



GOV

GOVERNANCE,
INSTITUTIONS &
ORGANIZATIONAL
STRUCTURE

SUMMARY DOCUMENT



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LIST OF ABBREVIATIONS

LEG	Legal Frameworks
ADM	Administration and Delivery Systems
M&E	Monitoring and Evaluation
MIS	Management Information Systems
NGOs	Non-Governmental Organisations
SASSA	South African Social Security Agency
CNAS	National Social Insurance House
SLA	Service Level Agreements
ICT	Information and Communication Technology
OECD	Organisation for Economic Co-operation and Development
OPD	Organisation of Persons with Disabilities
UNCRPD	United Nations Convention on the Rights of Persons with Disabilities
HR	Human Resources

INTRODUCTION

This Module aims to provide a detailed overview of the governance framework for the delivery of non-contributory social protection schemes.

At the institutional level, governance is about the incentives and accountability structures at the state level and ultimately **how power and authority are exercised**. Governance is shaped by the formal rules, roles and responsibilities of stakeholders involved in the sector and finally, control and accountability mechanisms are put in place to ensure compliance across and within different organizations involved in the sector.¹ All these elements are articulated through laws, regulations, Government policies and operational guidelines and are also shaped by informal rules formed through culture, beliefs and attitudes.

At the organizational level, governance is focused on a set of incentives and accountability requirements that influence **how provider organizations and their staff behave and how their services are delivered**.² Services are delivered through different organizational structures which follow the institutional settings of the state and which have implications for the management of the system and how services are delivered. This includes the capacity to establish standards and protocols, monitor performance and enforce accountability for performance through appropriate management functions. It also relates to the organizational capacity to administer inclusive and equitable programmes that respond to the needs of vulnerable groups, including people with disability, women and girls and ethnic minorities. Oversight systems and staff training are some of the mechanisms that can ensure programmes are reaching all recipients with equity.

A comprehensive governance system for social protection ought to provide a clear and binding framework that organizes the different actors and their relationships coherently and provides them with well-defined roles, responsibilities and operational tasks and also ensures that these tasks are carried out according to established standards and enforced through a set of accountability mechanisms.³



Editorial Note

Please note that a comprehensive version of this document with clickable links is available on the Transform Project website, visit www.transformsp.org to access the file

1 Bassett et al., 2012.

2 Fiszbein, et al., 2011 cited in Rubio, 2011.

3 ILO, 2010 cited in Bassett et al., 2012.

INSTITUTIONAL FRAMEWORK

The success of social protection programmes depend critically on the institutional arrangements in which they are established.⁴ The institutional aspects include both the laws and regulations which establish an entity's mandate and define its responsibilities, duties, obligations and powers and also the procedural requirements (which may have the force of law) which determine how critical functions are carried out. They also include how working relationships are managed between Ministries, between Ministries and other public bodies and between different levels of central and decentralised government, and their arrangements for the coordination of activities.⁵

There is no single institutional framework that is suitable to all contexts. Different models evolve from their specific country environments, based on the political discourse of the time, the constitutional setting within which it is framed and the historical circumstances which have shaped it. This chapter highlights the most important dimensions of institutional structure, including: the policy framework, laws and regulations, and stakeholders and their responsibilities.

2.1 LAW AND REGULATIONS

The role of legal frameworks for the governance and administration of social protection systems is discussed in detail in  **MODULE LEG**.

Laws and regulations set the legal basis for a programme and provide a formal statement of a government's intentions.⁶

Entrenching social protection and its related programmes within the law provides longer-term certainty for the population it aims to reach, together with the legal right to access and benefit from the programmes. At the system level, laws and regulations can:

- Establish the rights of the population to social protection and access to related services
- Determine who is responsible for setting social protection policies and delivering programmes⁷

4 Samson et al, 2006.

5 Kardan et al, 2016.

6 Ibid.

7 Bassett et al, 2012.



- Establish who is entitled to what benefit or support and for how long.

Laws and regulations, including international legal standards and frameworks, are critical entry points for safeguarding rights to

social protection for most vulnerable groups, such as women and people with disability. Laws can create a necessary political commitment and public action to ensure these groups have formal access to entitlements and that their rights can be realised in practice. Kenya and Nepal, for example, include explicit state commitments on women's and people with disability's rights to social security in their constitutions, which set the basis for the development of specific legal and programmatic interventions.

Article 28 of the UNCRPD establishes the right of people with disability to an adequate standard of living and social protection without discrimination based on disability. To realise this right, States should take measures to ensure access to: affordable and appropriate disability-related goods and services; social protection and poverty reduction programmes, particularly for vulnerable populations; and coverage for disability-related costs for people with disability living in poverty.

