

The World Bank

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

Sodari

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 Sodari, 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 Sodari

Sodari Locality is one of the Nine Localities in North Kordofan State. It is located in the North West side, bordered by Wad Banda locality and northern Darfur state from the west, En-nahoud locality from the south, Jabra Sheikh from east and the Northern state from north.

The locality has a total population of 166,541. The main tribe is Kababish while others include Kawhla, Jebal, Baharya and Bani jurrar. The majority of the population are nomads moving around the year looking for grazing and water. Livestock breeding is the main economic activity besides limited agriculture in small size farms.

The land is mostly sandy loam in the seasonal streams and around the mountains scattered all over the locality. The locality is featured by Wadfi El Milk seasonal stream which isolates the west part of the locality in the rainy season. The climate is semi arid savannah zone, so the vegetation is mainly acacia species and bushes.

The locality is composed of 3 administrative units namely:

- Sodari
- Um Bader
- Hamrat El Sheikh

This locality is one of the 10 localities selected to benefit from CDF funds. A Local Implementation Unit (LIU) has been set up at the locality.

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). Instead committee of Heads of departments meets on need basis, normally chaired by the Commissioner.

The Executive Director usually sends a letter to various heads of departments asking them to submit their planning proposal on a set deadline. A date is then set for the discussions of the proposal by the meeting of the heads of department committee. 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 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) as this was dissolved by the State. 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 of Finance and the locality Commissioner.

Timely and Legislative Council-approved annual budget. The budget is also submitted to the state for approval according to a similar procedure as the one followed to approve the annual plan, involving 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. There was no evidence of a link between the annual plan and the budget. From a copy of the annual

plan it was difficult to establish whether the locality had integrated the planned activities for all sectors in the budget.

Capture of operational costs in the budget derived from capital investments. We were unable to obtain evidence that the operational costs were being captured in the budget. However we obtained explanations from the Locality staff that the operational costs are normally financed from the locality own revenues. However when there is a financing gap the deficit is provided for by the relevant ministry at the state level. For example financing gaps in operational costs for education projects were included in the budget by the State ministry of education.

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 128 Millions
- 2005 SD 88 Millions

This represented a decrease of 9% between 2004 and 2005. The staff explained that the fall was due to sharp decreases in grazing and water fees imposed on livestock crossing Sodari locality from Darfur to Khartoum markets caused by the insecurity in the neighbouring Darfur State.

Co-funding requirements complied with for capital investments. This criterion is not relevant to Sodari since the locality is not involved in any projects requiring co-funding.

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. The finance staff explained to the assessment team that the final accounts had been submitted to the Auditor General on time. However the Locality did not present evidence such as submission letters to show that the final accounts were submitted on time.

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 cash book, bank reconciliations and registers. We noted from example that the bank reconciliations were updated to July 2006 and the cash book had been posted up to 31st August. The bank reconciliations were lagging behind because of delays in receiving bank statements from the banks at Al Obeid. The cash book was lagging behind because of the remoteness of the locality and since most of tax collectors are living far from the locality headquarters they deposit cash once every week only.

Project specific account opened and ready for operations. According to 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. The LIU uses the general government procedures and regulations. However there are no project specific guidelines.

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. For example the report for March 2006 was submitted on 11 April 2006 with a letter reference number MS/6/1/1.

Clean audit report for the last audited year. The locality did not have an external audit report for year 2005 but was able to present an external auditor report for year 2004. The Auditor General did not provide an opinion in the report. However we noted the following comments were made by the auditor:

- The locality should follow the purchasing rules and regulations
- Reduce the travelling expenditure to the state headquarters
- Need to recruit a finance manager
- Stop making payments without authorisation

Not all the comments had been addressed by the locality, for example the post of the finance manager had not been filled. In addition there was no evidence to substantiate that the comments were discussed in a meeting at the Locality.

No major financial irregularities noticed during the year and/or irregularities unsettled from previous years. One case of a financial irregularity has occurred in the locality, which resulted in the suspension of staff. However the executive Director informed the assessment team that the issue was being handled by the state.

