

Research Article

Effect of Central-Local Governments' Relations on Local Government Financial and Administrative Autonomy in Tanzania: A Case of Selected Municipal Councils

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A B S T R A C T

The fiscal and administrative decentralization have been under academic discussion and empirical knowledge is scant in local government management literature. The focus of this paper is to examine the financial and administrative decentralization and the extent and the manner in which they undermine or promote the local government autonomy in Tanzania. Therefore, this paper was guided by the following research objectives i. To examine the extent to which financial decentralization undermine or promote local government financial autonomy. ii. To explore the power of the local councils on hiring and firing staff) under administrative decentralization. This paper selected purposively a sample size of 50 respondents and data were collected through interviews and documentary reviews. The data were analysed using thematic data analysis. In this paper, the findings indicate that Central-Local Government relations have contributed to limited autonomy in financial resources and administrative matters such as recruitment, selection and the local government financial resource capacity is weak. It is recommended that the central government should cede powers to local government authorities so that they can exercise full autonomy in their areas of jurisdictions. The local government finance and administrative autonomy should be strengthened by through legal framework which empowers LGAs in financial and administrative matters.

Keywords: Financial decentralization, Administrative decentralization, Local government Autonomy, Tanzania

Introduction

This paper is about examine whether financial and administrative decentralization promote or undermine local government financial and staff management in Tanzania.

Decentralisation has been the objective of important reforms in many developing countries and a major focus

of the considerable support provided by development partners.¹ Such reforms have swept across the world over the last three decades, a trend seen by some observers as being influential for good governance and for improving the lives of ordinary citizens. African governments and international donors alike have indeed embraced the idea that decentralisation can promote development and

good governance as local governments are more likely to be responsive to local needs, even though the record is mixed on several fronts.¹ In any case, local governments' share of public expenditure has more than doubled in many countries, and they now often play the leading role in the delivery of local public services. Academics are increasingly interested in evaluating the consequences of the change this evolution entails for the institutional relationship between levels of government, particularly for fiscal transfers and administrative decentralization.¹

The National government is responsible for ceding the administrative and financial powers provision of the public services like education, health care, water and sanitation and social protection are the responsibilities of the government. However, the central government cannot be able to perform every function given the wide jurisdiction and hence it has undertaken the reform through financial and administrative decentralization. Given this fact, the central government in Tanzania established local government authorities through the national constitution Article 145 (1) states: There shall be established local government authorities in each region, district, urban area and village in the United Republic, which shall be of the type and designation prescribed by law to be enacted by Parliament or by the House of Representatives. Article 145 (2) states: Parliament or the House of Representatives, as the case may be, shall enact a law providing for the establishment of local government authorities, their structure and composition, sources of revenue, and procedure for the conduct of their business. Article 146 (1) reads: The purpose of having local government authorities is to transfer authority to the people. Local government authorities shall have the right and power to participate, and to involve the people, in the planning and implementation of development programmes within their respective areas and generally throughout the country.

The local government has been reformed due to the development of New Public Management (NPM) and structural adjustment programmes. The NPM puts emphasis on the restructuring of government institutions by adopting methods and the best practices of from private sector.¹ NPM stresses the importance of efficiency and cost-effectiveness in spending government funds.² NPM has gained attention due international funding institutions such as the World Bank and International Monetary Fund have included increasing government efficiency and effectiveness through local government reforms and using technology in some of their recommendations for member countries.³⁻⁵ Therefore, governments around the globe are implementing local government reforms and integration of business approach in order to save costs and secondly to benefit from the added value that expert service delivery provides.⁵

The efficient operations of government institutions, the reforms of local government management in developed and developing countries have since the late 1970s been encouraged by the internationally known and influential NPM, which started in New Zealand and Australia, then in the United Kingdom, and rapidly expanded particularly to Anglo-Saxon Countries.⁵ The NPM reform programme focuses on rolling back the welfare state by reducing its functions and by decentralising as many tasks as could be taken over by the local governments.⁶⁻⁸

As a consequence of NPM, from the 1980s onwards, the states in Africa started shifting the emphasis from the state and public sector to the private sector.⁸ The development European countries, the United States of America, and international financial institutions such as the World Bank and International Monetary Fund recommended reforms to developing countries in the form of Structural Adjustment Programmes (SAPs), which included a wide range of economic, political and administrative decentralization reforms.⁹⁻¹²

The local governments must ensure quality services are provided, and consolidate democracy so that citizens should be in a position to hold their leaders accountable and therefore, the central government has to strengthen the local government system. It is in the eyes of many ordinary citizens that the provision of the services is poor.^{13,14} The point in question is how fiscal and administrative decentralization have undermined local government financial resource and staff management. Who is to bear the blame for this? Should it be the Central Government or Local Government Authorities? Before one can make a judgement there should be a yardstick or a benchmark along which a judgement can be made. In order for Local government to be judged to have failed they must be operating under circumstances which among other things, ensure autonomy, power to raise their own revenue and to decide how to spend it as well as the power to make decisions affecting the local populations, sufficient qualified manpower, adequate technical equipment and materials, clear lines of accountability as well as the favourable organisational and institutional arrangements under which local government authorities interact with other agencies of the central government.