In some countries, especially where social protection is nascent, there is **no legal basis for social protection programmes**. These programmes either operate outside the formal sphere of Government altogether or are implemented through non-legislative instruments such as an **executive order**, a **policy statement** or a **memorandum of understanding**.

The implementation of these programmes is normally guided by a manual of operations developed by the agencies responsible for implementation, but even when this has been approved at the Ministerial level, it does not provide the formal legal backing or mandate needed for a rights-based system. For example, despite playing a critical food security and livelihoods security role in rural and urban areas and implementing gender-sensitive programme provisions, Ethiopia's Productive Safety Net Programme (PSNP) has not been grounded in a legal framework. This creates significant uncertainty for programme implementers and recipients as it can be cancelled at any time and recipients lack legal recourse to claim their entitlements.

2.2 STAKEHOLDERS AND RESPONSIBILITIES

Laws and regulations establish the mandate, roles, and responsibilities of different stakeholders concerning social protection. There are many different stakeholders involved in the institutional structure of social protection, with responsibilities for the design and delivery of social protection generally spread across various ministries, agencies and non-state actors. These actors are grouped across three main functions or principal roles:

- **Policy and coordination** – At the policy level, the core functions are setting the overall direction of social protection through the development sector policies, strategies, design of programmes and establishment of implementation guidelines. It also includes the coordination of the activities of the different actors and stakeholders, and accountability mechanisms to receive their feedback. For example, collaboration with Organizations of Persons with Disabilities (OPDs) and women's organizations will help identify and address accessibility issues and barriers to inclusion.
- **Implementation** – refers to the delivery of social protection interventions including identification of eligible population group, their registration, provision of support and all the related management activities such as budgeting, planning and monitoring. See also MODULE ADM.
- **Oversight or control** – relates to ensuring services are delivered according to stipulated laws and regulations, as well as established service delivery standards (see also MODULE M&E and MODULE LEG).

This is broadly illustrated in Figure 1 below. In reality, different stakeholders who lie across these functions will vary from one place to another depending on the overall institutional and organisational structure. We look at these different models in Section 3.

Figure 1: Social protection actors across different functions



Source: Authors

Table 1 below, lists some of the potential actors within social protection and their traditional roles. The involvement of each of the listed actors provides both opportunities and challenges to inclusive governance that are also listed in the table. In reality, of course, where the different stakeholders lie across these core functions will vary from one place to another depending on the overall institutional and organisational structure. Different institutions and institutional arrangements can either enable or constrain the potential for gender-responsive and disability-inclusive programme design and implementation (Holmes and Jones 2013; Holmes et al, 2019). We look at these different models and their implications for inclusion outcomes in Section 3. Similarly, several of the actors listed will hold responsibilities across more than one function.



Table 1: Stakeholders and their roles and responsibilities

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
POLICY AND COORDINATION			
The presidency or Prime Minister's office	Some countries place the strategic and policy direction entirely at the apex of government	<ul style="list-style-type: none"> Strong convening power and higher visibility Usually has more capacity than other line ministries 	<ul style="list-style-type: none"> May be overburdened with the multiplicity of core responsibilities May overshadow other equally important social protection programmes not under its responsibility
Ministry of Finance	<p>Custodian of Government finances and allocation of resources.</p> <p>Sometimes responsible for some social protection programmes (e.g., social pensions), may also take on the responsibility for setting overall sector policy or elements of it</p>	<ul style="list-style-type: none"> Close engagement with the ministry of finance could secure support and potentially higher levels of financial resources for SP programmes Usually has more capacity than other line ministries Strong convening power 	<ul style="list-style-type: none"> May not engage with social protection issues and limit support and financing to it May be overburdened with the multiplicity of core responsibilities May overshadow other equally important social protection programmes not under its responsibility May lack support or technical expertise for "soft" social policy issues including gender equality and disability
Line ministries	<p>Responsible for setting the overall policy direction of the sector and directly or indirectly responsible for the delivery of some or all social protection programmes</p> <p>May initiate regulation and supervises its correct application</p>	<ul style="list-style-type: none"> A dedicated ministry for social protection ensures greater visibility for the sector that may have traditionally been bundled together with other portfolio responsibilities such as health, labour, gender, disability etc. Spreading of responsibilities between ministries may increase capacity by ensuring greater coordination of SP programmes with other social policy interventions and the institutions best placed to deliver them (e.g., school bursaries, health vouchers, etc.) 	<ul style="list-style-type: none"> The weak convening power of dedicated social protection ministry Coordination challenge when social protection programmes are led across different line ministries Inability to enforce compliance and/or sanction non-compliance May lack specialised knowledge and mandates (e.g., gender, disability etc.) leading to the sidelining of inclusive agenda in programming.

