

The World Bank

**Assessment of Localities' Compliance
with Minimum Qualifying Criteria and
Identification of their Capacity Needs in
Northern Sudan, World Bank/LICUS**

Jabrat Al Sheikh

Assessment report

September 2006

COWI

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1 Introduction

A Community Development Fund project, executed by the Ministry of Finance, and funded by the Northern Sudan Multi-Donor Trust Fund is planned to provide urgently needed local public infrastructure and, in the longer term, to establish the capacities, mechanisms, and procedures in selected localities to enable them to support sustainable, locally-led development.

In the short-term a Programme Implementation Unit will be responsible for transferring funds for locally defined priority projects in the localities while over time the project will build the capacity of localities to plan, allocate resources and implement and manage such investments on their own. It is expected that some localities here and now will be able to efficiently manage such grants for improved service delivery at the community level, while other localities through the support will develop the necessary capacities over time.

In support of these objectives a capacity assessment of 16 selected localities in Northern Sudan was undertaken to:

- 1) Identify localities that comply with the Minimum Qualifying criteria (MQC) for accessing funding under the community development window of the CDF programme.
- 2) Identify localities that comply with the Capacity Building Support Access Criteria (CBSAC) for accessing funding under the capacity development window.
- 3) Assess the functional capacity needs of localities using the tentative Performance indicators.

This report is the capacity assessment of Jabrat Sheikh, which supplements similar reports for each of the 15 other localities assessed.

All the localities have been assessed based on the same set of criteria and performance indicators that were defined in a separate exercise. The criteria and indicators focus on functional areas such as planning, budgeting, financial management, human resource management, political institutions, etc., and reflect the legal framework in place in 2005 combined with a vision of decentralised local governance. However, since 2005 new State constitutions and state local government acts have been developed, and in three of the four states involved in the assessment the new legal frameworks are not yet approved.

The assessment was undertaken by COWI A/S in collaboration with DEGE Consult Ltd over a period of two weeks in September 2006. Four different sub-

teams covered the 16 localities. Each sub-team was composed of an international consultant and two Sudanese representatives from local or national governments, private sector or the NGO sector. The teams spent one to two days in each locality interviewing relevant staff and political representatives, and reviewing relevant available documentation. The assessments were guided by a checklist based on the toolkit which was filled by all team members to ensure a systematic coverage of all the capacity criteria and indicators. Moreover, the State administrations in Blue Nile and North and South Kordofan were visited for interviews on the decentralisation setup and projected future arrangements in the given State.

The structure of the report follows the presentation of functional areas in the toolkit. Following the introduction, chapter 2 addresses the locality's compliance with the MQC. Chapter 3 looks at the locality's compliance with the Capacity Building Support Access Criteria. Chapter 4 assesses the locality's capacity based on the performance indicators. The conclusions regarding the locality's compliance with the MQC, CBSAC and assessment of functional gaps and capacity needs are presented in chapter 5. Here summary tables on the MQCs and performance indicators are also presented for easy reference. Issues arising from the assessment of relevance to future assessments are presented in chapter 6. The appendices include, among other, a summary of the relevant checklist filled by each sub-team.

It is noted that the 2006 assessment is the first assessment of the capacity of the localities under the CDF programme and the findings will serve as a baseline for future assessments, including the definition of performance criteria. In addition, a synthesis report outlines the general capacity level and challenges of the localities in Northern Sudan, including considerations regarding capacity building strategies.

1.1 Jabrat Sheikh

The Locality is in the North Kordofan State. It is located 230 km north of the state capital Al Obeid. It has a population of 97,000 and is composed of 3 administrative units and 96 peoples committees.

Geographically the locality is semi arid and populated by pastoralists and some small scale farmers. The town centre has recently grown due to an increase in the number of heavy trucks stopping over on their way to the Darfur state and Chad. This is one of ten localities that have a CDF Local Implementation Unit (LIU).

Generally the locality showed some capacities compared to other localities visited by Team 2. Most of the key positions were filled with qualified staff. The locality had some practised some participatory planning and communities were also contributing towards development projects especially in education and health sectors. This capacity is mainly due to existence of the LIU and a newly created planning and coordination department. There was some evidence of fiscal capacity as substantiated by an increase in own revenues by 25% between years 2004 to 2005.

However there are still areas where capacity is needed especially in development planning, capacity building, council functionality and communication. We noted that most of the decisions were being taken at the state level due to absence of a legislative council.

1.2 Assessment context

The commencement of the assessment was as scheduled due to preparedness of management team under the leadership of the Executive Director. After a courtesy call to the director, the assessment team met with the heads of departments and presented a brief background and objectives of the assessment. Also a brief outline of the toolkit was made laying emphasis on importance of this assessment and therefore need for the council to avail the team all the evidence required to prove compliance with the minimum qualifying conditions (MQCs) for access to Capital Grants.

The Executive Director, however, kept on checking to ensure that the team got all the data/documents required.

An exit meeting with heads of department was held at the end of the assessment in which a summary of the preliminary findings was presented. At the presentations each functional area was explained and participants had the opportunity to make any factual corrections.

The locality was well prepared and much of this was a result of the CDF Local implementation unit LIU manager involvement. However poor record keeping affected the locality ability to provide evidence to our team.

2 Minimum qualifying criteria

2.1 Development planning and budgeting capacity

Functioning of the Locality Executive Committee in development planning.

The Locality does not have an Executive Committee (EC). It has a specialised committee of heads of departments which meets on need basis. The Executive Director usually sends a letter to various heads of departments asking them to submit their planning proposals on a set deadline. A date is then set for the discussions of the proposal by a specialised committee meeting of the heads of department. The proposals are then discussed and ratified according to sector such as education, health, agriculture, animal resources, and water. After the draft proposal have been agreed by the heads of departments meeting they are summarised into a single document which is termed the Locality draft annual plan. This is submitted to the state for further discussion and ratification. Sometimes these sector proposals are changed at the state level. The state normally reviews consistency to federal government policies. The locality plans are then tabled on the state legislative council which approves the plans. We were provided with an approved Locality plan signed by the General Finance Manager of North Kordofan State with a letter reference number NNK/120B/1/2006 dated 23rd February 2006. We also noted that a planning and coordination department had recently been established at the Locality with the State providing the staffing.

Timely and council-approved annual social and economic plan. The Locality did not have a Legislative Council (LC). The LC was dissolved by the State on 17th July 2003. As mentioned above the Locality annual plan is approved by the state Legislative Council. However we were unable to obtain the state LC minutes approving the plan. We were provided with a copy of the annual plan signed by the State General Manager Finance.

Timely and Legislative Council-approved annual budget. The budget is also submitted to the state for approval. The procedure is similar to the one followed to approve the annual plan. As mentioned above the Locality annual budget is approved by the state Legislative Council. However we were unable to obtain the state LC minutes approving the budget. We were provided with a copy of the annual budget signed by the Locality Commissioner and State General Manager Finance. However it was not signed by the Chairman because the locality does not have a Legislative Council.

Clear link between annual plan and annual budget. During the field visit we noted some evidence of a link between the annual plan and the budget. For example we reviewed the annual plan and budget for 2006 and noted a project for rehabilitation of a dispensary had been included in the plan and also in the budget.

