is the, transfer of functions and resources to a subordinate authority with the capacity to act in the behalf

of the superior authority without a formal transfer of authority in the same structure. An example is when an office of lower level is assigned to perform some duties or tasks by the higher office. However, the lower office will still be required to consult the higher office on matters that require decision-making; and

- (d) privatisation is the divestiture of state interests in public enterprises and the subsequent sale of such to the private sector (e.g. when a Parastatal national airline is sold off to private shareholders). In the case of public administration however, privatisation cannot be applied since local authorities and related public offices cannot be privatised.

Development: Effective and efficient provision of quality services aimed at improving the standard of living in a community.

District: Specified geographical area in a province declared under the Provincial and District Boundaries Act.

Empowerment: Enabling people make decisions on issues affecting their welfare.

Local Government: This is a system of Government at local level through which local people manage their affairs, for example Councils. and may include traditional establishments recognised by the Government.

Provincial and District Administration:

Refers to administrative arrangements for carrying out Central Government functions at the Provincial and District levels.

Province: Specified geographical area declared under the Provincial and District Boundaries Act.

Special - Equalisation Fund:

It is funds set up to enable rural districts attract investment and retain qualified human resources thereby ensuring sustainable decentralisation

ACRONYMS

| | |
|-------------|--|
| ADC | Area Development Committee |
| DDC | District Development Committee |
| DDCC | District Development Coordinating Committee |
| DPIC | Decentralisation Policy Implementation Committee |
| NDC | National Development Committee |
| NDCC | National Development Coordinating Committee |
| NGOs | Non-Governmental Organisations |
| PDCC | Provincial Development Coordinating Committee |

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INTRODUCTION

1.1 Background to Decentralisation in Zambia

1.1.1 Zambia's effort to decentralise its structures can be traced as far back as independence. The effort in decentralising can be divided into five (5) phases:

| | | |
|-----------|---|--------------|
| Phase I | - | 1964 to 1970 |
| Phase II | - | 1971 to 1979 |
| Phase III | - | 1980 to 1990 |
| Phase IV | - | 1991 to 2000 |
| Phase V | - | 2000 to date |

Phase 1: 1964 to 1970

1.1.2 At independence (1964), Zambia inherited a dual system of administration. The system comprised the Field and Local Government Administration designed for colonial convenience. The following were the administrative structures:

- (a) At National level, there was the Resident Commissioner charged with overall coordination of Provinces and Districts. The Minister of Local Government was responsible for local government administration.
- (b) At Provincial level, the Provincial Commissioner was head of provincial and district administration and answerable to the Resident Commissioner. All civil servants at that level were answerable to the Provincial Commissioner. However, there was no structure of Local Government Administration at this level. The Councils reported directly to the Ministry of Local Government at national level.
- (c) Elected representatives controlled Local Government at District level (i.e. municipality and township councils) while the Field Administration was headed by the District Commissioner who was a Central Government representative responsible for the supervision of all field staff in the district. The District Commissioner was answerable to the Provincial Commissioner.
- (d) At sub-district level, there existed Native Authorities, which were part of Local Government.

1. 1.3 From 1965, the Government established the following -administrative structures:

- (a) At National Level, the Ministry responsible for Local Government headed by a Cabinet Minister for policy direction, and Permanent Secretary for administration, was established for the supervision of local authorities. In addition, Line Ministries headed by Permanent Secretaries were also established and reported to Cabinet Office for administration.

- (b) The Provincial Administration was headed by a Cabinet Minister appointed by the President and was assisted by a Resident Secretary who was a civil servant appointed by the Public Service Commission. The Cabinet Minister was answerable to the President, while the Resident Secretary was answerable to the Secretary to the Cabinet. There was no linkage with local government at this level.
 - (c) At District level from 1967, the District Secretary replaced the District Commissioner as head of district administration. In 1968, the President appointed the District Governor as political head of the district. The District Secretary continued as head of field administration and was appointed by the Public Service Commission.
 - (d) The Local Authorities, namely; Municipal, Rural and Township Councils as provided for under the 1965 Local Government Act, operated independently from district administration. The Councils were headed by the Mayors/Chairmen who were elected political heads of the council. The Town Clerks/Council Secretaries were administrative heads of local authorities and were appointed by their respective councils.
- 1.1.4 Institutional framework for coordination of development in this Phase I included the following structures:
- (a) At National level, there was the National Development Committee (NDC) comprising all Line Ministries;
 - (b) At Provincial level, there existed the Provincial Development Committee (PDC) chaired by the Provincial Minister. The PDC scrutinised all district development requests and forwarded them to the NDC for further scrutiny and budgetary support; and
 - (c) At District level, there was the District Development Committee (DDC) chaired by the District Secretary up to 1967 and by the District Governor after 1968. The DDC consolidated the district development requirements and forwarded them to the PDC for scrutiny and submission to the NDC.
- 1.1.5 Experiences under this Phase were:
- (a) Centralisation of authority, which led to inefficiency in service delivery. For example, at district level, district heads of Field Administration were controlled from the province. The Public Service Commission and Ministry Permanent Secretaries appointed the officials. The lower level institutions like PDC and DDC had neither authority to make decisions nor to source for funds. The financial resources were sourced and allocated by the centre;

- (b) Duplication of effort at district and provincial levels became the order of the day resulting into wastage of resource. For example, in any given district the Department of Water Affairs sunk boreholes and Roads Department worked on feeder roads while Councils also sunk boreholes and worked on feeder roads, under separate programmes; and
- (c) The existence of dual structures at district level i.e. Local Government (Council) and District Administration were:
 - (i) costly to the Government since Local Government and District Administrations were both funded from the central treasury; and
 - (ii) a source of conflict as the provincial heads departments operated under the authority from the centre, while their allegiance was not to the Resident Secretary at the Provincial level but their respective Permanent Secretaries at the Centre.