The above preconditions for effective local government authorities seem to be either lacking or very weak in the Tanzanian context. It is therefore established from the start that local governments are mostly naively blamed for poor delivery of services while the central government is the main source of the problem. It is because they (Local Government Authorities) suffer from the constraining chains of history from which they evolved and lack of political will and commitment.¹⁵ This has caused the image

of local government authorities in service delivery to be soiled and central government which is far perfect ring the local government authorities seems to be a problem for such deficiencies. It is argued in this work, that the inherent central government tendency of lack of commitment to support local government authorities makes them weak and inefficient. Hence, despite the local government authorities' internal deficiencies, the central government, to a large part, has to have a lion's share of the underperformance of local government authorities in Tanzania. The logic of the argument takes a historical approach which drives the discussion home by arguing that it is not proper to blame Local government authorities when generically they are made so by the central government.

This paper is mainly informed by both primary and secondary data. The paper is divided into five sections. Section one is an introduction and section two presents a literature review, that is it deals with structural arrangements of the administration structure in Tanzania and the establishment of the research gap. Section three presents the research methodology. Section four presents the findings and more emphasis is to critically look at how the central-local relations on financial and administrative structures were/are operating and their implications to the local revenues, staffing, and service delivery to the local community. In the subsequent sub-sections, the main concern as to look at the demerits of the fiscal and administrative decentralization with emphasis on the financial and staff management that prevail and inhibit the proper functioning of local governments. The last section winded up with concluding remarks and recommendations.

Literature Review

This study reviewed literature and theories in order to establish a research gap.

The conceptualization of Financial and Administrative Decentralization and literature review

The literature indicate that decentralisation involves political, administrative, and fiscal reforms aimed at increasing the decision-making capacity and development efficiency of local administrations through the redistribution of powers and resources between administrative levels.¹⁵ The different dimensions of decentralisation can vary in importance and can be rolled out in different sequences. Decentralisation reforms very often target public service delivery (such as health, education, transport, water and sanitation) in ways that may relate primarily to the administrative or the fiscal dimension. This may be because of technical and pragmatic concerns about appropriate sub-national government functions, but it may also reflect powerful political and institutional dynamics.¹⁵

The system of government in Tanzania is organised around three layers and a very extensive parasternal

sector. First and foremost is the system of government organisation at the Centre. This is organised around a chain of ministerial systems that includes independent departments, Commissions, and standing committees. The second layer is composed of regional administration where the same organisation obtained at the centre is repeated at the regional levels thinning out at the district level. These two layers are based on the need to maintain a strong and in reality, excessive central government control. The third layer comprises Local Authorities, district councils, and urban councils as well as cooperative unions and village governments.¹⁶ In this layer, ideally, the concern is to ensure people's involvement and popular participation. Consequently, district councils, urban authorities, cooperative unions, and village governments exhibit considerable provision for ideal popular participation in their structural, institutional, and operational spheres. Local authorities in Urban Districts are referred to as town, municipal, and city councils while those in rural districts are known as district councils.¹⁷ The councils are headed by both elected and government-appointed officials and are the most important nuclei of empowering people and of development activities in the districts. It should be pointed out, however, as Mukandala argues "the country's system of government in Tanzania is highly centralised with a notoriously entrenched top-down approach".¹⁷ Hence, the lack of a systematic approach to promoting local government management capability at district and village councils in the long term and to capacity building in the short term raises a very grave concern to all those who are seriously involved in and committed to promoting local government in delivering services in the country. The literature has indicated the two layers i.e. central and regional administration authorities control the local governments staff and financial resources.

Before starting to explore the situation of service delivery in relation to central-local relations in Tanzania, it is desirable to show what sort of services and in what manner service delivery is carried out by Local Government Authorities and how services are affected by central-local government relations as shown in the next sub-sections below.

Administrative and financial Decentralization influence on Service Delivery

Services to local communities are provided through an array of arrangements involving Local Government Authorities who directly deliver services using their own technical staff and others under their supervision. Services covered under this category include agricultural extension services, primary education, health, roads, water, firefighting, surveying and plot allocation, and construction of markets. Secondly, local government authorities deliver services through outsourcing to private institutions, companies, and

civil society organisations. Services normally outsourced include solid waste management (collection and disposal) and construction of socio-economic infrastructure. Such as the construction of classrooms, dispensaries, and health centres and property valuation. Also, included are services like vehicle parking (mostly in urban councils) and markets (mostly in urban areas and involve collection of fees and related charges). Thirdly, local government authorities coordinate and monitor the provision of social services by Non-governmental Organisations (NGOs) that receive funding directly from donors in their areas of jurisdiction.¹⁸

It should be mentioned that the local government authorities are providing services that are not exclusively under their jurisdiction. They do so in collaboration with, and sometimes under strict guidance of the central government. Overall, one is hard-pressed to say that local government authorities facilitate the provision of services and the real provider is the central government. Local Government Authorities have serious problems in delivering services in their areas of jurisdiction as detailed in the next paragraph.