Capture of operational costs in the budget derived from capital investments. We were informed that this is undertaken by the locality with support from state. We were unable to obtain evidence that the operational costs were being captured. However we obtained explanations from the Locality staff that the operational costs are normally provided by the locality. Funding gaps in this area provided for by the relevant ministry at the state level.

Capture of maintenance costs in the budget derived from the capital investments. This is similar to the findings on the operational costs narrated above.

2.2 Fiscal capacity and financial management

No decrease in own revenues in nominal figures for the previous-year-but one to the previous year. We reviewed the financial reports of the Locality and noted that the own revenues were as follows:

- 2004 SD 93 Millions
- 2005 SD 116 Millions

This represented an increase of 25%. The main source being increase in taxes on Lorries carrying goods for the Darfur regions and Chad. In addition the Locality has recently acquired two new vehicles to assist in transporting revenue collectors in remote places of the Locality.

Co-funding requirements complied with for capital investments. This is not applicable. However the Locality is involved in co-funding operational cost of the CDF Local Implementation Unit (LIU) by providing fuel to the motor vehicle that has been hired by the state for use by LIU. The Locality could not provide evidence of the amounts involved. The state was also providing co-funding indirectly on behalf of the Locality by hiring the motor vehicle and paying salaries of support staff. These locality and state funds are not deposited in the LIU special account.

Entire final accounts for the previous financial year produced on time and submitted for audit. We obtained the final accounts for the previous year 2005 and noted that it was produced on time and submitted to the State and the Auditor General on the 7th January 2007.

All books of account maintained up to date. The Locality maintains all the books of accounts as required by the Sudan Government financial regulations. We reviewed a number of books and records such as cashbook, bank reconciliations and registers. We noted from example that the bank reconciliations were updated to July 2006 and the cashbook had been posted up to 3rd September.

ber 2006. The bank reconciliations were lagging behind because of delays in receiving bank statements from the banks at Al Obeid.

Project specific account opened and ready for operations. According the LIU manager at the Locality the project specific bank account had been opened in July at Agriculture Bank in Al Obeid. The account was opened by an authority letter from the Project Implementation Unit (PIU) in Khartoum. The letter was copied to the State and Locality. The signatories to this account were the LIU manager and accountant. However there are no project specific guidelines. The LIU uses the general government procedures and regulations.

Internal audit function in place, including submission of quarterly reports to the Council and the State. The functionality of the internal audit is adequate at the district, carrying out both pre and post audit. We noted that the internal auditor was producing monthly reports and submitting to the commissioner and copied to the state. We were provided with an internal audit report for July 2006 that was prepared and submitted on 3rd August 2006.

Clean audit report for the last audited year. We were provided with an audit report for year 2005. The report did not have an overall opinion of the auditor. However the report raised eleven issues. The following were the key comments:

- The taxes and duties collected should be deposited without delay to the cashier
- The storekeeper should be a member of the purchasing committee
- The locality should adhere to the rules and regulations that govern the payments of financial incentives and rewards
- Verbal order made by the commissioner to the administrative officer to pay without written authority.

Otherwise all of the other comments were minor and relating to the accounting system. All the comments have been replied to by the Executive Director in a letter sent to the state and Auditor General. For example the storekeeper has been included in the purchasing committee. However there was no evidence of the discussion of the comments by the Locality heads of department.

No major financial irregularities noticed during the year and/or irregularities unsettled from previous years. There was no major irregularity raised by the external auditor.

2.3 Procurement

Tender evaluation committee has been established and tender procedures are as per regulations. The Locality has established a purchasing committee as per Sudan Government regulation. The committee is composed of the following:

- Administrative officer
- Finance Manager
- Store Keeper
- Member from the relevant department undertaking the procurement

The purchases committee undertakes minor procurement. Major procurement is undertaken by the State on behalf of the Locality. The Locality showed our assessment team a copy of the Sudan Government Procurement regulations which the purchase committee is adhering. There were no indications of mismanagement. Procedures could be strengthened.

2.4 Functioning of political institutions

There was no evidence of functioning of political institutions after the dissolution of the Legislative council. However there was evidence of this happening before the dissolution. We also noted the Locality was using a steering committee established under the CDF LIU as a forum for discussion between the locality and representatives of peoples committees and communities.

2.5 Staff functionality

Positions of Executive Director filled with requisite qualifications. The Locality has a total staffing of 553. The number of staff at head office is as follows:

Category	Number
Administrative Officers	5
Finance	23
Agriculturalist	10
Health and Engineering	10
Personnel affairs	4

Almost all positions filled of people with adequate general qualifications, but weak understanding of and knowledge of budgeting, participatory, planning, procurement, monitoring, and transparency and accountability was noticed by the team. The post of Executive Director is filled by a graduate (BA) with more than 16 years experience in administration. We could not review the appointment documentation because these are maintained at the state.

Head of Administration and Finance Affairs Section filled with requisite qualifications. The finance department currently has total staffing of 23 staff. However the required staffing is 27 resulting in a gap of 4. Efforts are being made through the state to fill this gap. The post of head of finance is filled with staff with requisite qualifications. The current head has a university degree with more than 16 years experience in finance and administration at both state and locality level.

3 Capacity Building Support Access criteria

3.1 Capacity building plan

The Locality has no capacity building plan. All capacity building activities are undertaken at the state level on behalf of the Locality. The state normally requests the locality to complete a form showing the training requirements. This form is submitted to the state for further considerations. However we were informed that not always the state provides the required training as identified in the form submitted to the state. The absence of a capacity building plan at the Locality is affecting the functional capacity of the departments and those of communities.

3.2 Human resource management function

The position of Head of staff is filled, which suggests that a human resource management function is provided for. However, an organisational chart was not available to illustrate and document the existence of this function.

4 Performance assessment

4.1 Development planning and budgeting capacity

Existence of a participatory planning process. Our team noted strong evidence of existence of participatory planning through our interviews with representatives of People's Committees. We interviewed a member of People's Committee at Hamartelwis village who confirmed that the project ideas are raised by People's Committees at the communities. These are then submitted as applications to the Locality through their coordinator. If the project is approved the locality also approves the consent to raise financial contributions from the community. Generally the communities provide contributions such as labour and building materials. Planning procedures and guidelines are not sent to the Communities for adherence during the preparation of the development plans. The Communities have not been trained on the application of participatory planning methodology.

The Peoples' Committees have membership of women, but there are no indications of any approaches or indications of capturing the special needs of women or special groups. Other development partners do not appear to have been involved in the planning process. No outright appraisals take place of development projects with involvement of technical staff of the locality. This reflects the planning process whereby the role of localities is to propose project ideas to the State which then decides among the options; no appraisal takes place in between, except for what is inherent in the State's decision.

An Executive Committee, Committees of Council, Legislative Council, etc. are not in place to enable discussion and approvals of plans and projects.

In summary participatory development planning functionality is relatively better than the other locality visited by this assessment team this could be attributed to introduction of a planning and coordination department which has started to build the capacity of the Locality in planning,.