Phase II: 1971 to 1979

- 1.1.6 From 1971 to 1979, Government retained the structures established between 1964 and 1970 with the exception of the Native Authorities, which were abolished in 1965. In addition, under the 1979 Village Development and Registration Act, 30, Government created the Ward Development Committee and Village Development Committees. The village became the primary focus for local development with emphasis on self reliance and mutual cooperation enhanced through cooperatives.
- 1.1.7 The experiences under this phase were similar to the first phase. However, in this phase there was noticeable political interference in administration and coordination of development programmes.

Phase III: 1980 to 1990

- 1.1.8 In 1980, Central and Local Government Administration were merged with Party Administration. The later became supreme. Under this arrangement, Government established the following:
 - (a) At National level, the Ministry of Decentralisation was created in the Office of the Prime Minister assisted by a Minister of State;
 - (b) At Provincial level Members, the Central Committee of Central Committee by the Provincial Political Secretary and Permanent Secretary was head of administration. In some provinces there were two Provincial Political Secretaries. one for Political and the other Development; and

- (c) At District level, the District Governor who was a political appointee headed the integrated district administration. The District Governor was Chairperson of the District Council and was assisted by the District Executive Secretary who headed the district secretariat. The District Council was supported by Party structure Ward, Branch and Section Committees. Local Government elections were abolished and replaced by party elections. The structures were modelled on socialist lines and community participation was restricted to party cadres.

1. 1.9 The experiences under this Phase were:

- (a) By merging Party, Local Government and District Administration, it enhanced supremacy of the Party as opposed to facilitating the coordination of development programmes;
- (b) The supremacy of the party led to the centralization of authority into the hands of party functionaries;
- (c) The appointment of the District Governor as Chairperson of the Council undermined democratic governance in the civic politics;
- (d) Central Government functions were transferred to the district level without matching resources. For example, the registration of villages, construction of feeder roads, and water supply schemes were all transferred to Local Authorities without matching resources; and
- (e) The integrated district administration system, resulted into bloated administrative structures at all levels, with most key positions filled by party cadres resulting in ineffective service delivery and wastage.

Phase IV: 1991 to 2000

1.1.10 With the introduction of multi-party democracy from the one Party State, the following changes were made:

- (a) At National level, the Ministry of Decentralisation was transformed to the Ministry of Local Government and Housing. This Ministry was responsible for local government while Cabinet Office was responsible for Provincial and District Administration;
- (b) At Provincial level, the Deputy Minister was appointed as head of Provincial Administration and assisted by the Permanent Secretary. The Provincial heads of departments continued to be answerable to their respective Ministry Headquarters; and

- (c) At District level, there was no head of district administration to coordinate all sectors of government. The Town Clerk or District Council Secretary coordinated sector Ministry activities on administrative arrangement introduced in 1995. The Councils remained body corporate and operated independently from district field administration.

1.1.11 In 1995, the Government introduced the National, Provincial and District Development Coordinating Committees to coordinate activities at respective levels.

1.1.12 The experiences under this Phase included the following:

- (a) Centralisation of authority continued to be a bottleneck for effective decision making at lower levels. For example, the provincial heads of departments were controlled from the centre and - their budgetary allocations determined from there;
- (b) The absence of a head of district administration led to ineffective coordination of development programmes in the district. The District Development Coordinating Committee (DDCC) chaired by the Town Clerk or Council Secretary did not perform to Government's satisfaction. The major reason was the lack of legal framework to back the operations of the DDCC; and
- (c) Lack of involvement of communities in development programmes. The current administrative system does not provide for the establishment of sub-structures at sub- district level to enable local communities participate effectively in their development activities and local affairs.

Phase V: 2000 to date

At both National and Provincial levels, the structures have remained the same. However, the functions and reporting relationship have changed slightly. The President appointed District Administrators in 2000.

1.1.13 While the District Administrators report directly to the appointing authority, the Town Clerks/Council Secretaries report to the Council who are their employers. In addition, the Councils have remained body corporate, operating independently from field administration at district level. The District Heads of Sector Ministries report directly to their Ministerial Headquarters through their provincial heads.

1.1.14 The experiences in this Phase are the same as those alluded to under the immediate previous phase.

1.1.15 In addition, the establishment of District Administrator's Office has strengthened the dual system at the district level instead of blending which is the ultimate goal of decentralisation.