More specifically, the study examined the influence of financial and administrative on local government with a view to revealing positive practices that could be applied to improve local government autonomy in financial and staff management in the municipal councils in Tanzania. The financial and administrative decentralization has received inadequate empirical studies, and so limited knowledge has been generated.

In addition, there is a scant literature on financial and administrative recentralization reform such as.^{19,20} Whose literature was rather limited, thereby not offering a comparative analysis which is the knowledge gap that needed to be filled by this study to stimulate new scholarly work. Therefore, this paper has made a profound contribution to the empirical literature on central-local government relations as it reveals circumstances such as complying with financial laws and regulations if properly implemented. Additionally, the study findings also contribute to theoretical debates on public sector efficiency in central-local relations. Furthermore, this study also contributes to knowledge on the subject of central-local relations, especially on the challenges and it serves as a reference and basis for further research.

Material and Method

This study covered the local government period from 1970 when the global and Tanzania in particular experienced government reforms due to the Structural Adjustment Programmes and New Public Management. The paper covers the period from 1970s to 2024. The study was conducted at Kinondoni, Temeke, Kibaha, Ubungo and Ilala Municipal Councils in Tanzania. (a) The researcher

maintained confidentiality throughout the research process. No respondent knew the identity of other subjects and the data collected were used only for the purpose of the objectives of this paper. Also, anonymity of each respondent was guaranteed, and so no names were disclosed and answers from interviews could not be associated with any person interviewed.

The researcher obtained informed consent by submitting a research permit letter from the to the Regional Administrative Secretaries at Coast Region and Dar es Salaam Region Offices as well as to the Municipal directors. The researcher obtained research permit letters that were used to introduce the study to the respondents and ensured that all respondents participated voluntarily after obtaining informed consent. Also, the researcher was open and honest in dealing with other researchers and research subjects. Indeed, the researcher was open and honest with all the respondents.

Furthermore, this section presents the case study design, sampling procedures of respondents, data collection methods and data analysis technique used in this study. This study was conducted in Dar es Salaam Municipal Councils Tanzania. The region has five municipal councils and they have been the first in the local government reform programme. These Municipal Councils include Ilala, Kinondoni, Temeke, Ubungo, and Kibaha township Councils. The reason for selecting these municipal councils is based on the fact that within a qualitative research approach, a case study strategy approach will be adopted. The case study strategy was considered to be appropriate because it is the one used to investigate the phenomenon within a small and manageable area and sample. Furthermore, other factors for choosing Ilala, Kinondoni, Temeke, Ubungo, and Kibaha township Council in the Dar es Salaam and Coast Regions.

In this study, purposive sampling was applied for selecting the heads of department, Hamlet members, and councillors as presented in Table 1. Another criterion for using purposive sampling is the issue of extreme case purposive sampling where the researcher expects the teachers and education officers to have rich information about the study.

Table 1. Sample Size and its Composition in Selected Local Governments

N = 50

S. No	Category of Respondents	No. of Respondents
1	Executive Directors	6
2	Heads of Department	6
3	Mtaa/ hamlet members	30
4	Councillors	8
5	Total no. of respondents	50

Source: Compiled by the Author (July, 2024)

In this study, a structured interview was used in data collection as it involved the use of a set of predetermined questions and highly standardised techniques of recording. This method was used because the researcher intended to get insights, and experiences on the practices of the influence of financial and administrative decentralization on local government autonomy in Tanzania. The documentary review includes books, records, government publications, and official statistics as far as this study is concerned were used in data collection. This method was employed to gather information from various administrative and financial reports of local governments in Tanzania.

The data collected were qualitative in nature and were analysed thematically. Thus, in using this type of qualitative data analysis, major themes were identified in this form of data analysis, the researcher perused the collected data and identified information that was relevant to the research questions and specific objectives stated in this study. The method used involved developing a coding system based on the collected data and the major issues and topics to be covered as well as the intensity through which the frequency of idea, word, and description appears. For instance, the data analysis was based on the topics/issues that were identified in the data collected. On the other hand, the quantitative data collected were subjected to the calculation of frequencies and percentages relating to research questions.

Results and Discussion

The influence of fiscal decentralization on Local government financial autonomy in Tanzania

The findings indicate that the capacity to collect revenue at local level is extremely very low in local governments in Tanzania. This paper identified some reasons such as conflicts of interest; arbitrariness, inconsistency, and unpredictability in government decisions and actions; weak institutional capacity for effective fiscal decentralisation; overdependence on the central government for financial transfers; and transparency and accountability asymmetry, with institutions reporting mostly to the central authorities. The findings are summarised in Table 2.