Quality of the annual development plan - must adhere to the provided format. The Heads of Department through the specialised committee prepared a list of priority projects to be forwarded to the State level for funding. Since no funding guarantee or budget ceiling is provided as the basis for the locality's planning process, the list does not constitute a "vision"-based and resource constrained plan. Moreover, the project priority list contains no general background information on the locality, it is based on a participatory planning proc-

ess involving the Peoples' Committees, however it contains no analysis of locality peculiar challenges and opportunities, no implementation strategies, procedures for monitoring or highly detailed investment profiles of the proposed projects, including background, objectives, etc. The plan is therefore not of a "high" quality. At the same time, the plan adheres to the format required by the State.

Comprehensive strategic medium term plan in place. The locality has no medium term strategy or any plans beyond the project list for 2006 referred to above.

Budgeting capacity. The Locality has low capacity in budgeting. There was no evidence of the indicators under this area being met except there was evidence that the locality takes into account its previous performance in budgeting and budget follow-up when it does the preliminary yearly budgeting before submission to the state.

4.2 Fiscal capacity

Revenues. Revenue collection increased by 25% between 2004 and 2005. The increase was due to increase in taxes on Lorries transporting goods to Darfur and Chad. The Locality has no documented strategies for increasing revenues. However discussion with locality staff revealed that the Locality was intending to undertake the following steps to increase revenues:

- Train tax collectors
- Acquire equipment such as motor vehicles to transport tax collectors to distant places
- Increase the awareness of tax payers
- Enact new laws to enforce compliance. Evidence has shown that taxes have increased since when the State has been involved in enforcing compliance.

Revenue management. The standard accountability measures for tax collections (registers, authorised collectors, etc.) are in place and books are maintained in accordance with the State defined procedures and are up-to-date. There is no feed-back given to communities regarding the amounts collected.

Expenditures. The level of administrative expenses compared to own revenues is 70%. The locality informs that no part of the own revenue is spent on capital investment. The own revenue is thus entirely consumed for recurrent and maintenance purposes.

4.3 Financial management and audit capacity

Budget execution and cash flow. There are no procedures for cash flow budget, management of budget and procedures to ensure sufficient working LG capital. There is no evidence that cash inflows and outflows are managed so that the locality is able to meet current payments promptly, according to financial commitments. There is no commitment control system. However we noted

that the Commissioner signs and authorises most of the transactions at the locality.

Accounting. The Locality has a functioning system of assets register and management. There was evidence that inspections are undertaken and inventories maintained of fixed assets. We noted that a list of assets in each room was posted behind the entrance doors. Also financial management documents are kept safe and locked away in the stores.

Internal control. The internal audit function was operational and produces a report monthly. All accounting transactions are also pre-audited by the IA. There was also evidence of follow up on the IA results. The Executive officer follows-up. We also noted evidence of an active system of internal control, such as written policies and procedures adopted/customised by the management (internal procedures). The Locality adheres to the Government of Sudan procedures and regulations. However there was no any evidence of locality policies and procedures in place to ensure adherence to state policies, directives, laws and regulations. We were provided with policies and procedures from the State such as the Auditor General Act of 1995 and Internal Audit Act of 1997. These procedures did provide for to ensure segregation of duties, such as:

- authorization to execute a transaction,
- record an action, and
- custody of assets involved in the transaction.

However we did not see any evidence that policies and procedures exist that safeguard against conflicts of interest. Efficiency and effectiveness audits are not undertaken, apart from the inspections by the line-ministries in the form of the bi-annual visits to check on the status and problems in their service areas.

4.4 Procurement capacity

Procurement organ. We noted that the Locality did not have a Procurement Plan. There is no technical evaluation committee constituted with appropriate membership. The locality uses a technical evaluation committee at the state level. However sometimes the Heads of department meeting acts as technical evaluation team in minor procurements undertaken by the locality. The procurement authority (Commissioner) adheres to the recommendations of the technical evaluation committee. We were informed that the state communicates to the locality about the tender awards.

4.5 Transparency and accountability

Downward reporting/accountability. The efforts relating to downward accountability are limited. Communication is conducted through People's Committee representatives. We visited one community and interviewed the chairperson of the peoples committee. While our teams could not trace most of the necessary policy guidelines and document formats at the communities, it was realized in interviews with Locality staff that even the communities which had them were not fully utilizing them for their purpose.

No indicative planning figures were in that case provided to the public, partly because the State does not announce these to the locality. No information has been received yet from the State regarding approved projects and budgets, which means no information of this kind has been given by the locality to the public. Neither does the locality have information from the State to share with the public regarding opinion of audit reports, projects implemented, etc.

The locality informs that any citizen would be provided with access to financial information, although no such requests have ever been made.

Peoples' Committees are invited to the steering committee meetings that are organised under the auspices of the CDF LIU.

Horizontal accountability. Some horizontal accountability exists in the locality. The Heads of department exchange information in regular meetings hosted by the Executive Director, but there is no systematic approach to cross-sectional sharing of information and consultations. There is no system for exchanging reports between sections except when the departments are involved in undertaking a joint activity. For example when there is a minor civil construction at a primary school then the engineering and education will work together and exchange information. NGOs are not provided with reports of the locality and neither does the locality receive reports from the NGOs working in its jurisdiction.

Upward accountability. Fairly strong upwards accountability is practiced by the locality by virtue of the State defined requirements. A regular system of reporting is maintained to the State. We noted monthly reporting on the 1st week of the following month. For example we reviewed a financial report for the month of April 2006 which was submitted on 4th of May 2006.

4.6 Functioning of political institutions

Locality legislative council. The Legislative Council or any other political institution (apart from the Commissioner) is not in place. We also noted the Locality was using a steering committee established under the CDF LIU as a forum for discussion between the locality and representatives of peoples committees and communities.

4.7 Human resource development/capacity building

Capacity building planning process. As said previously, the locality has not developed a training or capacity building plan, which partly reflects that capacity building and training is the immediate function of the State level.

Quality of the capacity building plan. No training plan exists, apart from training course requests sent to the State.

Capacity building implementation. Some training has been received by the locality over the past year, but not in the areas requested; these courses have been defined by the State.

Monitoring of capacity building. The locality has not followed up on or monitored the impact of the training received from the State level. There were no immediate plans or concepts for monitoring the training, which also reflects the limited training input.

4.8 Project supervision and monitoring

Contracts management and technical supervision. So far the locality has not managed any contracts or payments relating to projects for lack of authority to do so. Consequently no experience exists in this area.

Monitoring and reporting The state undertakes the bulk of this task. The Technical staff of the locality is involved in conducting inspections and reporting on the projects decided and implemented mainly by State level in the locality. There is therefore experience with technical inspections, but not with systematic monitoring and monitoring approaches.

5 Conclusions

5.1 Compliance with Minimum qualifying criteria

As seen from the table below, Jabrat Sheikh meets 14 out of 18 the Minimum Qualifying Criteria while 1 may not be applicable to the locality.