1.2 Need for Decentralisation

1.2 The objectives of Decentralisation in Zambia stems from the need for the citizenry to exercise control over its local affairs and foster meaningful development which requires that some degree of authority is decentralised to provincial, district and sub-district levels as well as Councils, in the background of centralisation of power, authority, resources and functions, which has in turn subjected institutions at provincial, district and sub-district levels to absolute control by the centre. In order to remove the absolute control by the centre, it is necessary to transfer the authority, functions and responsibilities, with matching resources to lower levels.

1.2.2 There are four principle forms of decentralisation. namely: deconcentration, delegation, devolution and privatisation

1.2.3 While deconcentration and delegation transfers resources to lower level and subordinate authority, they have a tendency of concentrating authority in the hands of higher authorities and thus accountability is still left to the centre. Further, although deconcentration and delegation can pursue the technical efficiency leading to greater effectiveness, these forms decentralisation cannot effectively enhance the decentralised system of administration. Consequently, popular participation may not be realised. Privatisation is the empowerment of the people to fully, and effectively participate in the management of their enterprises. Privatisation on the other hand cannot be applied to public administration since local authorities and related public offices cannot be privatised.

1.2.4 Decentralisation, if properly implemented can lead to efficient and effective delivery of services. Decentralisation through devolution would be most effective as it ensures technical efficiency and effectiveness in service delivery and enhances popular participation. The fundamental reasons for adopting "devolution" as the form of decentralisation in a unitary state like Zambia are varied.

(a) Firstly, the 1996 Constitution of Zambia recognises the equal worth of men and women in their rights to participate and to freely determine and build political, economic and social systems of their own choice. The Constitution further resolves to uphold the values of democracy, transparency, accountability and good governance; and

(b) Secondly, the Government's approved Public Service Reform Programme (PSRP) and the National Capacity Building Programme for Good Governance emphasise the need for effective decentralisation of selected functions and responsibilities from the central government to the provinces and districts and ultimately the Councils to facilitate democratic governance and delivery of quality and demand-driven services to local communities.

1.2.5 The following are the expected benefits from the devolved system of decentralisation:

- (a) Political stability will be secured by active participation of the local people in development activities and in politics through voting and other practices such as civic education which will strengthen democratic accountability;
- (b) Lower level participation in development and politics would be a basis for training in political leadership which would create a seedbed for prospective political leaders to develop skills in policy-making, political party operations and budgeting with the result that the quality of political leadership will be enhanced;
- (c) Accountability will be enhanced because local representatives will be more accessible to the local populace and will thus be held more closely accountable for their policies and outcomes than distant national political leaders (or public servants). A vote at local elections would be a unique mechanism for the local community to register its satisfaction or dissatisfaction with the performance of its representatives;
- (d) Responsiveness of government will be improved because local representatives will be best placed to know the exact nature of local needs and how they can be met in a cost-effective way;
- (c) Locally specified plans will be tailor-made for local area using detailed and up to date information; and
- (f) Motivation of field-level personnel will be enhanced when they have greater responsibility for the programmes they manage.

2.0 SITUATION ANALYSIS

2.1 National, Provincial, District and Sub-District Administration

2.1.1 Institutional Arrangements

- 2.1.1.1 At national level, there exists the Cabinet Office, which is responsible for the management and coordination of the Public Service. The Secretary to the Cabinet is head of Government Administration, which comprises sector Ministries and statutory bodies, Provincial and District administration. In order to enhance the operations at National level, Cabinet Office is expected to coordinate development activities through the National Development Coordinating Committee (NDCC).
- 2.1.1.2 At each Provincial level, there is the Provincial Administration Headquarters headed by a Deputy Minister assisted by a Permanent Secretary responsible for the coordination of Government business in the Province. Apart from this office, there are Provincial Heads of Departments through whom functions of sector Ministries are carried out. Provincial Heads of Departments are answerable to their respective Sector Ministries on technical matters but administratively supervised by the Permanent Secretaries for the Province on day-to-day administration.
- 2.1.1.3 To enhance the operations of the Provincial Administration, Government through Circulars has established the Provincial Development Coordinating Committee (PDCC) as a forum for coordinating the planning, implementation and monitoring of development activities at the Provincial level. The PDCC is, however, ineffective because its creation and existence is not backed by any legal framework. Equally, the Permanent Secretaries of the Provinces, who are the chairpersons of the PDCC, have no legal powers to supervise and discipline sector ministry personnel.
- 2.1.1.4 At the District level, there is District Administration headed by a District Administrator who is responsible for coordinating developmental activities. District Administration comprises various sector Ministerial departments performing specified Government functions and responsible for implementing programmes and report to their respective Provincial heads of department. In order to enhance the operations of District Administration, Government through Circulars established DDCC as a forum for coordinating the planning and implementation of development activities at the District level.
- 2.1.1.5 The District Development Coordinating Committee is ineffective because no legal framework backs its operations. Town Clerks and Council Secretaries who, until the appointment of District Administrators, were chairing the DDCCs had no legal backing to supervise and discipline sector Ministry personnel operating at the District level. In addition, there are semi-autonomous institutions of local governance, such as, Health and Education Management Boards created to perform specified functions on behalf of sector Ministries aimed at increasing community participation in the planning and delivery of services.