Table 1 Continues...

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Coordination committee or council	Coordinate and oversee the development, implementation, and integration of social protection strategies, programmes, and resources	<ul style="list-style-type: none"> Better coordination and integration of social protection programmes Create more traction and ability to hold line ministries to account for their respective roles Stronger convening power 	<ul style="list-style-type: none"> May not have any legal or official mandate and without convening power One of many committees or councils and thus unable to effectively engage with the various stakeholders Regular and continuous representation and support by appropriate staff members by the various stakeholders may not be forthcoming
Legislators	Support the development of social protection systems through the enactment of relevant pieces of legislation, they also provide oversight and accountability functions	<ul style="list-style-type: none"> Creating clear mandates and appropriate rules of the game for different institutions Entrenchment in law and legal backing for long-term provision Move towards rights-based social protection, e.g., through the establishment of parliamentary committees responsible for gender equality and disability inclusion 	<ul style="list-style-type: none"> Inadequacy of legislation Inconsistency or contradictions between different pieces of legislation Lack of appropriate regulations and difficulty in the enforceability of legislation The dominance of informal rules and disregard for formal provisions in the law
IMPLEMENTATION AND SERVICE DELIVERY			
Administrative agency	A state agency tasked with the administration or delivery of social protection programmes	<ul style="list-style-type: none"> Clear mandate, roles and responsibilities Professionalization of services and focus on performance contingent on sufficient autonomy and adequacy of resources Able to attract more talented and motivated staff Consistency of service provision through service level agreements Separation of service delivery from policy and political interference 	<ul style="list-style-type: none"> Limited reach in local areas Maintaining a healthy relationship with the ministry responsible for setting overall policy direction Inadequacy of resources to enable optimal service provision Not fully immune from political interference and the political cycle



Table 1 Continues...

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Local administration	Responsible for frontline service delivery functions, either as part of a central government agency or ministry or as a function of local self-government	<ul style="list-style-type: none">Services closer to where people liveServices matching localised needs and better targeted to affected populationsServices more responsive to case management and complaints redressal	<ul style="list-style-type: none">Increases risk to service delivery from low capacity, especially in more remote locationsVariation in service standardsInequity in coverage and in reaching the eligible populationIncreases risk of clientelism and patronage in service delivery with negative implications for access to services among vulnerable and socially marginalised groups
Non-Government Organisations (NGOs)	Sometimes responsible for delivery of parts of the programme (e.g., targeting, enrolment, etc.). They may also provide oversight and accountability functions	<ul style="list-style-type: none">Filling the capacity gap in service deliveryAdditional checks and balances in the systems aimed at improved services deliveryImproved representation of vulnerable groups in policy and programme formulation, and participation in governance processes	<ul style="list-style-type: none">Difficulty in the establishment of a working relationship and accountability structures with line ministryErosion of government capacity and difficulty in building institutional knowledgeLack of capacity to engage in effective dialogue with government on the policy and strategy issuesPotentially unsustainable in the longer term
Private sector	Contracted to support implementation or delivery of a specific element of the programme (e.g., payments) or more general support to design and implementation	<ul style="list-style-type: none">Significant increase in efficiency and effectiveness of service delivery with continued client oversightReducing the burden on government staffProvision of specialised services (e.g., disability-related support)	<ul style="list-style-type: none">Lack of oversight capability within government including around performance management and procurementErosion of government capacity and difficulty in building institutional knowledgeCosts may be significantBusiness continuity and data security risksProfit-driven service delivery may jeopardise the quality and access to services among the vulnerable groups

Table 1 Continues...

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Development partners	Support in financing and provision of technical assistance to develop and implement social protection programmes	<ul style="list-style-type: none"> Relieving financial and capacity gaps Support to systems strengthening and transfer of knowledge and knowhow Potentially, catalytic effect on resource mobilisation Inclusion of the voices of vulnerable groups, such as people with disability, women and girls. 	<ul style="list-style-type: none"> Competing agendas and the ideological difference between development partners and supporting particular sectors aligned to agency priorities Lack of ownership by government The unpredictability of the duration of support and financing Difficulty in ensuring government takeover and fiscal and institutional sustainability
Community structures	Support in programme delivery, oversight and accountability functions	<ul style="list-style-type: none"> Understanding of the needs of their community Ownership and support for the programme Representation of vulnerable groups in decision-making structures and processes (e.g., community-based targeting committees) Filling capacity gaps inherent in the local administrative structures 	<ul style="list-style-type: none"> Long-term functioning and sustainability of community support Elite capture or lack of support from the community Exclusion of marginalised groups due to unequal power dynamics in the community Variation in programme performance due to variation in skills and capabilities
Programme recipients	Responsible for adhering to the administrative requirements and criteria for benefiting from the programme also play an important role in providing feedback and holding duty bearers to account.	<ul style="list-style-type: none"> Understanding of the needs of their community Ownership and support for the programme Filling capacity gaps inherent in the local administrative structures 	<ul style="list-style-type: none"> Long-term functioning and sustainability of community support Elite capture or lack of support from the community Lack of participation of marginalised community members in decision-making processes due to discriminatory norms and practices, lack of capacity and empowerment (confidence, agency etc.) Variation in programme performance due to variation in skills and capabilities