Minimum Qualifying Criteria: Summary of status

Criteria	Compliant	Not compliant	N.A.
Development planning and budgeting capacity			
Functioning of the Locality Executive Committee in development planning		X	
Timely and council-approved annual social and economic plan	X		
Timely and Legislative Council-approved annual budget	X		
Clear link between annual plan and annual budget	(X)		
Capture of operational costs in the budget derived from capital investments		X	
Capture of maintenance costs in the budget derived from the capital investments		X	
Fiscal capacity and financial management			
No decrease in own revenues in nominal figures for the previous-year-but one to the previous year	X		
Co-funding requirements complied with for capital investments			X
Entire final accounts for the previous financial year produced on time and submitted for audit	X		
All books of account maintained up to date	X		
Project specific account opened and ready for operations	X		
Internal audit function in place, including submission of quarterly reports to the Council and the State	X		
Clean audit report for the last audited year	X		
No major financial irregularities noticed during the year and/or irregularities unsettled from previous years	X		
Procurement			
Tender evaluation committee has been established and tender procedures are as per regulations	X		

Functioning of political institutions			
Legislative Council in place and operational		X	
Staff functionality			
Positions of Executive Director filled with requisite qualifications.	X		
Head of Administration and Finance Affairs Section filled with requisite qualifications	X		

5.2 Compliance with Capacity Building Support Access criteria

Jabrat Sheikh does not meet any of the criteria relating to capacity building support.

5.3 Capacity building needs and functional gaps based on performance indicators

The main functional gaps and capacity building needs are in the following areas:

- Development planning and budgeting capacity: a) build the capacity in the locality for all preparatory aspects of planning and 'visioning', including basic analysis of locality needs and poverty specific analyses pertaining to needs of the vulnerable sections of the community; b) build capacity for medium term planning and budgeting; c) assistance needed for the capacity to increase its performance in budgeting.
- Financial management and internal audit: a) there is an urgent need to establish a commitment control system at the locality; b) training is needed for the accounting section to improve the cash-flow projections.
- Procurement: a formal procurement committee is urgently needed. The committee will need capacity building to undertake procurements in accordance with State regulations.
- Transparency and accountability: a) there is a need to build awareness and capacity in support of making the various operations of the locality more transparent, including the publication of budgets, plans, and audits to the community; b) training and guidelines in undertaking outreach activities to include and inform people's committees in the locality planning process; c) further improvement in horizontal accountability needed.
- Functional political institutions: a) as no Legislative Council is in place the locality should be assisted in servicing and cooperating with the forthcoming Council; b) monitoring of people's committees operations and provision of training from the locality to the committees in their functional role and operations is needed.

- Human resource development/capacity building: assistance is needed for assessing training needs of locality staff and developing capacity building plans to meet the current capacity gaps of locality departments.
- Project monitoring and supervision: if the locality is expected to implement projects in the future capacity building is needed in all facets of the project management cycle.

The table overleaf is our attempt to illustrate the general performance status of the locality. It shows the indicative level obtained by the locality in each functional area based on the performance indicators. An "A" thus indicates a generally favourable assessment in the sense that "most" questions in the tool kit under that performance area were answered positively. A "B" indicates that some capacity was shown but significant scope for improvement exists; only 1-2 questions in the tool kit under that performance area were answered positively. A "C" indicates that very weak capacity was shown in the sense that none of the questions defined in the tool kit under that performance area was answered positively.

It is emphasised that wide intervals have deliberately been set for each category, A, B, or C. It reflects that the categories should not be seen as scientifically established scores that determine the exact performance level of the locality for each functional area. The categories should only be seen as a general and tentative indication of the locality's performance level.

On this basis it is noted that Jabrat Sheikh obtained 4 A's, 9 B's and 10 C's, which suggests that it shows "some" capacity in many functional areas examined but also that it remains weak in more functional areas.

Performance/Capacity Area	Level
Development planning and budgeting capacity	
Existence of a participatory planning process	B
Quality of the annual development plan – must adhere to the provided format	C
Comprehensive/strategic medium term (3-4 years) plan in place	C
Budgeting capacity	B
Fiscal capacity	
Revenues	A
Revenue management (administration)	B
Expenditures	B
Financial management and audit capacity	
Budget execution and cash flow	B
Accounting	A
Internal Control	A
Procurement Capacity	
Procurement Organs	B
Procurement Process	C
Transparency and Accountability	
Downward reporting/accountability	B
Horizontal accountability	B
Upward accountability	A
Functioning of political institutions	
Locality Legislative Council	C
People's Committees	B
Human resource development/capacity building	
Capacity building planning process	C
Quality of the capacity building plan	C
Capacity building implementation	C
Monitoring of capacity building	C
Project supervision and monitoring	
Contracts management and supervision	C
Monitoring and reporting	C

A: Most questions relating to the performance measure answered positively

B: Only 1-2 questions relating to the performance measure answered positively

C: No questions relating to the performance measure answered positively

6 Issues arising

The issues arising include the following:

- In the future localities need to be sensitised and prepared for the assessment so as to expedite the process.
- Most questions in the toolkit are a bit too high level for the localities assessed especially in the performance area. Some questions are also repetitive. There is a need to review and update the checklist to make it more realistic and fair.
- The locality needs to improve on record keeping expediting future assessments. In most cases the locality staff could not produce the required evidence not because it was not existent but because it had been stored in the wrong place.
- Since most of the locality key functions such as project management are undertaken at the state level, there is a need of also assessing the states in relation to their link with the localities.

Appendix A: Check list

Background information about the locality

- Locality Name...**Jabrat Al Sheikh**.....
- Size of the local government in terms of population:...**97,000**.....
- Number of staff...**553**.....
- Number of administrative units ...**3**.....
- Number of people’s committees...**96**.....
- Geographical location...**North East of North Kordofan State**.....
- Special features...**Dry arid characterised by pastoralism**
- Contact at locality: Name...**Mubarak Rahamtallah Osman**.....
Phone number: **+249 616 82206315**.....
Email:.....

Minimum Qualifying Criteria

Development planning and budgeting capacity

Performance/capacity area (MQC)	Performance/capacity area (MQC)
Coordination of the planning function	Functioning of the locality Executive Committee in development planning
<p><i>Obtain and review minutes from the Executive Committee for the previous and current financial year.</i></p> <p>Note the reference numbers and date of the meetings (e.g. minute No.--- of ----)</p> <p>Note the frequency of the meetings (dates and reference number).</p> <p>Did the Executive Committee meet as required (at least once per month)? yes/no <i>The locality has no Executive Committee but has a specialised committee of heads of departments. The specialised committee does not meet on regular basis. It meets on need basis.</i></p> <p>Check the attendance list and note any anomalies. <i>The attendance include the heads of departments of Finance and Administration, Engineering and Health, Education and Agriculture. No anomalies were noted.</i></p> <p>Were meetings attended by the appropriate staff (the EC may co-opt technical resource persons)? yes/no Yes</p> <p>Did it discuss development planning and budgeting issues including e.g. the annual plan and budget, desk and field appraisal of projects, etc.? yes/no Yes. We noted that the specialised committee met on</p> <p>Note the relevant minutes, date and agenda number. <i>We noted the minutes of the specialised committee which met on.... however there was no agenda number.</i></p>	
Planning capacity	Existence of a timely and council approved annual social and economic plan (Section 10 B of the LG Act, 2003)
<p><i>Obtain and review the annual plan for the current year (2006):</i></p> <p>Was the annual plan signed as per guidelines (Council Chairman, Commissioner)? yes/no <i>No. However we noted that the annual plan was approved by the state by letter Ref. No MNK/120B/1/2006 dated 28 February 2006.</i></p> <p>Did the annual plan include a project profile for each of the prioritized projects following the recommended format? yes/no</p>	