- 2.1.1.6 As regards local Government, there is a single-tier system of local government comprising three types of councils, namely: City, Municipal and District Councils responsible for the provision of services. The second schedule (section 61), of the Local Government Act Cap 281 prescribes sixty-three (63) functions to be performed by all Councils regardless of their status and capacity. The assignment of the sixty-three functions listed under the Act without taking into account capacity, results in Councils not performing to the satisfaction of their local communities. Although these institutions are body Corporate, they also perform delegated functions of the Central Government.
- 2.1.1.7 The Mayor/Council Chairperson is a political head of the Council and, performs ceremonial functions. However, there is a weak link between the Mayor/Council Chairperson and the Ministry of Local Government and Housing which has led to lack of co-ordination, transparency and accountability on civic matters.
- 2.1.1.8 There are wards, which are sub-structures of the councils at sub-district level for the purposes of Local Government Elections only. The Registration and Development of Villages Act establishes the Ward Development Committees and Village Productivity Committees in each ward as a forum for community participation in local development activities and affairs. However, these institutions are not linked to Local Government and are no longer functional in most districts. This has led to lack of forum for community participation in decision-making on their local development activities and affairs at sub-district level.
- 2.1.1.9 At lower level there exists, traditional rulers with their own administrative set up to govern their subjects in line with their traditional and customary law.

Challenges

- 2.1.1.10 The challenges facing the current institutional arrangements relating to Government structures and functions are:
- (a) the coordination role of the Provincial Administration is undermined by the existence of some Provincial and District Heads of Departments who report directly to their sector Ministry Headquarters;

- (b) the existence of parallel administration structures at District level;
- (c) the absence of a legally appointed overall Coordinator of development at that level has created a vacuum leading to ineffective coordination of development activities and policy implementation;
- (d) the absence of Sub-District level coordinating structures results in poor consultation among the key players at this level, thereby impairing efficient and effective service provision and development in response to local needs;
- (e) unclear mandate and guidelines stipulating the deconcentrated and devolved functions to be performed by Sector Ministries' departments and the Councils respectively at the District level leads to failure to perform the prescribed functions;
- (f) lack of a clear line of authority and reporting relationship between Permanent Secretaries of the Provinces and Councils leads to conflict and misunderstanding;
- (g) provision of clear line of authority and reporting relationship between Mayor/Council Chairperson, Ministry of Local Government and Housing and Provincial Administration;
- (h) establishment of formal forum at ward and village levels; and
- (i) provision of logistic support to local level leadership.

2.1.2 Functions

Development Planning

- 2.1.2.1 At national level, Sector Ministries prepare plans based on their core functions submitted to Ministry of Finance and National Planning for funding. Although Sector Ministerial plans were to be submitted to the NDCC for scrutiny and approval, this has not been the case due to administrative and management problems.
- 2.1.2.2 At Provincial level, although these institutions plan their development activities there is a weak link between the planning process in the Provinces and National Budget which has led to:-

- (a) under funding of proposed projects and programmes;
- (b) Marginalisation of needy areas when allocating resources; and
- (c) Mismanagement of resources.

2.1.2.3 Although the PDCC exists, the operations of this forum have been marginalized due to lack of legal backing. Further, the decisions made by PDCC are not considered by NDCC, which has never met.

2.1.2.4 At District level, there is poor and uncoordinated planning due to lack of resources. Although, the DDCC exists, the operations of this forum have been ineffective in most districts due to lack of legal backing. This situation is worsened by lack of feedback from the PDCC and NDCC.

Challenges

2.1.2.5 The challenges relating to development planning which will be addressed in the Implementation of this policy are:

- (a) none operationalisation of the NDCC which has affected the dissemination of Government policies and implementation of programmes;
- (b) the weak linkage between the planning and national budgeting process;
- (c) the absence of planning units in most Districts has adversely affected the development planning at that level; and
- (d) the need to involve local people in the planning process.

Human Resources Development and Management:

2.1.2.6 At Central level, the overall human resources management function in the Civil Service is the responsibility of the Public Service Management Division. However recruitment, placement, promotion and transfer of staff in the Civil Service are vested in centralised Commissions, namely; the Public Service Commission (PSC) Police and Prison Service Commission and Teaching Service Commission. The Public Service Commission has delegated the responsibility of recruiting and disciplining staff from Division III and below to Permanent Secretaries in sector Ministries. Their respective Service Regulations and General Orders guide these institutions. The centralisation of appointments, promotions and disciplinary control under the Service Commissions undermines the role of Permanent Secretaries and Heads of Department management of human resources under their control and is not consistent with the modern management practices. In addition, lack of comprehensive National Employment Policy has led to misplacement of personnel and over employment.