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. When there is a request for procurement from the department, the storekeeper obtains three quotations from prospective suppliers. The finance manager convenes the meeting of a purchasing committee. The purchases committee undertakes only minor procurement. The committee is composed of the following:

- Administrative officer
- Finance Manager
- Store Keeper

- Member from the relevant department undertaking the procurement

The purchase committee then selects the supplier after considering both the price and quality. The goods or services are then purchased. 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 to. There were no indications of mismanagement. However there is a need to build capacity so that in the future the locality can undertake major procurements.

2.4 Functioning of political institutions

As mentioned above the locality has no Legislative Council. 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 post of Executive Director is filled by an administrator with more than 20 years of experience. The Executive Director is a graduate with a Bachelor of Science degree. We could not review the appointment documentation because these are maintained at the state.

The Locality has a total staffing of 831. While the position of the Head of Finance is still vacant, most positions are filled of people with adequate experience. The locality could not provide the assessment team with the qualifications of the key staff. However we were told by locality staff that it was difficult to retain graduate in the locality due to geographical remoteness of Sodari. In addition many appear to have a weak understanding and knowledge of budgeting, participatory, planning, procurement, monitoring, and transparency and accountability.

Head of Administration and Finance Affairs Section filled with requisite qualifications. The post of Head of Finance is not filled, but efforts are being made through the state to fill this gap.

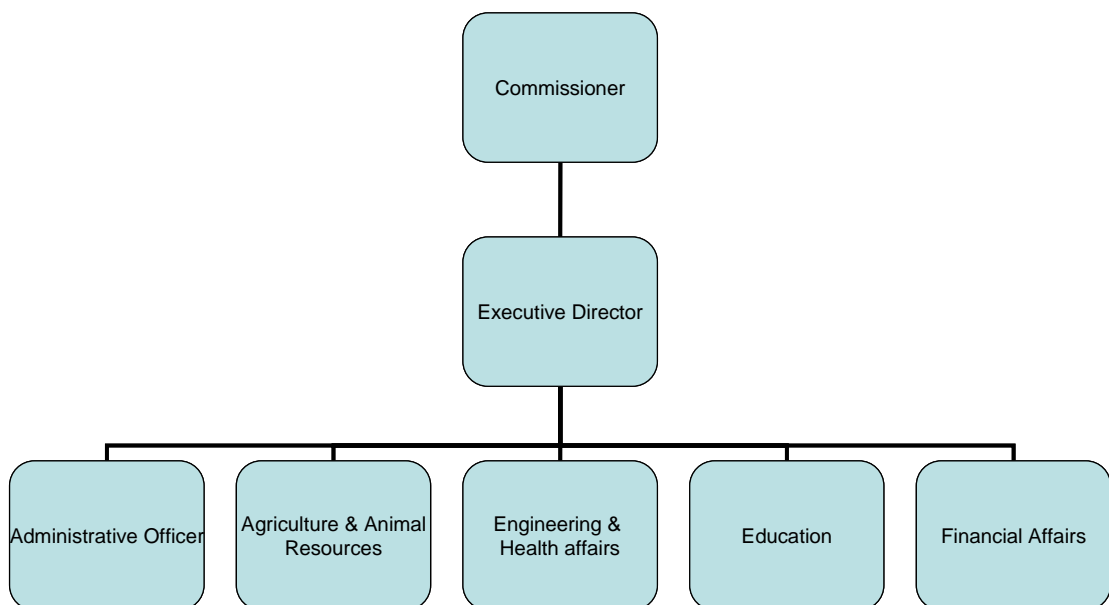
3 Capacity Building Support Access Criteria

3.1 Capacity Building Plan

The Locality has no capacity building/training plan. All capacity building activities are undertaken at the state level on behalf of the Locality. The state requests the locality to complete training needs form. This form is filled in with the head of human resource. The head of human resource liaises with the heads of departments in filling in this form. However the locality staff informed the assessment team that sometimes not all their training requests are met and priority is given to training that was not requested by the locality. The locality priority included participatory planning, basic computer knowledge and project management. 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. The organisation chart of the locality is provided below.