To start with Table 2, the findings of 52% of respondents indicate that financial decentralization undermine financial resources autonomy. The responses indicated in Tanzania that the lower tiers of government lack the ability to manage public finances. This trend of poor revenue collection has not been solved completely. For instance, these findings are supported by the unremitted revenue trend. In addition, although the study indicates that Kibaha Municipal Council did not its revenue by more than 20%, the findings indicate that from 2018/2019 to 2020/2021, it did not collect all the revenue budgeted for which impinged on effective and efficient revenue collection management. For example, in 2019/2020, the budgeted amount to be collected was Tshs. 3,261,000,000.00/=, but the actual amount collected was Tshs. 1,743,950,369.00/= or 53%. In 2020/2021, the budgeted amount to be collected was Tshs. 5,052,573,979.00/= but the actual amount was Tshs. 3,914,141,219.00/=, equivalent to 77% and in 2022/2023, the budgeted amount to be collected was Tshs. 62,661,106,227.66/= but the actual amount was Tshs. 34,187,515,338.99/=, equivalent to 55%.

Table 2. Responses on financial decentralization reform on local government Financial Resources' autonomy in Tanzania

S. No.	Categories of Respondents	Fiscal decentralization Promotes Local Government Financial resources' autonomy n (%)	Financial decentralization undermine financial resources autonomy n (%)
1	Municipal Executive Directors (N = 6)	2 (25)	4 (75)
2	Mtaa/ hamlet members (N = 30)	15 (50)	15 (50)
3	Heads of Department (N = 6)	3 (50)	3 (50)
4	Councillors (N = 8)	4 (50)	4 (50)
Total no. of responses		24 (48)	26 (52)

Source: Compiled by the Author, August, 2024

In the 2022/2023 financial year, the actual amount collected was only 51%, indicating that the revenue not collected amounted to 49%. The revenue collection pattern shows that KMC encountered a deficit in revenue collection which caused financial constraints that limited its effective implementation of outsourcing revenue collection. The findings corroborate with Resources dependence theory's assumption stated in the theoretical framework which indicates that LGAs establish coalition with private companies through outsourcing with expectation of increasing revenues, however these contractual relationships have not led to increase of revenues to KMC.

For instance, own sources of revenue in local government finances continue to be low (7-8%) even if we take into account local government expenditure financed through ministerial subventions,²¹ for instance in 2022, the revenue collection in local governments across the country indicated that LGAs in 18 regions out of 21 regions relied on fiscal transfer from the central government for more than 93% of their fiscal resources,²² for instance, own sources of revenue in local government finances continue to be low (7-8%) even if local government expenditure financed through ministerial subventions is taken into account.²² Similarly, by 2018, the revenue collection in local governments across the country indicated that LGAs in 18 regions out of 21 regions relied on fiscal transfer from the central government for more than 93% of their fiscal resources.²² In fact, most regions own sources that account for only 3% to 7% of their financial resources. It was revealed that in only three regions LGAs actually rely on less than 90 percent of grant sources. These LGAs are in the Arusha and Dar es Salaam Regions, which collected 15% and 36%, respectively of their total revenue from their own sources.²² However, as noted above, LGAs continue to rely on fiscal transfers from the central government, which accounts for more than 90% of their budgeted expenses.^{23,24} The low revenue bases of most of them with the exception of a few major urban municipalities, for example, out of 184 Councils, only six (06) councils, namely Temeke, Ilala, Kinondoni and Arusha, Ubungo and Kigamboni were able to increase their revenue by more than 20%. The findings give the impression that this trend in revenue collection cannot sustain service delivery.

The revenue collection trends make local governments depend on the central government for more than 93% of their financial resources for various development projects such as secondary schools' construction and health centres. For example, the central government grants devolved to local governments are presented in Table 3.

The financial grants' pattern depicted in Table 3 indicates that although one of the five Municipalities in Dar es Salaam increased revenue from its own sources by more than 20% of its public expenditure, the grants from the central government still constituted a large amount of the funds (i.e more than 90%) covering its expenditure. However, the Central Government funds disbursed were inadequate for some of the financial years. Sometimes, the disbursement of funds was delayed which hindered the following up of revenue collection in various sources such as property taxes and service delivery such as education and health, for example, in 2008/ 2009, Municipal "X" got 77% of its budgeted revenue from Central Government grants, indicating a deficit of 33% which limited revenue collection administration. Similarly, the financial resource constraint was encountered in service delivery.

In addition, although the study indicates that Municipal "X" increased its revenue by more than 20%, the findings indicate that from 2008/ 2009 to 2013/ 2014, it did not collect all the revenue budgeted for which impinged on effective and efficient revenue collection management. For example, in 2008/ 2009, the budgeted amount to be collected was Tshs. 3,261,000,000.00, but the actual amount collected was Tshs. 1,743,950,369.00 or 53%. In 2009/ 2010, the budgeted amount to be collected was Tshs. 5,052,573,979.00 but the actual amount was Tshs. 3,914,141,219.00, equivalent to 77%, and in 2013/ 2014, the budgeted amount to be collected was Tshs. 62,661,106,227.66 but the actual amount was Tshs. 34,187,515,338.99 equivalent to 55%.