<p>No. The annual plan includes just a list of projects in health education and water. However we noted that project profiles were kept in a separate file. Review the minutes of council. On this basis, have the Legislative Council discussed and approved the annual plan? (Note the dates and relevant minutes) yes/no</p> <p>No. The locality does not have a legislative council. The council was abolished by the state. However we were told by the locality staff that the plan was discussed and approved by the State Legislative council,</p>	
<p>Budgeting capacity</p>	<p>Existence of a timely and Legislative Council approved annual budget</p>
<p><i>Obtain and review the annual budget for the current year (2006).</i> Has the annual budget been signed as per guidelines (Council Chairman, Commissioner)? yes/no Yes the annual budget was signed by the commissioner on. However it was not signed by the Chairman because the locality does not have a Legislative Council. Has the annual budget been prepared as per guidelines? yes/no</p> <p>Yes Review the minutes of the Council. On this basis, does it appear that the Council discussed and approved the annual budget before the end of December? (Note the dates and relevant minutes.) yes/no</p> <p>No. The locality did not have minutes of the legislative council because as mentioned above this was abolished by the state.</p>	
<p>Financial interpretation of the plan</p>	<p>Clear link between annual plan and annual budget</p>
<p><i>Review and compare the annual plan and budget.</i></p> <p>Based on the review/comparison, does it appear that the priority projects in the annual plan have been reflected in the annual budget (budget linked to activities and outputs)? yes/no</p> <p>Yes. We reviewed a sample of projects in Health and Education and noted that they had been included in the budget</p>	
<p>Sustainability in the budgeting process</p>	<p>Capture of operational costs in the budget derived from the capital investments</p>
<p>Ascertain whether there is consent from the relevant authorities to meet operational costs of investments prioritised in the annual plan and budget. Does there seem to be consent from these authorities to meet the operational costs of investments prioritised in the annual plan and budget? yes/no</p> <p>Yes. This was being done by the state.</p> <p>Review the budget. On this basis, have the major investments been catered for in terms of opera-</p>	

<p>tional costs (cross reference to the operational issues in the project profile)? yes/no</p> <p>Yes. This was being done by the state.</p>	
	<p>Capture of maintenance costs in the budget derived from the capital investments</p>
<p><i>Review the annual plan (including project profiles).</i></p> <p>Has the locality an elaborated maintenance strategy for capital investments? yes/no</p> <p>Yes. This was being done by the state.</p> <p><i>Review the budget.</i></p> <p>Has the locality made provisions to meet maintenance costs of major investments? yes/no</p> <p>Yes. This was being done by the state.</p>	

Fiscal capacity and Financial Management

<p>Fiscal Capacity</p>	<p>No decrease in own revenues in nominal figures from the previous year-but-one to the previous year</p>
<p><i>Obtain a copy of the final accounts for the previous year-but-one and for the previous year. Review accounts and note the total locality own revenue in both years.</i></p> <p>Revenues were as follows:</p> <ul style="list-style-type: none"> ➤ 2004 SD 93 Millions ➤ 2005 SD 116 Millions <p>Have locality own revenues increased? yes/no</p> <p>Yes. Revenue increased by 25%. The main source being increase in taxes on Lorries carrying goods for the Darfur regions and Chad.</p> <p>By what percentage have they increased/decreased?</p> <p>As above</p>	
	<p>Co-funding requirements complied with for capital investments</p>
<p><i>Obtain and check bank statement for the Project Account.</i></p> <p>Have co-funding obligations been met as per project requirements (for example, if it has been posted for the first quarter of the first year)? yes/no</p> <p>Yes. The State was providing a car to the project staff. The Locality was providing an office and payment of salaries for project support staff. Howe ever the co-funding had not been posted in project account.</p> <p>Is there a record of the amounts deposited on the bank accounts (co-funded) and dates? yes/no</p> <p>No</p>	

<p>Obtain and review the budget for the current financial year. Is there a provision for meeting the co-funding obligations? yes/no Yes. We noted there was provision for salaries of support staff for the project Local Implementation Unit (LIU) (In the second year, it will be important to ascertain whether co-funding obligations for the previous year were actually complied with.)</p>	
	<p>Communities made their matching contributions for specific community projects</p>
<p><i>N.A. This only applies for the second assessment.</i></p>	
<p>Financial Management</p>	<p>Entire final accounts for the previous financial year produced on time and submitted for audit</p>
<p>Obtain the final accounts for the previous financial year (2005). Were they prepared and completed on time? yes/no Yes. The final accounts were completed on 31st December 2005 Please note the date on which the accounts were approved and signed. Were they submitted for audit before end of March (review submission letter and note date of submission)? yes/no Yes. They were submitted for audit on 7th January 2006.</p>	
	<p>All books of accounts maintained up-to-date, including bank reconciliation</p>
<p>Obtain and review the major books of accounts such as the daily accounts book, ledger books, liability registers, deposit books, vote books (item expenditure book/allocation of funds), sample of bank accounts. Obtain bank reconciliation statement for each bank account and note the dates the statements were prepared and approved. We reviewed the bank reconciliations and noted that they were up to date up to July 2006. Are the major books of accounts maintained? yes/no Yes we reviewed cashbook and noted it was up to date to 3rd September 2006. Are they posted and up to-date (note dates of last postings)? yes/no See above</p>	
	<p>Project specific bank account(s) opened and ready for operations. (There may be need to open up two bank accounts – one for the capital and the other for capacity building funds)</p>
<p>Has a project specific bank account been opened with the required approvals (e.g. resolution of Council specifying bank and branch)? yes/no</p>	

<p>Yes. The project account had been opened by a letter from Project Implementation Unit (PIU) Khartoum. It was opened by the LIU at Agricultural bank in Al Obeid.</p> <p>Who are the signatories of the bank account? Signatories are the LIU Manager and Accountant</p> <p>Do the signatories meet the guidelines? yes/no Yes. However there are no project specific guidelines. The LIU uses the general government procedures and regulations.</p>	
<p>Financial Reporting – applicable in the second assessment year</p>	<p>Regularly and timely submission of financial statements to the State</p>
<p>N.A. (only for second assessment)</p>	
	<p>Regularly (minimum quarterly) financial statements provided to the Council</p>
<p>N.A. (only for second assessment)</p>	
	<p>Regularly and timely submission of financial statements (accountability reports) to the PIU</p>
<p>N.A. (only for second assessment)</p>	
<p>Internal audit</p>	<p>Internal audit function in place, including quarterly reports submitted to the Council and the State</p>
<p><i>Review internal audit reports for the previous and current financial years.</i> Were they are prepared as required? yes/no Yes. We reviewed a report for the month of July 2006. This report was submitted to Commissioner and copied to the state on 3rd September 2006.</p> <p>Were the internal audit reports submitted to Council? yes/no The Locality did not have a Legislative Council.</p> <p>(Note submission dates and relevant minutes)</p> <p>Were the internal audit reports submitted to the State? yes/no Yes. See above (Note the relevant submission dates)</p>	
<p>Audit reports</p>	<p>Clean audit report for the last audited year</p>
<p><i>Check the audit report and review the opinion of the auditors.</i></p> <p>Please sum up the main comments.</p>	

The locality accounting system is operating efficiently with adequate number of trained accountants. Other key comments include:

- **The taxes and duties collected should be deposited without delay to the cashier**
- **The storekeeper should be a member of the purchasing committee**
- **The locality should adhere to the rules and regulations that govern the payments of financial incentives and rewards**

Were the comments "minor" only? yes/no

Eleven issues were raised by the auditor. One of the comments included the verbal order made by the commissioner to the administrative officer to pay without written authority. Otherwise All of the comments were minor and relating to the accounting system.