- 2.1.2.7 At Provincial level, the PSC has delegated the responsibility of recruiting and disciplining staff from Division III to the Permanent Secretary. As Local Authorities, the Provincial Local Government Appeals Board has been established to consider appeals from aggrieved employees.
- 2.1.2.8 At District level, the Local Government (Amendment) Act No.30 of 1995 empowered Councils to appoint and discipline their personnel without reference to the Minister responsible for Local Government. The Act also abolished the Local Government Service Commission and in its place established the Provincial Local Government Appeals Boards. Although the responsibility for recruitment of staff has been vested in individual Councils, currently there is no recruitment policy to guide the process. There is a presumption that the appointments will be on merit and good performance, but the means of assuring merit or performance are not defined. As a result, staff, are often promoted to posts they are not qualified or experienced enough to hold, resulting in poor service provision to communities.
- 2.1.2.9 The function of human resources development has been decentralised from the Department of Human Resources Development at Cabinet Office and made the responsibility of sector Ministries. This has meant that sector Ministries have to plan and budget for the development of their staff.
- 2.1.2.10 At Provincial level, each Provincial Administration is expected to budget for training of its staff.
- 2.1.2.11 Councils on the other hand, are responsible for the development of their staff with the assistance of the Ministry of Local Government and Housing.
- 2.1.2.12 Staff at all levels undergo training mainly at local universities, technical institutions, colleges and polytechnics. However, the capacity of these institutions has been adversely affected by lack of a comprehensive, National Training Policy, poor infrastructure financial constraints low quality of training materials, shortage of approximately qualified teaching staff and poor management. In addition, there is weak coordination among sector Ministries resulting in the production of sub- standard graduates from their various institutions.

Challenges

- 2.1.2.13 The challenges facing human resources development and management are the:
- (a) provision of a comprehensive National Employment Policy;
 - (b) redefinition of the role of the Service Commissions;
 - (c) provision of effective management systems;
 - (d) provision of a comprehensive National Training Policy;
 - (e) development of capacity for Councils to pay skilled labour;
 - (f) development of staff recruitment guidelines for Councils;
 - (g) development and maintenance of infrastructure in training institutions; and
 - (h) effective coordination among sector Ministries.

Infrastructure Development and Maintenance

- 2.1.2.14 The socio-economic infrastructure such as roads, waterworks, telecommunication, hospitals, schools, colleges and universities, office accommodation and institutional houses are in a state of disrepair due to lack of maintenance. The current state of the physical infrastructure has continued to deteriorate rendering the institutions at all levels virtually incapable of providing quality services to the growing population. Virtually all sector Ministry Departments particularly at Provincial and District levels are without serviceable plant and equipment. This situation has been further compounded by lack of a clear policy and insufficient financing for the development and maintenance of the infrastructure. Lack of technical know-how to correctly and fully utilise and maintain plant and equipment, coupled with the rise in the rate of vandalism of public property, have worsened the situation.
- 2.1.2.15 Although attempts are being made by Government through various sector Ministries operating at District level and Communities, with the assistance of Co-operating Partners to rehabilitate existing infrastructure, develop new ones and promote a culture of preventive maintenance, much more remains to be done.

Challenges

- 2.1.2.16 The major challenges in the development, provision and maintenance of infrastructure are:
- (a) development of clear and comprehensive policy;
 - (h) providing adequate resources, both human and financial;
 - (c) developing management capacity; and
 - (d) promoting a culture of preventive maintenance.

Financial Mobilisation, Utilisation and Management

- 2.1.2.17 The Ministry of Finance and National Planning has the overall responsibility for the management of financial resources for the country. After the Budget has been approved by Parliament, financial allocations are made to the Permanent Secretaries of Sector Ministries and Provinces for onward disbursement to the various sectors, institutions and departments. Controlling Officers are accountable to the Public Accounts Committee of Parliament for the utilisation of these funds.
- 2.1.2.18 The Ministry of Local Government and Housing has since Independence played a dual role as a sector Ministry and as a Ministry responsible for Councils. Its functions in as far as mobilisation of financial resources is concerned, has included budgeting and securing funding for its own operations and sourcing capital and recurrent (grants) funding from the Central Government and Co-operating Partners for the operations of Councils. The Ministry of Local Government and Housing has also the responsibility of issuing financial regulations in the management of financial affairs and providing external auditing services to Councils.
- 2.1.2.19 Until the early 1980s, the Ministry of Local Government and received adequate financial resources (grants) from the Central Government and disbursed them to Councils. In addition, prior to the early 1980s, when the national economy was strong there was in elaborate grant payment system whereby sector Ministries provided specified grants to support Councils to undertake the delegated functions on their behalf. During this period, 70% of the income of Councils came from the Central Government through the Ministry of Local Government and Housing as grants, while 30% was met by revenue raised from local levies, fees and charges as well as specified funds from other Sector Ministries whose functions they performed.

2.1.2.20 Transfers of finances by the Central Government to Councils take the form of: General, Special and Capital grants. Capital grants are grants meant to finance capital projects while General grants are additional financial resources extended to local government for use at their own discretion. Special grant are used to finance prior-earmarked tasks by the Central Government. Transfers from Central Government in the form of grants were supposed to be one major revenue source for Councils for two main reasons. Firstly, it was the mechanism through which shared taxes were transmitted from the Central Government to the Councils. Secondly, it was the conduit by which the Central Government provided financial resources to the Councils to carry out specific functions on its behalf.

2.1.2.21 In addition to grants, Councils have powers under the various Local Government Acts to raise and utilise revenue from their own local sources at their discretion. However, their revenue base was reduced in 1992 when Central Government directed Councils to disinvest in commercial ventures and to sale its housing stock at uneconomical prices.