Table 1 Continues...

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Judiciary	To support the rights of the entitlement holder and arbiter of claims against the state	<ul style="list-style-type: none">Provides an additional avenue of support to the population who are entitled to rights and benefits	<ul style="list-style-type: none">Communities seldom have the financial and other resources to go to court without external supportJudiciary has a limited role in contexts where social protection is not grounded in national legal frameworks.
Supreme audit institution	National Audit Office and/or (Controller and) Auditor General – responsible, usually to the legislature, for the scrutiny of public expenditure and programme delivery	<ul style="list-style-type: none">Ability to hold service providers to account and improve service provision	<ul style="list-style-type: none">Lack of capacity and financial support to carry out a functionThe dominance of informal rules and disregard for formal provisions in the law

Table 1 Continues...

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Civil society	Provides accountability and oversight functions	<ul style="list-style-type: none"> Ability to improve service delivery through the building of accountability routes Citizen engagement and increased knowledge of rights Ability to provide oversight and identify delivery and accessibility issues for vulnerable groups, through representative bodies such as OPDs and women's organisations Can help to identify sources of inefficiency or inequity in the system, and highlight any malpractice in programme administration, through the presence of multiple voices and channels for oversight and feedback. Non-governmental and civil society organisations may also lack the capacity to engage in effective dialogue with government on the policy and strategy issues. 	<ul style="list-style-type: none"> Limited reach at the community level Elite capture or lack of support by community leaders Variation in the level of engagement and performance Dependent on external financial support may face uncertainty around the duration of support Lack of capacity to engage in effective dialogue with government on the policy and strategy issues Increased openness may heighten public awareness of any shortcomings in the system or its level of resourcing, and place unwelcome pressure on government officials and their political leadership; civil servants therefore may be reluctant to share information with non-state counterparts unless they are certain their ministers are comfortable with this.





2.3 TAKE AWAY LESSONS

- Government policy sheds light on its vision for social protection by articulating its aims and objectives and serves to shape future Government action.
- Laws and regulations formalize government commitments and intentions within the social protection sector. They also establish an entity's mandate and define its responsibilities, duties, obligations and powers, and the procedural requirements (which may also have the force of law) which determine how critical functions are carried out. They may also determine how working relationships are managed between different actors.
- Social protection programmes in Sub-Saharan African countries are often not embedded in law although they are beginning to be articulated into a more consistent sector-wide narrative through the development of relevant policies and strategies.
- Laws and regulations need to be clear, consistent and aligned with stated policy intentions to reduce ambiguity and potential for errors or fraud.
- A range of different stakeholders are often involved in the institutional structure for social protection, with responsibilities for the design and delivery of social protection generally spread across various ministries, agencies and non-state actors. These different stakeholders present opportunities as well as challenges for the effective delivery of social protection programmes.
- Vulnerable groups, such as people with disability, ethnic minorities and women and girls, need to be involved in the design of programmes, including feedback and grievance mechanisms to ensure they meet their needs. Programme monitoring needs to continuously engage with vulnerable groups and capture their voices and modify service delivery accordingly.
- The functions involved in the provision of social protection can be grouped under the main headings of
 - Policy direction and coordination
 - Implementation and service delivery
 - Accountability and oversight.

There will be differences between countries in the part played by different actors in each of these groups of functions, and in the allocation of responsibilities between them

ORGANIZATIONAL STRUCTURE

Organizational structure is concerned with how people are organized to enable them to play their roles within an entity. Within the social protection sector, many different organizations are likely to be active, each with its responsibilities and functions. In this section we look at different organizational models, highlighting their strengths and weaknesses.

3.1. FUNCTIONS AT DIFFERENT ADMINISTRATIVE LEVELS

 MODULE ADM provided a comprehensive view of the different tasks and core functions carried out by the different stakeholders in the delivery of social protection programmes. These tasks and functions are allocated across different levels of administration, depending on the organizational model in place.