4 Performance Assessment

4.1 Development Planning and Budgeting Capacity

Existence of a participatory planning process. Our team noted some evidence of existence of participatory planning. This derives from our interviews with representatives of people committees. We visited Abu jalib village 32 km south east of Sodari and interviewed the chairman of People's Committee at the village. The chairman confirmed that the project ideas are raised by peoples 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 in kind contributions such as labour and building materials. The chairman informed the assessment team that they have received some training conducted by the locality on how to keep basic records and to conduct meetings. However the locality does not send planning procedures and guidelines to the Communities during the preparation of the development plans and have not trained the Communities in 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. NGOs are not involved in or harmonize their planning processes with the localities.

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.

The Legislative Council and its committees are not in place to enable discussion and approval of plans and projects.

Quality of the annual development plan - must adhere to the provided format. The heads of department 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 not based on a participatory planning process involving the Peo-

ples' Committees, 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 a low capacity in budgeting. There was no evidence for compliance with the criteria under this area except 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 decreased by 9% between 2004 and 2005 due to sharp decrease in grazing and water fees used to be imposed on livestock crossing Sodari locality from Darfur to Khartoum markets. This is caused by insecurity resulting from the neighbouring Darfur State. The locality revenues have dramatically deteriorated due to sharp decrease in grazing and water fees used to be imposed on livestock crossing Sodari locality from Darfur to Khartoum markets.

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. The locality sets annual revenue targets. For example in 2004 the target revenue from livestock was SD 15millions however the actual revenues was SD 157 millions and increase of 157%. In 2005 the target revenues were SD 20 millions while the actual revenues were SD10 millions, a decrease of 50%.

However there is no feed-back given to communities regarding the amounts collected.

Expenditures. The level of administrative expenses compared to own revenues is 51%.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. However this list was not up-to-date. Also financial management documents kept safe and locked away. The financial documents were being locked 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. However the locality could not produce evidence of follow up on the IA results.

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 but there was no 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 including the Auditor General Act of 1995 and Internal Audit Act of 1997. These procedures and regulations 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. The locality does 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 between the Locality and communities was not yet satisfactory. This was mainly due to poor accessibility of some communities (poor road conditions) and inadequate means of communication say use of telephones and radios. Communication is conducted through People's Committee representatives. We visited one community at Abu Jilab and interviewed the chairperson of the peoples committee who confirmed that they were provided with some information on projects and revenues by their repre-

representatives who attended steering committee meetings at the Locality. The community had been allowed to use the revenue collected in their area to rehabilitate a school in the area.

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 degree of 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. 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.

4.6 Functioning of Political Institutions

Locality legislative council. The locality does not have a Legislative Council. This was dissolved by an order from the state in 2005. However the CDF has recently created a steering committee composed of the locality management and representatives of the communities. This steering committee is now being used as a political institution.

4.7 Human Resource Development/Capacity Building

Capacity building planning process. The locality does not undertake capacity building planning process. This is undertaken by 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. The assessment team also found evidence at Abu

Jalib village that some training has also been provided to Peoples Committees in how to conduct their affairs including record keeping.

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 staffs of the locality are involved in conducting inspections and reporting on the projects decided and implemented mainly by State level in the locality. However the assessment team found evidence that the heads of department meet on need basis to discuss progress on implementation of projects. We were provided with minutes of the locality head departments meeting dated 28.9.2005. In this meeting the education department was reporting on progress on a project to construct classrooms. 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, Sodari meets 8 out of 18 the Minimum Qualifying Criteria while 4 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