The influence of administrative decentralization in Local Government in staff management matters

This sub-section examines the the influence of administrative decentralization administrative matters such as recruitment and selection matters. The findings are summarised in Table 4.

Table 3. Trend in Central Government's Disbursement of Grants in One of LGAs in Dar Es Salaam Region

Financial Year	Source of Funds	Budgeted Funds Allocated to Municipal Function in Tshs	Actual Amount of Grants Disbursed and Allocated for Expenditure in Tshs	Percentage of Grants Disbursed
2016/ 2017	Central government grants	13,318,675,593.00	10,319,357,405.71	77
2017/ 2018	Central government grants	7,413,462,600.00	12,598,373,594.00	170
2019/ 2020	Central government grants	11,793,066,000.00	11,974,840,001.34	102

2021/ 2022	Central government grants	11,969,169,000.00	13,890,024,698.00	116
2022/ 2023	Central government grants	9,407,645,000.00	9,407,645,000.00	100
2024	Central government grants	10,037,050,300.00	9,452,211,170.12	94
Total grants		63,939,068,493.00	67,642,451,869.17	106

Source: Field data compiled by the Author, August, 2024

Table 4. Central Government Interference in Local Government Administrative Autonomy

S. No.	Categories of Respondents	Central government does not Interference in Recruitment Matters	Central Government Interfere local governments in Recruitment Matters
1	Municipal Executive Directors (N = 6)	4 (60)	2 (40)
2	Mtaa/ hamlet members (N = 20)	15 (50)	15 (50)
3	Heads of Department (N = 6)	2 (40)	4 (60)
4	Councillors (N = 8)	4(50)	4(50)
Total no. of responses		25 (50)	25 (50)

Source: Compiled by Author, August, 2024

The findings presented in Table 4 indicate that the central government was associated with a problem of the central government tending to intervene in what should, under the law, be the jurisdiction of local government not only in recruitment and selection but in decision-making. These findings were supported by 25 (50%) of the respondents as presented in Table 4. The central government interference is also noted in the documentary evidence as presented in the subsequent sub-sections, For instance, an interview with one of the Head of Department at Kibaha township Council indicated that the central government is the one in charge of the allocation of human and financial resources and staffing for core public services: staff recruitment and deployment remains largely centralised.

These findings were corroborated by which found that in 2017, the President's Office of Public Service Management (PO-PSM) issued the public regulations that currently guide personnel management in local government authorities.²⁵ These regulations were based on the Public Service Act No.8 of 2002 and the Public Service Regulations of 2003, and maintained the powers of the central government to transfer staff across ministries, regions, and local government authorities in 'the public interest'.²⁵

Furthermore, personnel for the health and education sectors were explicitly exempted by the president's office-public service management from the decentralised and merit-based procedures for recruitment on the basis of ensuring quality control.²⁶ For instance, large numbers of health staff and teachers have been centrally deployed to local government authorities but surprising enough,²⁷ shows that during field visits carried out by August, 2024 district officials observed that, teachers who were locally recruited by local government authorities were far more likely to continue working within their post than teachers who were centrally deployed. This exemplified central government shortfalls in creating an enabling environment for local authorities to deliver services to the community effectively and efficiently. The findings give the implication that the central government interference has been undermining local government authorities in service delivery, particularly health and education services.

The legal and constitutional influence on local government autonomy

This study investigated whether the laws favour local government autonomy in Local Government Authorities in Tanzania. The responses are summarised in Table 5 below.

Table 5. Responses on whether the local government laws favour local government autonomy in Tanzania

S. No.	Categories of Respondents	Laws promotes Local government Autonomy n (%)	Laws do not promote Local Government Autonomy n (%)
1	Municipal Executive Directors (N = 6)	3 (50.0)	3 (50.0)
2	Mtaa/ hamlet members (N = 30)	15 (50.0)	15 (50.0)

3	Heads of Department (N = 6)	4 (60.0)	2 (40.0)
4	Councillors (N = 8)	4 (50.0)	4 (50.0)
Total no. of responses		26 (52)	24 (48)

Source: Field data compiled by the Author, August, 2024

The study findings presented in Table 5 indicate that the laws and policy framework of local government authorities promoted local government autonomy and service delivery. The findings presented in the table above did not corroborate with documentary evidence. For instance, Local government Authorities operate under the legal framework constituted by the national legislation. The legislations include the Local Government (District Authorities) Act No. 7 of 1982, the Local Government Services Act No. 10 of 1982, and the Local Government Negotiating Machinery Act No. 11 of 1982 as amended from time to time. Under these Acts, local Governments are mandated to carry out their functions in a frame of law. These Acts specify the details of local government (urban and rural, district, ward and the functions to be performed by each level of local government authority).²⁸