The national level will typically be responsible for “upstream functions” including policy design and planning as well as back-office support functions. In a fully centralised model – only possible in very small states – the national level may carry significant service delivery functions, while in more decentralized delivery models the centre will primarily have a coordinating and management/overview role (see Figure 2 and further detail in Table 2 below).

Given the nature of social protection delivery, almost all countries have some level of decentralization of tasks to lower tiers of Government, either achieved through

deconcentration, delegation or devolution. For instance, the administration at the sub-national level is normally tasked with front-line service delivery functions, particularly those related to implementing programme registration, enrolment, monitoring and complaints management.



Figure 2: Responsibilities in a de-concentrated [administratively decentralized] system



Source: Samson et al. (2006), p. 95

In addition to the overall institutional setting and proposed organizational structures, the appropriate division of tasks will also depend on the capacity of the different levels of administration. Moreover, it will depend on the accountability structures that are in place to counteract any perverse incentives created by allocating tasks in particular ways.

3.2 CENTRALIZED AND DECENTRALIZED MODELS FOR SERVICE DELIVERY

Many different organizational models and management arrangements are possible for the delivery of public services. These are shaped by larger factors in the governance and institutional design of the state. In some countries where power is centralized, delivery models may likewise be concentrated in the centre. In other contexts, some roles, responsibilities or decision-making power may be delegated or devolved to autonomous or semi-autonomous agencies or other tiers of Government at the sub-national level. Different organizational models will allocate different roles and responsibilities to different levels of administration. Moreover, they may be set up to deliver some functions directly and to outsource others. In this section, we will describe these broad organizational models and highlight their overarching advantages or disadvantages.

An agency's HR procedures must promote inclusivity and equity, e.g., by recruiting and supporting staff from vulnerable groups and training all staff on key issues of gender, disability and vulnerability to improve the accessible delivery of cash transfers and other services. This may include resource investments to provide accommodations to people with disability (e.g., sign language interpretation) and flexible working arrangements for people with caring responsibilities, as well as audits and oversight mechanisms, such as a specialist disability/inclusion unit or gender focal points.

As will be evident from the following sub-sections, **arguments for improved service delivery, efficiency gains and better transparency can be made for each of the proposed models. Their force will ultimately depend on the context within which social protection is delivered, but it is very difficult to determine ex-ante whether the benefits intended from any particular approach will materialize.**

3.2.1 Centralized service delivery

Under a fully centralized system and organizational model, all aspects of programme or service design and delivery are controlled and managed through a single central entity at the national level.

This possibility is included here for the sake of completeness but is unlikely to apply to social protection services except in the smallest states (for example, Grenada in the Caribbean, where the Ministry of Social Development and Housing has no local presence). The need for services to be delivered from locations physically close to their recipients usually requires some degree of decentralization.

3.2.2 Decentralized service delivery

A common definition of decentralization is the **transfer of authority and functional responsibility from the central government to other government organizations**, including local government or autonomous agencies.⁸ It is argued that decentralization brings the services closer to the people and can improve the accountability and efficiency of programmes by reducing the costs of accessing services for citizens and increasing their ability to voice their concerns and needs, thereby strengthening the government's accountability for service provision.⁹ Decentralised delivery models may also work better for certain vulnerable groups, such as people with disability, mothers of young children or older persons, because barriers to accessing centralised services – including cost, availability and accessibility of transport, time out from work, physical and communication barriers - are likely to disproportionately affect these groups. Nevertheless, decentralization also brings risks of fragmentation in delivery and can exacerbate geographic inequities across a country.

There are three main approaches to decentralization, namely:

- Deconcentration
- Delegation
- Devolution¹⁰

3.3 APPROACHES TO DECENTRALIZATION

3.3.1 Deconcentration

Under **deconcentration, decision-making authority, financial and management responsibilities remain within the organizational structure of a central government** body (ministry or department), but administrative responsibility for service delivery in particular geographical areas is distributed to local, district or regional offices.

Under this model, the geographical sub-units function as an extension of the national level, or as a local presence of the national ministry or department.

An example is presented by the provincial and district office structure of the Department of Social Services in Zimbabwe, which is in turn part of the Ministry of Labour and Social Services. These administrative units remain directly accountable to the national level; they implement policies and interventions devised and designed at the centre with little or no discretion as to the services that are provided.¹¹

8 UNCDF, 2012.

9 Normand and Weber (2009) p. 100.

10 UNCDF, 2012 UNCDF, 2012. A fourth term, *dispersal*, refers to the geographical removal of all or part of a central government body's headquarters to another location outside of the national capital, usually as a spur to local economic development.