Sodari 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) need for building 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.
- Fiscal capacity: capacity building for revenue projections needed.
- Financial management and internal audit: a) there is an urgent need to fill the position of the head finance; b) with no cash flow management process in place, training is needed for cash flow planning, which is currently non-existing; c) introduction of and training in commitment control is highly needed; d) undertaking three-year projections of expected revenue generation; training in proper maintenance of petty cash as well as asset management.
- Procurement: need to establish a formal procurement committee and provide training in accordance with the State procurement guidelines.
- Transparency and accountability: a) build capacity in support of making the various operations of the locality more transparent, including the publication of budgets, plans, and audits; b) training in more systematic inclusion of people's committees in the planning process.
- 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 in 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 Sodari obtained 3 A's, 10 B's and 10 C's, which suggests that it shows "good" or "some" capacity in most functional areas examined but also that it remains weak in many 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	B
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	B
Transparency and Accountability	
Downward reporting/accountability	B
Horizontal accountability	C
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 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 assessment processes. 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...**Sodari**.....
- Size of the local government in terms of population:... **166,541**.....
- Number of staff...**831**.....
- Number of administrative units ...**3**.....
- Number of people's committees...**45**.....
- Geographical location...**North West of North Kordofan State**.....
- Special features...**Semi desert characterised by pastoralism**
- Contact at locality: Name...**Fadallah Mohamed Ali Eltom**.....
 - Phone number: **+249 651 22110**.....
 - 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>Obtain and review minutes from the Executive Committee for the previous and current financial year.</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 The locality has no Executive Committee. The heads of department not meet on regular basis</p> <p>Check the attendance list and note any anomalies. The attendance include the heads of departments of Finance and Administration, Engineering and Health, Education and Agriculture. No anomalies were noted.</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 No. No evidence</p> <p>Note the relevant minutes, date and agenda number.</p> <p>.</p>	
Planning capacity	Existence of a timely and council approved annual social and economic plan (Section 10 B of the LG Act, 2003)
<p>Obtain and review the annual plan for the current year (2006):</p> <p>Was the annual plan signed as per guidelines (Council Chairman, Commissioner)? yes/no No. However we noted that the annual plan was approved by the state.</p> <p>Did the annual plan include a project profile for each of the prioritized projects following the recommended format? yes/no 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.</p> <p>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>	

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,	
Budgeting capacity	Existence of a timely and Legislative Council approved annual budget
<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>	
Financial interpretation of the plan	Clear link between annual plan and annual budget
<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>No. We reviewed a sample of projects in Health and Education and noted that there was no link with the budget</p>	
Sustainability in the budgeting process	Capture of operational costs in the budget derived from the capital investments
<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 operational costs (cross reference to the operational issues in the project profile)? yes/no</p> <p>Yes. This was being done by the state.</p>	
	Capture of maintenance costs in the budget derived from the capital investments
<i>Review the annual plan (including project profiles).</i>	

Has the locality an elaborated maintenance strategy for capital investments? yes/no

Yes. This was being done by the state.

Review the budget.

Has the locality made provisions to meet maintenance costs of major investments? yes/no

Yes. This was being done by the state.

Fiscal capacity and Financial Management

Fiscal Capacity	No decrease in own revenues in nominal figures from the previous year-but-one to the previous year
<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 128 Millions ➤ 2005 SD 88 Millions <p>Have locality own revenues increased? yes/no</p> <p>No. Revenue decreased by 9%. The main source being the war in the neighbouring Darfur State. This has prevented livestock traders visiting the locality to buy livestock due to insecurity.</p> <p>By what percentage have they increased/decreased?</p> <p>As above</p>	
	Co-funding requirements complied with for capital investments
<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. However 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><i>Obtain and review the budget for the current financial year.</i></p> <p>Is there a provision for meeting the co-funding obligations? yes/no</p> <p>Yes. We noted there was provision for salaries of support staff for the project Local Implementation Unit (LIU)</p> <p><i>(In the second year, it will be important to ascertain whether co-funding obligations for the previous year were actually complied with.)</i></p>	
	Communities made their matching contributions for specific community projects

<i>N.A. This only applies for the second assessment.</i>	
Financial Management	Entire final accounts for the previous financial year produced on time and submitted for audit
<p><i>Obtain the final accounts for the previous financial year (2005).</i></p> <p>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</p> <p>No. There was no evidence</p>	
	All books of accounts maintained up-to-date, including bank reconciliation
<p><i>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.</i></p> <p>Obtain bank reconciliation statement for each bank account and note the dates the statements were prepared and approved.</p> <p>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</p> <p>Yes. We reviewed cashbook and noted it was up to date to 31st August 2006.</p> <p>Are they posted and up to-date (note dates of last postings)? yes/no</p> <p>See above. The reasons for the time lag being remoteness, most of tax collector are living far from the locality headquarters. Therefore they deposit cash once every week.</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>Has a project specific bank account been opened with the required approvals (e.g. resolution of Council specifying bank and branch)? yes/no 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>	