Have all the comments already been addressed by the locality? yes/no

Yes all have been addressed. For example the storekeeper has been included in the purchasing committee. However there was no evidence of the discussion of the comments by the Locality.

Which (if any) comments were not addressed? **None**

If yes to these two questions, the locality has passed the MQC.

	No major financial irregularities noticed during the year and/or irregularities unsettled from previous years
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Review the audit reports and other documentation.

Has the locality reported major financial irregularities during the finance year? yes/no
No

Has the locality not addressed financial irregularities from the previous year audits? yes/no
No

Procurement

Procurement Organ	Tender evaluation committee has been established and tender procedures are as per the regulations
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Is procurement being made by an Organ/Committee established as per procurement regulations? yes/no

<p>Yes. They have a purchasing committee composed of the following:</p> <ul style="list-style-type: none"> ➤ Administrative officer ➤ Finance Manager ➤ Storekeeper ➤ Member from the relevant department undertaking the procurement <p>The purchases committee undertakes minor procurement. Major procurement is undertaken by the State.</p> <p><i>Review minutes of the committee/organ.</i></p> <p>What are the technical evaluation and procurement criteria and processes?</p> <p>This is undertaken by the State</p>	
Adherence to Procurement Guidelines – Second year	Adherence to the procurement procedures
N.A. (second assessment only)	
Expenditure performance – Second year	Actual expenditure on pro-poor sector areas (as per project investment menu)
N.A. (second assessment only)	

Functioning of political institutions

	Legislative Council in place and operational, e.g. regular meetings, decisions etc.
<p><i>Review the minutes from the council meetings.</i></p> <p>Note the relevant minutes and dates of meeting</p> <p>Legislative Council is non-existent</p> <p>Does the Council meet as stipulated in the relevant laws and regulations? yes/no</p> <p>No</p> <p>Does the Council discuss the relevant issues (i.e. annual plans and budgets, audit and financial reports etc)? yes/no</p> <p>No</p> <p>Provide examples by noting the relevant agenda items, minutes and dates.</p>	

None

Staff functionality

Staffing	Position of Executive Director filled with requisite qualifications
<p><i>Review the structure and the staffing position of the locality.</i></p> <p>How many are on duty / actually working in the position? The council is adequately staffed. It has 553 staff. The position of Executive Director has been filled.</p> <p>What are their qualifications?</p> <p>What level and type of experience do they have? Administration Officer Grade 7 with 16 years experience.</p> <p>Is the position of Executive Director filled? yes/no Yes</p> <p>What are the qualifications of the Executive Director? Graduate holder of Bachelor of Science Degree</p>	
Staffing	Head of Administrative and Finance Affairs Section filled with requisite qualifications
<p>What are their qualifications? Graduate holder of Bachelor of Science Degree</p> <p>What level and type of experience do they have? He has more than 16 years experience in financial management working at both state and locality levels</p> <p>How many are on duty / actually working in the position? See above</p>	

Capacity Building Support Access Criteria (CBSAC)

Human resource development capacity

<p>Capacity building/training plan in place (schedule), specifying how the capacity building support funds will be spent</p>
<p><i>Review the plan.</i></p> <p>Has a capacity building plan/training plan been developed? yes/no</p> <p>No</p> <p>Does the plan specify how the capacity building support funds will be spent? yes/no</p> <p>No</p>
<p>Human resource management function in place (designated unit/person)</p>
<p><i>Review the functional division of HRD tasks at the locality; specifically review the organisational structure to determine if the HRM position has been provided for.</i></p> <p>Based on the organisational structure - is there a human resource management function provided for? yes/no</p> <p>Yes</p> <p>Is the position of a HRM filled (evidence would be files on the appointment, noting dates, etc.? yes/no</p> <p>Yes. However we could not review evidence such as files on appointment because these are kept by the State.</p>

Performance Measures

Development planning and budgeting capacity

<p>Existence of a participatory planning process</p>	
<p>Are participatory consultations undertaken with the community members through involvement of the people’s committees? yes/no Yes the peoples committees are being involved through the LIU established steering committee.</p> <p>Review and note minutes of these committee meetings.</p> <p>Does the planning process capture the needs of special groups? yes/no No evidence of this happening</p> <p>Are NGOs’ participatory planning processes and approaches harmonised with those of the Localities (non-state actors involved in the participatory planning process)? yes/no No</p> <p>Are technical departments involved in the desk and field appraisal of development projects? yes/no Yes we noted the involvement of the education department involvement of appraising education projects. However there was no evidence of involvement by other departments.</p> <p>Review the minutes of the Executive Committee and note the relevant details e.g. agenda item, date, etc. Are the annual plans, including project priorities, discussed by the Locality Executive Committee? Yes/no No. We did not see any evidence of this happening. However the Locality staff told our team that this was happening.</p> <p>Are the Committees of Council involved in the discussion of draft annual plans? yes/no No</p> <p>Review their minutes and note the relevant details. Does the Locality Legislative Council discuss and approve the annual plan? yes/no No</p> <p>Review the minutes, note the agenda item, date of approval, etc</p> <p>Does the state level (Council of Ministers and State Assembly) review and endorse priority investments with recurrent cost implications to the state level? yes/no Yes.</p> <p>Obtain evidence of review and endorsement e.g. comments received from the Council of Ministers and State Assembly, letter of approval, letter of submission, etc.</p>	

<p>Yes. We reviewed a letter of approval from the state Ref. No MNK/120B/1/2006 dated 28 February 2006.</p>	
<p>Quality of the annual development plan – must adhere to the provided format</p>	
<p>Does the annual development plan provide background information to the Locality, including, for example, location, number of people’s committees, economic activities, etc.? yes/no No Note date of the plan and the relevant sections which cover these issues.</p> <p>Does it describe the participatory planning process through which the annual plan was developed? yes/no No</p> <p>Does it analyse the locality-peculiar challenges and opportunities (e.g. in relation to gender, environment and poverty)? yes/no No</p> <p>Does it outline the prioritised investments to address the identified challenges? yes/no No</p> <p>Does it propose the strategies the locality will use to implement the annual plan? yes/no No</p> <p>Does it provide the strategies through which the locality will monitor and evaluate the annual plan? yes/no No</p> <p>Does it give the costs of each of the prioritised investments (budget allocation) and sources of funding? yes/no No</p> <p>Is it attached with detailed investment profiles for each of the prioritised projects (e.g. the project title, background/objectives, technical description, implementation strategies, funding requirements and sources, strategies for operation and maintenance, environment and gender screening, etc.)? yes/no No</p>	
<p>Comprehensive/strategic medium term (3-4 years) plan in place</p>	<p>NOT AVAILABLE</p>
<p>Is there a strategic, medium term plan in place? yes/no No</p> <p>Does it provide details of the background to the locality? yes/no No</p>	