Following the amendment of the country's constitutions through Act No.15 of 1984 Local Government Authorities were reintroduced. Since their reintroduction, Local government Authorities have been interfered with directly or indirectly by activities of the sector ministries and regional administrations.²⁹ Specifically, they faced and still face serious financial problems to run various public services and they were and are still heavily dependent on subsidies from the central government and most of the lucrative tax bases were still taken by the central government.²⁹

Local Government Authorities in Tanzania derive their powers and authority from the constitutions. Articles 145 and 146 of the constitution of the United Republic of Tanzania provide for the establishment, purpose, composition, source of revenue, and functions of Local Government. Article 146(1) of the specially states that the purpose of having local government authorities is 'to transfer authority to the local people'. Local government has given the power to participate and involve the people in the planning and implementation of development programmes within their respective areas and generally throughout the county.³⁰ further argues that enshrining local governments in the constitution would ordinarily indicate that most of the policy, legal, institutional, financial, and human resource issues and problems have been sorted out for local government authorities to operate smoothly and play their roles effectively and efficiently. However, this has not been the case as local government as an administrative system has had a troubled history in Tanzania. On the other hand, Kabagile provides an interesting insight into this as he aptly put that '.....the history of local government in

developing countries like Tanzania has been bedeviled with a host of problems such as lack of adequate local government staff....'.³¹ Hence, it can be asserted that these problems have led not only to weakening local government authorities' autonomy but also their ability to perform effectively and efficiently in the provision of services.³²

The other last problem to be mentioned is that the jurisdiction of local governments is still limited. Key central government departments have not been adequately devolved, leaving local governments resembling more a parallel appendage to the central government system than an integral part of the country's government system.³² This tendency or obstacle to local government authorities' better performance has a historical genesis as illustrated in the next section.

Discussion of the Findings

Tanzania's local government system is based on financial and administrative decentralization of staff and finances within a unitary state.³³ This paper has indicated that administrative and financial decentralization has not promoted financial and administrative autonomy mainly due to central government interference in the affairs of local authorities. This state of affair is also noted in weak revenue collection which is pronounced by undercollection of 7-8% of local government finances and central government grants disbursed to local governments by more than 90%.

The central government's control over revenue hinders the local government's ability to facilitate the provision of service as all lucrative sources of revenue at the local level are owned by the central government. Provisions for revenue sources of local authorities are contained in sections 6 to 10 of the Local Government Finances Act No. 9, 1982. But by far the biggest single source of local government is grants from the central government which are sometimes delayed and associated with conditional ties. The grants are, ordinarily, for specific purposes. But the wording of the law is of interest. Under section 10 of the act 'the central government 'shall' pay grants for costs incurred by local authorities for public health services, road constructions and maintenance, sewerage, and agricultural extension services as well as certain officers. But the amounts to be granted are to be in such sums 'as the minister may determine to be the costs 'so incurred'. In this regard, there is nothing to prevent to minister from determining that the cost involved for a particular service is 10% of the actual cost incurred because of enormous discretionary powers vested in him while local authorities

are not capacitated by law to negotiate with the central government.

These findings are contrary to documents that there is a general consensus among council officials that these frameworks for guiding administrative and financial decentralizations are in place, including policies, laws, regulations, and guidelines which are very resourceful and adequate to guide LGA functions.³⁴ However, the regional secretariat staff feels that the problem lies with the centre for not providing enough resources to execute the roles and functions stipulated in the guidelines. Likewise, at the Council levels, there are strong feelings that the frameworks for central-local relations are well framed but sometimes difficult to implement especially where there were instructions to LGAs to perform certain activities without corresponding resources. This goes hand in hand with the amount of funds received by local government authorities in Tanzania which is more than 93% but these funds are sometimes delayed and provided with conditional ties which undermine local government autonomy.

Furthermore, the findings indicated that the law has no specific provisions for central government grants or other funding to village councils. Needless to say, the local government's own sources of revenue are extremely limited, accounting for 7% of the total revenue in most cases. Even for those meagre resources, the local authorities are subject to detailed and excessive central government control which provides 93% of funds.³⁵ Thus, blaming local government authorities for failure to facilitate the provision of services is rather struggling to stop effects without having a bearing on the root cause of the problem.

In terms of financial and human resources capacity, the central government is the boss with discretionary powers to determine what is to be the source of revenue to the local government authorities. In June 2004, the minister of finance announced the abolition of development levy as well as a number of minor revenue sources (so-called 'nuisance taxes' because of the complexities involved in the collection of such taxes) while also limiting the local rate setting discerning for other local revenue sources. Until its abolition, the development levy had been the main source of local revenue for rural authorities in Tanzania.³⁶ shows that local government authorities, since then, were not allowed to levy any taxes, levies, or fees.