Financial Reporting – applicable in the second assessment year	Regularly and timely submission of financial statements to the State
N.A. (only for second assessment)	
	Regularly (minimum quarterly) financial statements provided to the Council
N.A. (only for second assessment)	
	Regularly and timely submission of financial statements (accountability reports) to the PIU
N.A. (only for second assessment)	
Internal audit	Internal audit function in place, including quarterly reports submitted to the Council and the State
<p><i>Review internal audit reports for the previous and current financial years. Were they are prepared as required? yes/no</i> Yes.</p> <p>Were the internal audit reports submitted to Council? yes/no The Locality did not have a Legislative Council. However Internal Auditors reports were submitted to the state and Commissioner. We noted a report submitted on 11 April 2006 reference number MS/6/1/1</p> <p>(Note submission dates and relevant minutes) See above</p> <p>Were the internal audit reports submitted to the State? yes/no Yes. See above (Note the relevant submission dates)</p>	
Audit reports	Clean audit report for the last audited year
<p><i>Check the audit report and review the opinion of the auditors.</i></p> <p>The audit report for 2005 was not available. So the assessment team reviewed the audit report for 2004</p> <p>Please sum up the main comments.</p> <ul style="list-style-type: none"> ➤ The locality should follow the purchasing rules and regulations ➤ Reduce the travelling expenditure to the state headquarters ➤ Need to recruit a finance manager 	

➤ **Stop making payments without authorisation**

Were the comments "minor" only? yes/no

No.

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

No. For example the Locality still do not have a finance manager

Which (if any) comments were not addressed? **The first one of purchasing regulations**

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

Yes

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

Suspected person had been suspended and the Executive officer had responded to the state.

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

Yes. The have a purchasing committee composed of the following:

- **Administrative officer**
- **Finance Manager**
- **Storekeeper**
- **Member from the relevant department undertaking the procurement**

The **purchases committee undertakes minor procurement. Major procurement is undertaken by**

<p>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><i>This is undertaken by the State</i></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><i>Legislative Council is non-existent</i></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> <p>None</p>	

Staff functionality

Staffing	Position of Executive Director filled with requisite qualifications
<i>Review the structure and the staffing position of the locality.</i>	

How many are on duty / actually working in the position?

The council is not adequately staffed. It has 831 staff. The position of Executive Director has been filled.

What are their qualifications?

What level and type of experience do they have?

Is the position of Executive Director filled? yes/no

Yes

What are the qualifications of the Executive Director?

We could not obtain the qualifications of the Executive Director

Staffing

**Head of Administrative and Finance Affairs
Section filled with requisite qualifications**

What are their qualifications?

Post is not filled

What level and type of experience do they have?

How many are on duty / actually working in the position?

Capacity Building Support Access Criteria (CBSAC)

Human resource development capacity

Capacity building/training plan in place (schedule), specifying how the capacity building support funds will be spent

Review the plan.

Has a capacity building plan/training plan been developed? yes/no

No

Does the plan specify how the capacity building support funds will be spent? yes/no

No

Human resource management function in place (designated unit/person)

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.

Based on the organisational structure - is there a human resource management function provided for? yes/no

Yes

Is the position of a HRM filled (evidence would be files on the appointment, noting dates, etc.? yes/no

Yes. However we could not review evidence such as files on appointment because these are kept by the State.

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 health department involvement of appraising health 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. No The council could not provide evidence.</p>	

Quality of the annual development plan – must adhere to the provided format	
<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>	
Comprehensive/strategic medium term (3-4 years) plan in place	NOT AVAILABLE
<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</p>	

<p>No Does it list challenges encountered during the previous process and strategy for deepening of the participatory planning process? yes/no</p> <p>No Does it give detailed analysis of locality challenges and opportunities? yes/no</p> <p>No Does it give detailed analysis of crosscutting issues including poverty, environment and gender? yes/no</p> <p>No Does it outline the locality Vision, goals, and objectives? yes/no</p> <p>No 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</p> <p>No Does it give cost projects to implement the medium plan with indicative sources of funding? yes/no</p> <p>No Does it elaborate the implementation strategies for the medium term plan? yes/no</p> <p>No Does it elaborate the strategies to monitor and evaluate the implementation of the medium term plan? yes/no</p> <p>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</p> <p>Yes Are revenue projections made over the medium term (3-4 years)? yes/no</p> <p>No Is budgeting based on available funds and identified sources? yes/no</p> <p>No What is the budget prediction capacity/execution performance (% of deviation from budget)? Not available</p> <p>Are budget deviations legally approved? yes/no No</p> <p>What is the share of total budget allocated to services prioritized in the PEAP?</p>	