This is compounded by Government's failure to honour statutory obligations and inability to pay for services rendered. Further, poor management of resources has worsened the situation.

2.1.2.22 The 1980 Local Administration Reforms involved extensive devolution of central powers and functions to Councils but owing to poor performance of the economy, matching resources were not transferred or maintained at reasonable levels. Consequently, the reform initiatives failed and Councils remained critically constrained by lack of financial resources

2.1.2.23 In addition, even in instances where funds have been available, centralised planning and budgeting has not adequately addressed the needs and priorities of the districts. The situation has further been compounded by the lack of a district integrated budgeting system.

Challenges

The challenges relating to financial mobilisation and management are:

- (a) introducing decentralised financial resources mobilisation;
- (b) providing a formula for allocating funds from the Central Government to Districts for effective and efficient service delivery;
- (c) providing a system of releasing resources to sector Ministries, Provinces and Councils to ensure timely implementation of development programmes and projects;

- (d) strengthening Central Government’s auditing system to ensure discipline in the handling of financial affairs of Councils;
- (e) building capacity in resource mobilisation and financial management of Councils; and
- (f) updating financial regulations for effective management of financial resources.

2.2 Local Government Electoral System

- 2.2.1 The Constitution under Part VIII provides that there shall be a democratically elected local government system. Further, the law provides that Mayor/Council Chairperson should be elected by Councillors. This means that there is no community participation in choosing their civic leader. Citizens only involved at election time. Thereafter, there is no mechanism in place to enable them influence local affairs. The Mayor/Council Chairpersons are therefore accountable to the Councillors who vote them in office than to community.
- 2.2.2 The Mayor/Council Chairperson as ceremonial head of the Council, lacks powers to supervise and discipline councillors and council staff as such powers are in the Council.

Challenges

- 2.2.3 The challenges relating to Local Government Electoral System are:
 - (a) to make the Mayor/Chairperson accountable to the general public in the Council areas;
 - (b) to empower the Mayor/Council Chairperson to enforce implementation of Council resolutions by officials; and
 - (c) empower the Mayor/Council Chairperson to enforce discipline.

2.3 Legal Framework

- 2.3.1 There are various pieces of legislation relating to decentralisation. These include the following:
 - (a) Local Government Act Cap 281 of the Laws of-Zambia, which established the Councils;

- (b) Provincial and District Boundaries Act Cap 286 of the Laws of Zambia, which empowers the President of the Republic of Zambia to sub-divide the Country into the Provinces and Districts;
- (c) Village Registration and Development Act No. 30 of 1971 which provides for the establishment of Village Productivity Committees as fora for community participation in decision making and development at these levels; and
- (d) Local Government Electoral Act.

2.3.2 There are thirty-two pieces of legislation on the administration of the local government. In view of the large number of disjointed legislation, it has been difficult to enforce all of them effectively. For example, the Markets Act Cap 473, Control of Dogs Act, Cap 381, Extermination of Mosquitoes Act, Cap 537 and others, have not been effectively enforced. This has led to some members of the general public not adhering to the provisions of the law without being prosecuted. Further, Councils are allowed to make by-laws. However, these by-laws have to be approved by the Central Government.

Challenges

2.3.3 The challenges relating to the legal framework are:

- (a) provision of a principal and comprehensive legislation to support and guide decentralisation; and
- (b) removing bureaucratic requirements that Councils' by-laws and budgets should be approved by Central Government.

3.0 VISION AND OBJECTIVES

3.1 Vision

3.1.1 The vision of Government to achieve a fully decentralised and democratically elected system of governance characterised by open, predictable and transparent policy making and implementation processes, effective community participation in decision-making, development and administration of their local affairs while maintaining sufficient linkages between the centre and the periphery.

3.2 Objectives

3.1.1 In order to achieve the Government's vision, the following policy objectives will be pursued:

- (a) empower local communities by devolving decision making, function and resources from the Centre to the lowest level with matching resources in order to improve efficiency and effectiveness in the delivery of services;
- (b) design and implement a mechanism to ensure a "bottom up" flow of integrated development planning and budgeting from the District to the Central Government;
- (c) enhance local political and administrative authority in order to effectively and efficiently deliver services;
- (d) promote accountability and transparency in the management and utilisation of resources;
- (e) develop the capacity of Local Authorities and communities in development planning, financing, co-ordinating and managing the delivery of services in their areas;
- (f) build capacity for development and maintenance of infrastructure at local level;
- (g) introduce an integrated budget for district development and management; and
- (h) provide a legal and institutional framework to promote autonomy in decision making at local level.

4.0 POLICY MEASURES

4.1 National, Provincial, District and Sub-District

4.1.1 Institutional Arrangements

4.1.1.1 In order to achieve the stated vision, Government will establish a new decentralised structure of governance, backed by law, through which services will be delivered.

4.1.1.2 The new structure will comprise four levels namely National, Provincial, District and Sub-district.

4.1.1.3 In this decentralised structure the Province will be streamlined because it is an important link between the centre and the district. The District shall be the focus for development and service delivery, thus empowering local communities to play an effective role in national affairs. At the district level, there shall be a system of Local Government based on democratically elected councils on the basis of universal adult suffrage. The sub-district level shall be introduced.