<p>Does it describe the process through which the medium term plan was developed (linked to the annual planning process)? yes/no No</p> <p>Does it list challenges encountered during the previous process and strategy for deepening of the participatory planning process? yes/no No</p> <p>Does it give detailed analysis of locality challenges and opportunities? yes/no No</p> <p>Does it give detailed analysis of crosscutting issues including poverty, environment and gender? yes/no No</p> <p>Does it outline the locality Vision, goals, and objectives? yes/no No</p> <p>Does it specify activities to be implemented in the first year and gives indications of activities to be implemented in the proceeding years (to be checked when the plan is being rolled)? yes/no No</p> <p>Does it give cost projects to implement the medium plan with indicative sources of funding? yes/no No</p> <p>Does it elaborate the implementation strategies for the medium term plan? yes/no No</p> <p>Does it elaborate the strategies to monitor and evaluate the implementation of the medium term plan? yes/no No</p>	
<p>Budgeting capacity</p>	
<p>Does the locality take into account its previous performance in budgeting and budget follow-up when it does the yearly budgeting? yes/no Yes</p> <p>Are revenue projections made over the medium term (3-4 years)? yes/no No</p> <p>Is budgeting based on available funds and identified sources? yes/no No</p> <p>What is the budget prediction capacity/execution performance (% of deviation from budget)? Not available</p>	

Are budget deviations legally approved? yes/no
No

What is the share of total budget allocated to services prioritized in the PEAP?
None

What is the percentage of total budget on non-chapter 1 salary items?
58%

Fiscal capacity

Revenues	
<p>What been the increase in own source revenues over the past two years? Revenues have increased by 25% due to increase in revenues collected from taxes on lorries transporting goods to Darfur region and Chad.</p> <p>What is the percentage of revenues collected against the planned revenues (targets)? See above</p> <p>Are there clear strategies to improve own-revenues and fiscal capacity? No clear strategies. However discussion with locality staff revealed that the Locality was intending to undertake the following steps to increase revenues.</p> <ul style="list-style-type: none"> ➤ Train tax collectors ➤ Acquire equipment such as motor vehicles to transport tax collectors to distant places ➤ Increase the awareness of tax payers ➤ Enact new laws to enforce compliance. Evidence has shown that taxes have increased since when the State has been involved in enforcing compliance. 	
Revenue management (administration)	
<p>Does the revenue collection reach the targets set? yes/no</p>	

<p>Yes</p> <p>Are accountability measures on revenue collection in place, such as registers, authorised collectors, banking, etc.? yes/no</p> <p>Yes</p> <p>Is feedback given to communities on the amounts of revenue collected and how it is used? yes/no</p> <p>Yes. This is done through people representatives in the steering committee</p>	
<p>Expenditures</p>	
<p>What is the level of administrative expenditure compared to own source revenues (%)?</p> <p>70%</p> <p>What is the share of the costs for the Legislative Council out of the total budget?</p> <p>Not available</p> <p>What is the share of the local revenue spent on capital investments?</p> <p>None</p>	

Financial management and audit capacity

<p>Budget execution and cash flow</p>	
<p>Are cash inflows and outflows managed so that the LG is able to meet current payments promptly, according to financial commitments? yes/no No Is the Locality maintaining adequate liquidity, and not accumulating arrears or debts? yes/no No Is there a commitment control system in place? yes/no No If so, who orders, signs, authorises, etc? yes/no Commissioner authorises most of the transactions</p>	
<p>Accounting</p>	
<p>Are all books of accounts properly maintained and up to-date including:</p> <ul style="list-style-type: none"> • Creditor register; • Control of debt (registers etc.). <p>yes/no Yes Is the imprested/petty cash management, including register, functioning and up-to date? yes/no No Is there a functioning system of assets register and management? yes/no Yes Are inspections undertaken <u>and</u> inventories maintained of fixed assets? yes/no Yes. We note that a list of assets in each room was posted behind the entrance doors Are financial management documents kept safe and locked away (safes)? yes/no Yes. This were being locked in the stores</p>	

Internal Control	
<p>Is the internal audit function operational? yes/no</p> <p>Yes. The IA produces a report monthly. All accounting transactions are also pre-audited by the IA.</p> <p>Is there evidence of follow up on the IA results? yes/no</p> <p>Yes. The Executive officer follows-up.</p> <p>Is there any evidence of an active system of internal control, such as written policies and procedures adopted/customised by the management (internal procedures)? yes/no</p> <p>Yes. The Locality adheres to the Government of Sudan procedures and regulations</p> <p>Is there any evidence of locality policies and procedures in place to ensure adherence to state policies, directives, laws and regulations? yes/no</p> <p>No. We were provided with policies and procedures from the State. However we did not see any evidence on Locality implementation policies</p> <p>Is there any evidence of policies and procedures in place to ensure safeguarding against mismanagement, errors, fraud, and other irregularities? yes/no</p> <p>Yes.</p> <p>Is there any evidence of policy procedures in place to promote orderly, economic, efficient and effective operations and delivery of services? yes/no</p> <p>Yes</p> <p>Do internal accounting and reporting regulations and procedures exist? yes/no</p> <p>Yes</p> <p>Is there any evidence of policies and procedures to ensure segregation of duties, such as:</p> <ul style="list-style-type: none"> • authorization to execute a transaction, • record an action, and • custody of assets involved in the transaction. <p>yes/no</p> <p>Yes</p> <p>Do policies and procedures exist that safeguard against conflicts of interest? yes/no</p> <p>No</p>	

Procurement Capacity

Procurement Organs	
<p>Is the technical evaluation committee constituted with appropriate membership? yes/no</p> <p>Note the evidences of its existence e.g. minutes, membership, etc.</p> <p>No. This is undertaken by the State</p> <p>Does the technical evaluation committee consider all procurement proposals before procurements are made? yes/no</p> <p>Provide examples of procurement proposals evaluated by the committee.</p> <p>No. This is undertaken by the State</p> <p>Does the procurement authority (Commissioner) adhere to the recommendations of the technical evaluation committee (or explains non-adherence)? yes/no</p> <p>Yes</p>	
Procurement Process	
<p>Does a Procurement Plan exist (and is it derived from the approved plans and budgets)? yes/no</p> <p>No</p> <p>Are bills of quantity (for works) and terms of reference (for services) prepared? yes/no</p> <p>No. This is done at State level</p> <p>Are all procurements advertised (as per the thresholds)? yes/no</p> <p>No.</p> <p>Note examples of adverts, date, media used, etc.</p> <p>Are proper evaluation criteria used for the bids and proposals? yes/no</p> <p>No. Done at State level</p> <p>Is there timely and transparent award of contracts? yes/no</p> <p>No. Done at State level</p> <p>Is there any communication to the locality about the tender awards? yes/no</p> <p>Note the dates and reference numbers of tender award notifications.</p> <p>Yes</p>	