11 Hanf and Toonen, 1985.



Deconcentration allows services to be geographically closer to recipients while preserving the benefits of a unitary centralized system; a single harmonized administrative structure enables common standards to be maintained, facilitates transparency and provides the scope for potential cost savings through economies of scale, such as a single payment mechanism and processes, centralized management information systems (MIS), etc.¹²

3.3.2 Delegation to an administrative agency

Under delegation, central governments transfer responsibility for the administration of public functions to semi-autonomous organizations within the central government structure, or to local governments that are not wholly controlled by the central government. Although the organizations with delegated responsibility have a degree of discretion in decision-making, this can be withdrawn or overruled by the central government.¹³

Given the operational complexity of a social protection system and its many programmes, there is an argument for the creation of specialized structures at the central level with adequate capacity and management autonomy to manage the programmes. This, arguably, will enable the development of results-focused systems and cultures, recruitment of specialized skills and enhancement of accountability by separation from policy functions.¹⁴

The South African Social Security Agency (SASSA) provides a good example of a statutory agency (Box 5), as does the National Social Insurance House (CNAS) in Moldova. The latter is an autonomous public institution, founded in 2001 based on a 1999 statute, headed by a President, appointed by the government, and overseen by an administrative council with representatives from interested ministries and other stakeholder bodies. CNAS is responsible for the payment of a range of pensions, compensation and social assistance to recipients across the country.

This kind of delivery model is well-supported by the establishment of an agency that, as described above, is 'at arm's length' from the government and given the responsibility to implement policies and carry out public functions such as service delivery. Such **agencies are often set up by the central government as a means of distancing ministers from the administrative and management detail of service delivery;** they might in principle also be established by subnational governments exercising powers that have been delegated or devolved from the centre.

3.3.3 Delegation to local government authorities

In some cases, the delegation will be not to an agency or other public body within the central government sphere, but from central government to local government authorities. The exercise of central government functions under delegation can be distinguished from local authorities' exercise of their devolved powers vested in them by legislation or constitutional settlement.

Under devolution (see below) a local authority has full responsibility and accountability for a function; under delegation, they are **implementing a national programme within their area, as agents or partners of the central government.**

When various operational aspects of a programme are jointly managed by the national government and lower tiers of government, instruments such as **framework agreements, joint management agreements or service level agreements (SLAs) can be useful tools.** These agreements, made between the parent ministry and delivery institutions, formalize responsibilities and introduce minimum service standards (as in the case of Bolsa Familia in Brazil, or of the 4Ps programme in the Philippines). Such agreements can establish the terms within which delegated powers may be exercised, and the conditions under which they may be withdrawn or overridden.

3.3.4 Devolution

Devolution occurs when authority for the whole social protection system (policy, programme design, finance and the management of service delivery) is allocated to autonomous tiers of sub-national government. This may occur where the constitution gives responsibility for a particular policy domain to the constituent states of a federal nation; for example, the 1994 Constitution of Ethiopia reserves to the states the power "to formulate and execute economic, social and development policies, strategies and plans" for their territories.

12 Samson et al, 2006

13 UNCDF,2012

14 Barrett & Kidd, 2015.

Devolution can also occur where a state transfers responsibility for a function or service to autonomous units of local government with their legal status and electoral mandate, for example, elected mayors and councils. Under this model, accountability is to the local electorate, and the local government entities are responsible for determining the scope and quality of services to be provided.¹⁵ For example, the 2010 Constitution of Kenya was enacted to provide for the devolution of a wide range of functions to county governments; however, this did not include social protection, which therefore by default falls to the national government.

The principle of devolution, in contrast to delegation, is that functions cannot be exercised concurrently by the central national government and sub-national bodies, and the transfer of authority cannot be revoked unilaterally. If responsibility for social protection has been devolved to a provincial or state level, the central government can no longer decide to operate its parallel system or take over the running of the system. However, the degree of control over policy, service standards and levels of expenditure retained by the central government under a devolution settlement may vary considerably between jurisdictions.

The proponents of devolution argue that sub-national governments are better informed about their constituents and in a better position to reach those in need.¹⁶ However, there may be problems of elite capture – where powerful local figures operate the system for their benefit, for example by manipulating payments to reward their political supporters – or of low administrative capacity of devolved entities. Low local administrative capacity can undermine the effective management of programmes and the information available on them; it is especially the case in more remote developed areas with few amenities where it is difficult for local authorities to attract and retain skilled employees, who tend to migrate to urban areas. The same problems can also apply in cases of delegation, where local authorities are charged with the delivery of a national programme but capacity constraints introduce disparities in implementation.¹⁷

3.3.5 Financing decentralized service delivery

Decentralization of funding can be particularly sensitive and can contribute to inter-regional disparities in coverage, as poor localities are likely to provide fewer services.