<p>None</p> <p>What is the percentage of total budget on non-chapter 1 salary items?</p> <p>51%</p>

Fiscal capacity

Revenues	
<p>What been the increase in own source revenues over the past two years?</p> <p>Revenues have decreased by 9% due to war in the neighbouring Darfur.</p> <p>What is the percentage of revenues collected against the planned revenues (targets)?</p> <p>See above</p> <p>Are there clear strategies to improve own-revenues and fiscal capacity?</p> <p>No clear strategies.</p>	
Revenue management (administration)	
<p>Does the revenue collection reach the targets set? yes/no</p> <p>No</p> <p>Are accountability measures on revenue collection in place, such as registers, authorised collectors, banking, etc.? yes/no</p> <p>Yes. All books of account are available and well maintained. Register book maintained and experienced collectors are used.</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. We visited one community at Abu Jalib village were they had been allowed to use the revenue collected in their area to rehabilitate a school in the area.</p>	
Expenditures	

<p>What is the level of administrative expenditure compared to own source revenues (%)? 15%</p> <p>What is the share of the costs for the Legislative Council out of the total budget? Not available</p> <p>What is the share of the local revenue spent on capital investments? None</p>

Financial management and audit capacity

Budget execution and cash flow	
<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</p> <p>Is the Locality maintaining adequate liquidity, and not accumulating arrears or debts? yes/no No</p> <p>Is there a commitment control system in place? yes/no No</p> <p>If so, who orders, signs, authorises, etc? yes/no Commissioner authorises most of the transactions</p>	
Accounting	
<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</p> <p>Is the imprested/petty cash management, including register, functioning and up-to date? yes/no Yes</p> <p>Is there a functioning system of assets register and management? yes/no</p>	

<p>Yes. This is being maintained by the storekeeper</p> <p>Are inspections undertaken <u>and</u> inventories maintained of fixed assets? yes/no</p> <p>Yes. We note that a list of assets in each room was posted behind the entrance doors. However the lists were not up-to-date.</p> <p>Are financial management documents kept safe and locked away (safes)? yes/no</p> <p>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. They include Auditor General Law for 1995 and Internal Audit Law for 1997. 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>No</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. 	

yes/no
Yes Do policies and procedures exist that safeguard against conflicts of interest? yes/no
No

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 authorities (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>Yes. We interviewed a member of people committee at Abu Jilab 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. The community had been allowed to use the revenue collected in their area to rehabilitate a school in the area.</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</p>	

<p>No. 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> <p>No.</p>	
<p>Upward accountability</p>	
<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. Is the submission of the required reports to the project implementation committee timely? yes/no No. This done by the project supervision teams from the State.</p>	

Functioning of political institutions

<p>Locality Legislative Council</p>	
<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>	
<p>People's Committees</p>	
<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>	

yes/no
Yes

Human Resource Development/ Capacity Building

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

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

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

Appendix B: People met

- 1 Fadel Alla Omer Ali Eltom
Executive Director
- 2 Hamad Balal Fadel Abla
Chief Accountant
- 3 Dafalla Yaccoob Elnadif
State Council
- 4 Hasan El Safi Difan
Health and Engineering
- 5 Haroon Ahmed Nasir
Health Department
- 6 El Radi Ahmaed Elfadil
Education Manager
- 7 Markaz Frah Eldor
Health
- 8 Salih Fadalseed Hamd
CDF-LIU Executive Manager
- 9 Osman Ahmed Bakeet
Development and Planning
- 10 Goger Sizer
Administrative Officer
- 11 Mohamed Hassan EL abied
Accountant
- 12 Abdi Elkarim Yaccoob
Store Keeper
- 13 Musa Adamu Abu Jalib Village
Chief/ Peoples Committee Chairperson

Appendix C: Documents made available and consulted

Annual Social and Economic Development Plan 2006
Annual budget, 2006
Financial accounts (final), 2004
LIU 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 Law 1997 and Procedures
Accounting records (Cashbook, receipt books, assets register)
Auditor General Law for 1995
Minutes of meetings, People's Committees
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