4.1.2 Functions

4.1.2.1 Decentralisation will not necessarily imply that all authority will be transferred to local authorities. The Central Government (including line ministries) will retain a core of functions over essential national matters and ultimately have the authority to redesign the system of government and to discipline or suspend decentralised units that are not performing effectively. Specifically, the Central Government will retain the overall responsibility of:

- (a) general and legislative Policy formulation, monitoring and evaluation and provision of advice to Councils on their operations;
- (b) setting national performance standards;
- (c) controlling arms, ammunition and explosives;
- (d) national defence and security;
- (e) regulating banks and financial institutions, promissory notes, currency, and exchange;
- (f) citizenship, immigration emigration, refugees, deportation, extradition and designing of passports and national identities;

- (g) copyrights, patents, trademarks and all forms of intellectual property, incorporation and regulation of business organisations;
- (h) control of state land and minerals;
- (i) declaration of public holidays, working and shopping hours;
- (j) preservation of national monuments, antiquities, archives and public records;
- (k) foreign relations and trade, regulation of trade and commerce;
- (l) national and local government elections;
- (m) guidelines on national census and statistics;
- (n) control of publications of national surveys and mapping;
- (o) control and management epidemics, pandemics and disasters;
- (p) airports, aerodromes and air strips;
- (q) national development projects and programmes;
- (r) correctional policy and maximum security prisons;
- (s) trunk roads and highways;
- (t) prosecutorial functions;
- (u) high school and tertiary education; and
- (v) any other functions delegated by Parliament.

4.1.2.2 At the Provincial level, functions to be performed include:

- (a) co-ordinating and consolidating district plans into provincial development plans for submission to the centre;
- (b) monitoring the utilisation of resources and implementation of development programmes in the province;
- (c) coordinating and auditing of local institutions;
- (d) preparing provincial progress reports for the central Government on the implementation of development programmes and projects;

- (e) ensuring implementation of Central Government policies and regulations;
- (f) implementation of National development projects and programmes which cut across sectors;
- (g) ensuring proper utilisation and maintenance of Government buildings, equipment, plant and other infrastructure; and
- (h) any other functions delegated from the centre.

4.1.2.3 The Government shall decentralise with matching resources, some of its function& to the district, which shall perform these functions through democratically elected councils. The Councils will raise part of their own revenue and receive grants from central treasury and line ministries to perform the devolved functions such as'.

- (a) coordination of decentralised structures, including Health and Education Boards;
- (b) disaster management;
- (c) community development;
- (d) primary health care;
- (c) primary and basic education;
- (f) water and sanitation;
- (g) rehabilitation, maintenance and construction of feeder roads;
- (h) infrastructure development and maintenance;
- (i) planning and implementation of development projects and programmes;
- (j) mobilisation of local resources;
- (k) preparation of progress reports for the province;
- (l) management, conservation of natural and wildlife resources;
- (m) environmental services;

- (n) provision and maintenance of public amenities;
- (o) land allocation and utilisation;
- (p) trade and business licensing;
- (q) agriculture extension services;
- (r) bye-laws;
- (s) community Police Service;
- (t) community Prisons Service;
- (u) youth and juvenile delinquency; and
- (v) any other functions as delegated from the centre.

4.1.2.4 The Government will build capacity of Councils to perform core management functions such as planning and budgeting, personnel and financial management as well as delivery of public services.

4.1.2.5 The Government will contribute towards the provision and delivery of some public services while developing capacities of the Councils. When the management capacity has been built, Councils will be given more authority and higher degree of autonomy while maintaining sufficient linkages with the centre as demanded in unitary state. However, this is a long term task requiring an evolutionary approach.

4.1.2.6 Government will ensure that sub-district structures are established for the effective and efficient delivery of services. The functions to be performed will include promotion of community participation in decision making development planning and implementation.

4.1.3 **Other Measures**

Development Planning

4.1.3.1 In order to address the challenges relating to development planning, Government will:

- (a) provide a legal backing to the development planning process and output;

- (b) link the operations of Area Development Committees (ADCs), DDCCs, PDCCs and NDCCs through the submission of reports and feedback;
- (c) facilitate the establishment of District Planning Units managed by qualified personnel; and
- (d) devise mechanisms for strengthening the linkage between planning and national budgeting process.

Human Resource Development and Management

3.2 To address issues related to development and management of human resources Government will:

- (a) develop a comprehensive National Employment Policy categorising functions and responsibilities at each level;
- (b) restructure and redefine the role of all the Service Commissions in order to ensure that they do not deal with the day-to-day functions of recruitment, promotions, transfers and discipline because these will be the responsibility of sector Ministries, Provinces and Districts. The Commissions' role shall be restricted to issuing guidelines, monitoring and as appellant bodies of last resort,
- (c) assist Councils to devise and introduce performance, management and appraisal systems for effective and improved service delivery;
- (d) grant Councils powers to manage and develop human resources in their areas;
- (e) ensure that the decentralised functions are accompanied by appropriately, qualified staff to be surrendered from the national and provincial levels with specified job descriptions and conditions of service and entitlement;
- (f) ensure that establishments of Councils are based on their capacity to pay and services to be delivered;
- (g) develop a comprehensive National Training Policy which should be adaptable to local needs;
- (h) ensure that Councils devise appropriate human resource development programmes based on the identified training needs for Councillors and officials; and

- (i) local training institutions for effective development.