Despite local government authorities being dependant largely on central government support for over 90% of its financial resources, such measures taken, further crippled the local government's ability to facilitate the delivery of quality services to the community.³⁶ Thus, it is evident that central government command and control-oriented actions act as a disincentive for local governments to be effective in the whole process of facilitating the provision of services

to the community. These findings conform to the³⁷ who noted that central government transfers account for the majority of local government revenues. This heavy reliance on central government transfers has raised concerns over local governments' fiscal autonomy and their ability to respond to local needs effectively. Fiscal autonomy is essential for local governments to exercise administrative discretion in decision-making, which can lead to better service delivery and improved governance. However, Tanzania's local governments have limited autonomy due to their dependence on central government transfers".³⁷

In terms of spending revenues, the central government is one that sets priorities. The local authorities have discretionary powers only in areas where the central government does not provide grants. In 2004, an important agreement between the government of Tanzania and development partners was reached in principle towards reforming central government fiscal transfer to local government authorities, whereby formulae would be applied to calculate allocations to local government authorities for recurrent expenditures in six sectors: education, health, local roads, agriculture, water and administration and a new joint donor-government funded block grant for development, the local government capital development Grant (LGCDG) was introduced. Although formula-based allocations were agreed and endorsed by the cabinet, they have not yet been fully implemented.³⁸ Grant is provided for the following sectors with their specific formula in brackets. Primary education (number of school-aged children, 100%), health (population 70%, number of poor residents 10%, district medical vehicle route 10% and under-five mortality 10%) agriculture extension (number of villages 60%, rural population 20%, rainfall index 20%) water (equal share 10% and number of unserved rural resident 90%), Local roads (road network length 75%, land capped area 15% and number of poor residents 10%). The local government receive the grants related to recurrent expenditure in what is called 'priority sectors'.³⁸ Hence, it depends upon the central government's will and commitment to ensure that local government authorities are capacitated to deliver services. Thus, failure to facilitate the provision of services to the community by the local government authorities, in this regard, is directly related to central government planning and cosystems.

Furthermore, the situation is not healthy in decision-making respect either. Local Government authorities implement central government policies, plans, and priorities. There are statutory provisions for citizens under their local government authorities to meet regularly to deliberate and decide on any matters which affect them. For instance, the local government (district authorities) Act No.7 of 1982 as amended by Act No.6 of 1999 provides a framework for village assemblies to conduct public hearings and take the

resolutions to the ward development committee which are later to be considered at the district council level. However, no decision is legally enforceable without the consent of some central government executive.³⁹ Furthermore, apart from casual labourers, local government authorities have no powers to even effectively discipline their apparent workforce. The local government services commission is the appointing and disciplining authority in respect of all employees. However, the commission is hardly close to the local authorities. In this regard, reservations are not that the employees are controlled by the central government as such, but rather that local authorities are denied the right of even decide whether they like, or even need, a particular employee.⁴⁰ What is seen in practice is that the local authorities are constantly receiving a chain of orders and directives from above. Hence, the failure of implementing decisions depends, to a great extent, on the nature of the command developed from the top.

The central government is the one in charge of the allocation of resources and staffing for core public services: staff recruitment and deployment remained largely centralised in 2009 through the establishment of the Public Service Recruitment Secretariat (PSRS), which was thought of as a remedy for the weaknesses of decentralised recruitment and selection. Also, in 2003, the President's Office of Public Service Management (PO-PSM) issued the public regulations that currently guide personnel management in local government authorities. These regulations were based on the Public Service Act No. 8 of 2002 and the Public Service Regulations of 2003, and maintained the powers of the central government to transfer staff across ministries, regions, and local government authorities when in 'the public interest'. Furthermore, personnel for the health and education sectors were explicitly exempted by the president's office-public service management from the decentralised and merit-based procedures for recruitment on the basis of ensuring quality control.⁴⁰ In recent years, for instance, large numbers of health staff and teachers have been centrally deployed to local government authorities but surprising enough, it has been seen that, during field visits carried out by Dege consultancy for the evaluation of the LGRP in 2007 both regional and district officials noted that, teachers who were locally recruited by local government authorities were far more likely to continue working within their post than teachers who were centrally deployed.⁴¹ This exemplified central government shortfalls in creating an enabling environment for local authorities to deliver services to the community effectively and efficiently. In addition, these findings corroborate with the Regional and District Commissioners (RCs) and District Commissioners (DCs), who represent the central government at the level of the regions and districts, and they have their executive powers significantly expanded over the local

councils. This action appeared to undermine the spirit of the D-by-D, as outlined in the Tanzania Policy Paper on Local Government Reforms. Pay policy also remains centralised, except that the local government authorities are allowed to establish local incentive schemes. However, such initiatives are unaffordable to most local government authorities except for select staff categories in wealthier local government authorities. Career management has been partially developed but the career progress of the senior staff continues to depend on central ministries. This has perpetuated disparities in human resources and, in turn, service provision and educational and health outcomes. For instance, it was noted that 185 LGAs continued a decline in staffing level whereby 169 LGAs had a shortage of 162,342 staff.⁴⁰ The noted staff shortage had an adverse impact on service delivery particularly in the health and education sectors which have been mostly affected.

