

Effective Institutions and Transformative Governance

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The meaning of Constitutional 'transformation'

- Duty to respect, protect, promote and fulfil all rights – s.7(2)
- The Constitution envisages a journey towards substantive equality – 'progressive realisation'.
- Constitution also requires that 'All constitutional obligations must be performed diligently and without delay' - s.237



Effective Institutions

- There are clear linkages between effective governance and delivery of quality of services.
- Countries capable of improving governance are able to use their human and financial resources more efficiently with fewer losses and distortions.
- The efficiency and effectiveness of institutions are measured according to how well they deliver on their particular mandates.

Effective Institutions: Challenges

The National Development Plan (NDP) draws attention to a number of governance and institutional capacity challenges, including:

- a critical shortage of skills;
- a complex intergovernmental system;
- high levels of corruption;
- weak lines of accountability;
- inadequate legislative oversight; and
- a long history of blurring the lines between party and state.

Effective Institutions: Challenges (contd.)

With particular reference to financial management by national and provincial government departments and State-Owned entities, the Auditor-general reported in 2017 that:

- The number of clean audits in 2016-17 increased to 126 from 85 in 2013-14;
- However, this represents only 30% of the auditees and 10% of the total 2016-17 budget; and
- There has been a regression in the overall financial health of departments; and
- Almost two-thirds of the auditees materially did not comply with key legislation.

Effective Institutions: Defined

➤ The Effective Institutions Platform (EIP) defines 'effective institutions' as those public sector institutions that:

- Contribute to sustainable growth and poverty reduction by ensuring that resources are well-managed, quality public services are accessible and development goals are met;
- Are accountable, inclusive and transparent fostering public trust and reinforcing societal foundations;
- Communicate and engage with the multiple stakeholders that wish to participate in their policy design, implementation and monitoring; and
- Are responsive to citizen demands and encourage participatory planning and decision-making by adapting to changing needs and priorities.

Effective Institutions: sub-indicators

- Seven sub-indicators to measure the effectiveness of public institutions:
 - **Sound financial management** - includes all the applicable practices that help realise sound good financial performance.
 - **Representativeness** – representative of all key stakeholders, as well as vulnerable groups.
 - **Inclusivity** - all groups, particularly the most vulnerable, have opportunities to participate meaningfully in processes that affect or interest them.

Effective Institutions: sub-indicators

- **Transparency** - all members of the community should be able to follow and understand the decision-making process.
- **Accountability** - institutions are obliged to report, explain and be answerable for the consequences of decisions they make on behalf of all their stakeholders or members of the community they represent.
- **Institutional capacity** - ability to perform functions, solve problems, and set and achieve objectives; includes the requisite human and financial resources, and morale and motivation of the institution's staff.
- **Integrity** - institutions should not be susceptible to corruption and the mismanagement of funds which can divert precious resources.

Effective Institutions: Institutional indicators

- Requisite personnel complement to carry out their mandates
- Staff complement reflective of the social composition of the country's population
- Appropriately qualified, trained, accredited staff to carry out their mandates
- Capacity to develop, use and improve the competencies of employees
- Sufficient capacity to monitor the performance of external service providers
- System for recruitment, appointment, promotion, assignment and rewards ensures openness, equity, and efficiency
- Required financial resources to carry out their mandates
- Effective IGR



Effective Institutions: Anti-corruption indicators

- Effective staff ethics training
- Explicit strategy to promote ethical values and practice
- Adequately protected from influence by powerful, private corporate and other external interests
- Effective internal controls to prevent fraud and misconduct
- Dedicated, effective toll-free line to report suspicions / allegations
- Uniform understanding and consistent implementation of complaints procedures
- Procurement of goods and services is open, equitable and efficient
- Meaningful sanctions consistently imposed for improper conduct by both suppliers and public officials
- Consistently achieve a clean audit



Effective Institutions: Social accountability / Responsiveness

- Systematically and proactively gather information regarding citizens' needs and expectations, eg public / customer surveys
- Assess the benefit / impact of strategies for poor, vulnerable, individuals, and set priorities to meet their needs
- Information about law, policy planning and budgeting processes and decisions is proactively disseminated, easy to access, understand and use (eg citizens' budget)
- Draft and final budgets and plans are proactively and effectively disseminated, eg community centres, media, etc
- Response rate (whether positive or negative) to requests for access to information, assistance exceeds 50%
- M&E of access to information, participation processes & services

Effective Institutions: External orientation

- Form, frequency and substantive nature of proactive public consultation
- All relevant stakeholders invited to participate in consultation processes
- Effectively notify public about opportunities for participation, eg consultations, meetings, lekgotlas, making written submissions, etc.
- Well-publicised, free and easy systems to register complaints
- Staff and public involved in design of delivery processes, and identification and implementation of mechanisms for feedback and improvement (eg community-based monitoring)
- Special effort made to ensure participation by poor, vulnerable and less organised stakeholders, eg women, youth, people with disabilities, CSOs, etc.

Measurement indicators: Outputs & outcomes

- Access: economic, physical, availability, reliability
- Adequacy: law and policy, equality & dignity, sufficient, fit for purpose, budget, level & duration of service
- Quality: service, infrastructure (incl. maintenance), effective expenditure, impact / outcomes (dignity & equality, wellbeing)
- Cross-cutting -
 - Existing, planned & aspirational standards
 - Non-discriminatory
 - Progressive realisation, achievements, gaps
 - Satisfies the 'reasonableness' test



Measurements: Access (1)

- All-inclusive, especially the most disadvantaged and marginalised individuals, groups, without unlawful discrimination, affordability, ease of physical access.
- Eligible vs actual – evidence base for scale and level of need?
- Information about available services is accurate and accessible to citizens / clientele, including disadvantaged groups
- Fair and transparent criteria for access to services
- Simple, effective procedure to apply for service
- Consistent, reliable level of service
- Extent, duration of backlog



Measurements: Adequacy

- Level of policy and budget effort
- Design of service is appropriate for actual needs
- Reliable delivery of service
- Level and duration of service
- Evidence-base for current, future level of service
- Consistent with an adequate (dignified) standard of living
- Norms and standards for delivery of service
- Reliable and accessible data on delivery



Measurements: Quality

- Energetic, goal-oriented executive, or policy vacuum?
- Effective and efficient IGR - coordinated policy and budget effort
- Quality and scope of partnerships (eg social grants: DSD/SASSA, CPS/SAPO, DoH, DCS; civil society; private sector - professions)
- Rights-oriented, not power-oriented, management of challenges
- Litigation, incl success rate – indicator of responsiveness
- Openness to innovation – indicator of responsiveness
- **Outcomes/Impact** - evidence of improvements in current and future situation of beneficiaries, quality of life / wellbeing; pace / rate of progressive realisation



Measurements: Quality

- Existing, planned law and policy
- Existing, planned norms and standards
- Service delivery charter – beyond Batho Pele
- Evidence base - for scope, value, level of service – minimum core
- Short-term plan, eg Annual Performance Plan
 - Gaps in law, policy and practice, eg exclusion, budget
 - Are the gaps addressed in –
- Medium-term plan, eg MTSF / Outcomes Agreement?
- Long-term vision / plan, eg NDP?
 - Research needed by policymakers and courts to address those gaps?



THANK YOU

Thank you for your attention
Comments and questions are welcome