If responsibility for financing programmes is transferred without additional funds, poorer lower levels of government can suffer from financial hardship and may fail to deliver timely quality benefits to eligible applicants. They may also use undue discretion in paying benefits, for example, to reward and reinforce political support, and therefore render payments less reliable and transparent.¹⁸

As such, national governments usually retain responsibility for the financing of social protection programmes to help countries reap the full benefits of national social solidarity. However, fiscal decentralization is a complex field in its own right, with a wide range of possible models for funding decentralized services, which strike different balances between reliance on local revenues and support from the national budget, and with differing allocation mechanisms to allow a degree of equalisation between areas reflecting their divergent social needs and fiscal resources.

3.3.6 Trade-offs with alternative models

In reality, there is a very wide range of differing approaches to decentralization, and systems of service delivery vary greatly in their institutional foundations and organizational structures. The typology offered above and summarized in Table 2 below can therefore only offer an approximate guide to understanding a particular set of national arrangements or designing new ones. The distinction between delegation and devolution is especially likely to become blurred, while all forms of social protection provision, whether formally centralized or decentralized, are most likely to be delivered through deconcentrated (geographically dispersed) organizational structures.

Ultimately the degree of decentralization of social protection will be determined by the state's position concerning political, administrative and financial decentralization more generally, as well as its approach to the management and reform of public services. The relative weight given to the arguments for and against each kind of approach will therefore depend heavily on a wider set of considerations peculiar to the national context.

¹⁵ Ibid.

¹⁶ de Neubourg, 2002

¹⁷ Samson et al, 2006, van Niekerk, and Mac Quene, p. 115 23 p. 48

¹⁸ p. 48



Table 2: Alternative models of social protection service delivery: approaches to decentralization

TYPE	DESCRIPTION	OPPORTUNITIES AND CHALLENGES
Centralised	Direct service delivery by a single central government entity (with a single organisational management and accountability structure, on one site or a few satellite sites).	<ul style="list-style-type: none">• Enables a high level of consistency in service standards and quality• Only suitable for a limited range of services (e.g., issue of passports) which do not need to be delivered close to the recipient population• Can apply to social protection, but only in very small states• Can lead to access barriers for certain groups (e.g., people with disabilities, and people living in remote areas) if application and delivery processes require travel to the capital or major cities

Table 2 continues...

TYPE	DESCRIPTION	OPPORTUNITIES AND CHALLENGES
Decentralized	Deconcentration	<p>Delivery of central government service through a network of geographically dispersed offices, which remain directly accountable to the national headquarters in a single organizational structure, with local management but little or no discretion as to the services that are provided.</p>
	Delegation	<p>Central government entity (Ministry) transfers responsibility for decision-making and management control of services to a semi-autonomous administrative agency or statutory body within the central government structure, or to local government entities. Organizations with delegated responsibility have a degree of discretion in decision-making, but this can be withdrawn or overruled by the delegator.</p>
	Devolution	<p>The state transfers authority for decision-making and management from the Central government to autonomous units of sub-national government with legal status and own electoral mandate (e.g., elected mayors and councils), in principle irreversibly and with no concurrent exercise of powers. Accountability of the entities is to the local electorate.</p>



Table 2 continues...

TYPE	DESCRIPTION	OPPORTUNITIES AND CHALLENGES
Decentralized	<p>Devolution</p> <p>The state transfers authority for decision-making and management from the Central government to autonomous units of sub-national government with legal status and own electoral mandate (e.g., elected mayors and councils), in principle irreversibly and with no concurrent exercise of powers.</p> <p>Accountability of the entities is to the local electorate.</p>	<ul style="list-style-type: none"> • The sub-national government determines the scope and quality of services provided, but the degree of control over policy and service standards – and ultimate accountability for outcomes – retained by the central government may vary considerably between jurisdictions • Financing of services may transfer entirely to local revenues, continue to be provided from the national budget, or a combination of the two • If there is any reliance on local financing, variations in needs and resources are likely to lead to inconsistencies in service provision between areas unless equalization mechanisms are put in place
	<p>Local service provision</p> <p>Under a capital division of responsibilities between national and sub-national authorities, service delivery lies entirely with the local (state, provincial, regional or municipal) entities.</p>	<ul style="list-style-type: none"> • Most likely to be found under a federal constitutional model. • Sub-national government entities may operate services using centralised, deconcentrated or delegated approaches, within their territories. • Allows for the participation of local groups (e.g., OPDs and women's organisations), creating livelihood opportunities for vulnerable groups and increasing the contextualization and responsiveness of benefits and complementary services. • Safeguards must be in place to ensure marginalised and "hard-to-reach" groups are not discriminated against and mistreated by local service providers that do not ascribe to inclusive principles of service delivery.