Central employment generally has failed to address geographical inequalities of staffing in local governments. The findings are corroborated by which notes that attracting and retaining staff in districts considered 'remote' or marginalised is a persistent problem.⁴⁰ Urban local government authorities and to be better staffed, even for agricultural extension staff than rural authorities clearly demonstrate inefficiencies in the current staff allocation system. This in turn hinders the availability of skilled personnel in the provision of services to the community. Hence the central Government is to a great extent responsible for poor service delivery by the Local Government Authorities.

Moreover, some of the Local Government authorities are created out of political considerations for consolidation of power rather than being based on technical assessment and professionalism. This is due to the fact that under articles 36(1) and (2) of the Constitution of the United Republic of Tanzania of 1977, the Head of State is vested with powers to create or abolish some of the administrative structure as it may seem viable. In the same line of argument, under the Local Government Law (Miscellaneous Amendments) Act No. 13 of 2006, the Minister for Regional Administration and Local Government is also empowered to subdivide the area of every district, town, municipality, or city council into wards which are also electoral areas for the election of councillors representing the ward in the council. This leads to serious consequences as some local authorities are created without considering their resource base. This makes the Local Government Authorities remain stooges of the central government. Given the situation that they become heavily dependent on the central government grant, their failure to facilitate the delivery of services therefore seems and, actually is, a fault of the central government in the design of their existence.

Several Local Government Authorities invest in capacity building and subsequently see staff transferred to other Local Government Authorities or central government. This frustrates local capacity-building efforts, which are otherwise encouraged by the new system of providing Local Government Authorities with capacity-building grants. Transfers are undertaken by the Central Government without adequate consultation with local government authorities and very late replacements are made. These findings were corroborated by the field visits during the Local Government Reform Programme evaluation in 2007 reported by Dege consultancy which indicated that this is perceived by Local Government Authorities as the most frustrating aspect of current practises.⁴¹ Hence, in this regard, the Central Government is the major cause of poor service provision in the local government authorities.

To hold leaders accountable for their actions and inactions presupposes that citizens and other watchdog institutions get the right information from the local institutions. Following the LGRPI, the financial information is easily available on local notice boards although not in detail. The exercise appears more like fulfilling the financial requirements of posting financial information on these notice boards rather than being transparent. That is, to be open is different from being transparent. Hence, the central government is the one in this case, to be blamed for failing to have in place an institutional framework that enables citizens to be aware of the reforms and empowers them to have viable ways through which they can hold accountable the local government officials with regard to funds provided for facilitating the delivery of services. These findings are contrary to the New Public Management which puts much emphasis on the decentralisation and transparency of the government institutions.

Conclusion and Recommendation

Given the situation that the actual provider of services is the Central Government under central-government relations in Tanzania, Local Government Authorities should not be blamed for failing to facilitate that provision of services. The Central Government is responsible for financing the local services to a great extent; and sets policies, plans, and priorities that are to be implemented by the Local Government Authorities. The Central Government is also the one in charge of manpower in terms of recruitment, remuneration, training, development, promotion as well as transfer. Hence, if the local Government Authorities fail to facilitate the provision of services, the central government is to bear the blame for having failed to empower those Local Government Authorities.

The central government's control over revenue hinders the local government's ability to facilitate the provision of service as all lucrative sources of revenue at the local

level are owned by the central government. The grants are, ordinarily, for specific purposes. But the wording of the law is of interest. Under section 10 of the act 'the central government 'shall' pay grants for costs incurred by local authorities for public health services, road constructions and maintenance, sewerage, and agricultural extension services as well as certain officers. But the amounts to be granted are to be in such sums 'as the minister may determine to be the costs 'so incurred'. In this regard, there is nothing to prevent to minister from determining that the cost involved for a particular service is 10% of the actual cost incurred because of enormous discretionary powers vested in him while local authorities are not capacitated by law to negotiate with the central government. Likewise, at the Council levels, there are strong feelings that the frameworks for central-local relations are well framed but sometimes difficult to implement especially where there were instructions to LGAs to perform certain activities without corresponding resources.

In terms of resource capacity, the central government is the boss with discretionary powers to determine what is to be the source of revenue to the local government authorities. Despite local government authorities being dependant largely on central government support for over 90%, such measures taken, further crippled the local government's ability to facilitate the delivery of quality services to the community.

Based on the findings and conclusion of this paper, it is recommended that the central government should cede powers to local government authorities so that they can exercise full autonomy in their areas of jurisdictions. The local government finance and administrative autonomy should be strengthened by through legal framework which empowers LGAs in financial and administrative matters. There is a need to strengthen the human resource capacity of the councils through capacity building programmes to enable local governments to have adequate experts.

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