Transparency and Accountability

Downward reporting/accountability	
<p>Is the public informed about:</p> <ul style="list-style-type: none"> • Indicative planning figures (before the start of the planning process)? yes/no No • Approved projects in the annual plan (with reasons for some of the community needs not to be implemented in a particular year)? yes/no Yes • Approved budgets indicating sources of funding and clearly specifying the required community contributions (both the volume and nature of contributions)? yes/no No • Funds received to implement the projects and how they have been allocated? yes/no No • Opinion of the audit reports and how the locality is addressing the queries? yes/no No • Project implemented (ongoing and completed) with explanations of variations with the plans if any? yes/no No • Public <u>access</u> to financial information (plans, budgets, accounts and audit reports)? yes/no No • Feed-back and information to the people's committees. yes/no <p><i>Yes. We interviewed a member of people committee at Hamartelwis village who confirmed that they were provided with some information on projects and revenues by their representatives who attended steering committee meetings at the Locality.</i></p>	
Horizontal accountability	
<p>Is there a reasonable level of information flow maintained among the departments, i.e. are departments up-dated on what is happening in other departments? yes/no No.</p> <p>Is the regular submission of reports and provision of information to the Legislative Council? yes/no No.</p> <p>Does the locality provide information to the non-state actors of the locality (other donor programmes, NGOs, private sector) to enhance synergies? yes/no</p>	

No.	
Upward accountability	
<p>Is the submission of the required reports to the State timely? yes/no Yes we noted that the council was submitting monthly reports to the state. For example monthly accounts for June 2006 were submitted to the State on 5/7/2006.</p> <p>Is the submission of the required reports to the project implementation committee timely? yes/no</p> <p>No. This done by the project supervision teams from the State. However for education we noted that a simple report was being prepared by the education department and discussed in steering committee.</p>	

Functioning of political institutions

Locality Legislative Council	
<p>Are discussions in the Council of a reasonable quality, i.e. do they discuss the annual plan, budget, financial and audit reports etc.? yes/no</p> <p>No</p> <p>Are council sub-committees established in required areas? yes/no</p> <p>No</p> <p>Are council sub-committees discussing the relevant issues related to their sectors? yes/no</p> <p>No</p>	
People's Committees	
<p>Is there evidence that the Locality has developed guidelines and a plan to mentor the people's committees in the execution of their functions, especially in relation to enhancing community driven development? yes/no</p> <p>No. This is being done by the LIU.</p> <p>Is there evidence that the Locality has actually trained the people's committees in the execution of their roles in relation to community-driven development? yes/no</p> <p>No. This is being done by the LIU.</p> <p>Is there evidence that the Locality has given feedback to the people's committees regarding their performance (achievements and challenges) and guidelines for further improvement?</p>	

<p>yes/no</p> <p>Yes</p>

Human Resource Development/ Capacity Building

Capacity building planning process	
<p>Has the locality conducted a capacity needs assessment to strengthen its function, with precedence given to institutional rather than individual needs (e.g. derived from systems for staff audit and appraisal)? yes/no</p> <p>No.</p> <p>Has the locality developed a comprehensive capacity building strategy/plan (formulated as per the recommended format)? yes/no</p> <p>No.</p> <p>Are the priorities in the CB plan within the project specified menu? yes/no</p> <p>No.</p>	
Quality of the Capacity Building Plan	
<p>Does the capacity building plan provide the background to the locality in the context of capacity building? yes/no</p> <p>No.</p> <p>Does it summarize the capacity building needs of staff, councillors, and people's committees identified through the capacity needs assessment? yes/no</p> <p>No.</p> <p>Does it detail the mix of strategies through which the capacity building needs should be addressed? yes/no</p> <p>No.</p> <p>Does it cover both human resource development (enhancement of individual competencies) and institutional strengthening (re-tooling)? yes/no</p> <p>No.</p> <p>Does it outline strategies through which CB activities will be monitored? yes/no</p> <p>No.</p>	

Capacity building implementation	
<p>Are capacity building activities implemented by the providers recommended by the project? yes/no</p> <p>No.</p> <p>Are capacity building activities implemented as per the capacity building plan? yes/no</p> <p>No.</p>	
Monitoring of CB	
<p>Has the locality received reports from the training/CB activities? yes/no</p> <p>No.</p> <p>Has the locality followed-up on the capacity building efforts, e.g. through monitoring and evaluation? yes/no</p> <p>No.</p> <p>Has the staff and other stakeholders performance improved – are the expected outputs are in place? yes/no</p> <p>No.</p>	

Project Supervision and Monitoring

<p>Contracts management and technical supervision</p>	
<p>Are all projects implemented with appropriate contracts (agreements)? yes/no No. This is undertaken by the state Are all payments made with the required certification (no advances, payments made against outputs)? yes/no No. This is undertaken by the state Does the technical staff ensure that the projects are implemented on schedule and following the specifications? yes/no No. This is undertaken by the state</p>	
<p>Monitoring and reporting</p>	
<p>Has the locality developed a clear strategy for monitoring the implementation of projects? yes/no No. This is undertaken by the state Does the locality monitor all projects being implemented (monitoring of progress)? yes/no No. This is undertaken by the state Is there evidence that the locality conducts technical inspections of projects? yes/no No. This is undertaken by the state. However sometimes the education department undertakes inspection on behalf of the State. Are progress reports arising from the monitoring and technical inspections exercises compiled? yes/no No. This is undertaken by the state Is there evidence that the Executive Committee discusses the monitoring and technical inspection reports and makes management decisions? yes/no No. This is undertaken by the state What is the percentage of projects implemented against the plan? This information available at state level</p>	

Appendix B: People met

	Name	Designation
	Mubarak Rahamt All Osman	Executive Director
	Jamal Ahmad Mohamed Abedk Fadl	Financial and Administrative affairs Manager
	Talib Madani Mohamed	Agriculture and Animal Resources Manager
	Mohammed Abu Zid Mohamed	Dispensaries Inspector
	Salih Elton Salim	Education Manager
	Hind Fagiri	CDF-LIU Executive Manager
	Al tahir Abedlla Ahmad	Deputy Executive Director
	Mohamed Ahmad Mijo	Culture and Information Manager
	Yousif Hassan Mohamed	Rural water Manager
	Faisal Abu Aldahab	Storage Manager
	Yousif Ahmed Saed	Financial Supervisor
	Abedl Wahab Morkaz Ahmad	Chief Accountant
	Mohamed Abdela Jali	Human Resources Manager
	Al ajab Idris Hamad	Commissioner Office Manager
	Abashar Elzion Ahamad	Youth Union President
	Alajab Idrsi Hamid	Peoples Committee Chairperson

Appendix C: Documents made available and consulted

Annual Social and Economic Development Plan 2006
Annual budget, 2006
Financial accounts (final), 2004, 2005
Project accounts
Monthly financial report files
Bank statements for project accounts
Bank reconciliation statements
Internal audit reports, 2005
Organisational charts/staff charts
Project profiles file
Internal Audit Policies and Procedures
Accounting records (Cashbook, receipt books, assets register)
Minutes of meetings, People's Committees