Infrastructure Development and Maintenance

4.1.3.3 In order to address challenges relating to infrastructure development maintenance, the Government will:

- (a) develop a comprehensive policy on infrastructure development and management;
- (b) provide adequate resources in the National budget;
- (c) release resources as approved by Parliament;
- (d) design and implement capacity building programmes for infrastructure development and maintenance responsive to the needs of local communities; and
- (e) include a culture of preventative maintenance at all levels

Financial Mobilisation and Management

4.1.3.4 To carry out the decentralised functions on a sustainable basis, Government will:

- (a) devise a mechanism for mobilising of local financial resources;
- (b) introduce participatory budgeting for development activities at the district level;
- (c) devise formulae for disbursement of funds to Councils;
- (d) establish a special Equalisation Fund to enable rural district attract Investments and retain qualified human resources thereby ensuring sustainable decentralisation;
- (e) enact a legislation, which will ensure adherence to timely release of funds by Ministry of Finance and National Planning as approved by Parliament;
- (f) establish District Tender Committees in order to enhance checks and balances in the procurement of goods and services;

- (g) devise and implement appropriate financial management systems to strengthen financial management, transparency and accountability in Councils;
- (h) introduce a District Integrated Fund and Budget for district development; and
- (i) transfer the Local Government Finance and Audit Section under the Ministry of Local Government and Housing to the Office of the Auditor-General in order to enhance capacity and ensure timely auditing of books of accounts of the Councils.

4.2 Local Government

4.2.2.1 Functions of Councils

- 4.2.1.1 The Councils shall continue to perform their statutory functions in conjunction with the decentralised functions as stipulated in this document.
- 4.2.1.2 The Mayor/Council Chairperson will oversee the administration of the Council and shall preside over council meetings. The Mayor/Council Chairperson shall be accountable to the electorate and will co-ordinate with the Provincial Administration on all matters of local governance in the District.

4.2.2 Local Government Electoral System

- 4.2.2.1 A Mayor/Council Chairperson elected by universal suffrage in the Council area will head the Council. In order to redress the challenges associated with the Local Government electoral System, the system of Local Government shall be based on democratically elected Councils on the basis of universal adult suffrage as provided for in the Constitution.

4.3 Legal Framework

- 4.3.1 In order to address the issue related to legal framework, the Government will review existing legislation and establish a comprehensive legal framework on decentralisation.

5.0 IMPLEMENTATION

5.1 Time Frame

5.1.1 The time frame for the implementation of this policy is ten (10) years from the time of this adoption.

5.2 Institutional Arrangements

5.2.1 At the national level, an ad-hoc Decentralisation Policy Implementation Committee (DPIC) will be established to provide leadership and direction on the implementation process. The DPIC will be serviced by a Secretariat comprising of Officers from the Policy Analysis and Coordination Division, Management Development Division and Ministry of Local Government Housing. The DPIC will, be phased out when the capacity in the Councils has been built. The committee will comprise:

- (a) Ministry of Local Government and Housing;
- (b) Management Development Division, Cabinet Office;
- (c) Policy Analysis and Coordination Division, Cabinet Office;
- (d) Ministry of Education;
- (e) Ministry of Finance and National Planning;
- (f) Ministry of Agriculture and Co-operatives
- (g) Ministry of Health;
- (h) Ministry of Community Development and Social Services;
- (i) Ministry of Home Affairs;
- (j) Ministry of Sports, Youth and Child Development;
- (k) Ministry of Lands;
- (l) Ministry of Science, Technology and Vocation Training; and
- (m) Ministry of Legal Affairs.

5.2.2 At the provincial level, the Permanent Secretaries will facilitate, coordinate and oversee the implementation of capacity, building programmes in their respective Provinces with the assistance of the DPIC.

5.2.3 At the district level, there will be a Council, composed of elected representatives, responsible for the delivering of services and a Government representative, appointed by the Public Service Commission, to monitor operations.

5.2.4 At sub-district level, Area Development Committees (ADCs) will be established in each ward. The nature of ADCs will vary between urban and rural districts.

5.3 **Reporting Relationship**

5.3.1 The Provincial Administration will be the link between the national and the district level.

5.3.2 At district level, the Council and the Government representative will report to the Provincial Administration.

5.3.3 The sub-District Level will report to Councils.

6.0 **RESOURCE MOBILISATION AND FINANCING THE DECENTRALISATION SYSTEM**

6.1 For the decentralisation process to be successful and on a sustainable basis, there will be need for adequate funding. The Government is committed to fund the implementation of the decentralisation process.

6.2 The Government will also raise resources from the following:

- (a) Cooperating partners;
- (b) Contributions through Community participation;
- (c) Private investment in local development projects; and
- (d) NGOs participating in local development projects and service delivery.