Source: Authors

3.4 OUTSOURCING THE DELIVERY OF SOCIAL PROTECTION COMPONENTS

For reasons involving resource, capacity and/or technical constraints, the delivery of certain components of social protection (most frequently cash transfer payments) is sometimes done in collaboration with or outsourced to non-governmental actors such as private companies or civil society groups. The potential benefits of such a delivery model include:

- **More efficient service delivery and costs savings.** Private or semi-private providers may be able to provide some specialized services more cheaply or more efficiently than the public sector as a result of better management practices, or of higher levels of investment, for example in ICT equipment. Outsourcing of payment services, for example, can allow the social protection function to be supported by existing banking platforms and their specialized technical support staff, while specialist IT firms are likely to be able to mount competitive bids for the development, enhancement and possibly maintenance of MIS.

- **Reducing the administrative burden on staff.** At the other end of the scale of specialization, outsourcing some clerical back-office functions can free up the time of staff in the public service for professional activities, for example, statutory social work tasks, which might otherwise be crowded out. Outsourcing may also simply provide additional capacity at times of peak demand. In Kenya, the Ministry of Labour and Social Security and Services coped with the data entry requirements for the rapid scaling up of the National Safety Net Programme by the recruitment of large numbers of temporary staff on short-term contracts, but better data quality might have been provided by contracting out the work.

However, while outsourcing functions may yield the anticipated benefits, some aspects need careful consideration:

- Outsourcing will **require additional organizational capabilities** including oversight and performance management of service providers as well as procurement-related functions.
- Governments should **choose carefully** whether and which services and functions to outsource, for what reason or objective, to what organizations, and to how many. Organisations may also require additional training or support to meet certain requirements and ensure their services are inclusive to all (e.g., disability inclusion and accessibility standards).
- Governments should be particularly aware of the implications of transferring or **outsourcing functions related to core service functions**, as excessive dependency on external providers may impact the long-term delivery of the service and erode internal capacity. For example, if the outsourcing of MIS or payments-related functions of the Government is not carefully thought out or managed, it can lead to various risks.

Therefore, how the service providers are contracted and how it is enforced are important considerations for the Government and should at a minimum ensure that:

- The rights of social protection recipients are respected by the company's agencies (and not subordinated to the service provider's commercial interests);
- Data confidentiality is maintained;
- Service quality and accessibility standards are upheld;
- Complaints and grievance mechanisms are functional, accessible and designed collaboratively with recipient representatives (e.g., OPDs, women's groups), and
- There is sufficient oversight and reporting to ensure government accountability for the service.



3.5 TAKE-AWAY LESSONS

- Organizational models are shaped by the governance and institutional design of the state. To the extent that the institutional context permits, some roles, responsibilities or decision-making power for services such
 - as social protection may be delegated or devolved to autonomous or semi-autonomous agencies or other tiers of Government at the sub-national level.
- Non-contributory social protection systems may have centralized or decentralized implementation. The appropriateness of each approach will depend on a range of factors in both national and federal-level agencies and state or municipal governments, including the capacity of staff, available budget, and record of implementation of previous programmes.
- Under a centralized system and organizational model, all aspects of the programme design and delivery are controlled and managed through the centre. This may improve standard-setting and coordination of activities, but it may also be poorly set up to meet (or indeed identify) the needs of populations at the local levels.
- Under a decentralized system, authority and functional responsibilities may be placed with a subordinate or autonomous administrative structures. This will arguably bring services closer to the people and improve accountability and service delivery within the sector. Decentralised systems may also be more accessible to vulnerable groups such as people with disability, women and girls.
- The challenge of any form of decentralization of social protection is how to ensure that rights-based approaches are maintained uniformly across the country, and common standards and accessibility of service are set and applied while effectively using decentralized structures to ensure efficient and responsive service delivery at the front line
- Given the operational complexity of social protection systems, specialized structures with adequate capacity and management autonomy may be established to manage social protection programmes. This is done to develop results-focused systems and cultures and enhance management accountability by separation from policy functions (and by extension from political considerations).
- Adequate institutional arrangements need to be implemented to provide oversight and staff need to be trained on and equipped with resources to implement principles of inclusiveness and equity to deliver disability-inclusive and gender-responsive social protection services.
- Organizational models may be set up to deliver some functions directly and to outsource others.
- Some social protection tasks may be outsourced to the private sector which may be better placed to deliver these more efficiently; however, this requires strong procurement, management and oversight functions to ensure services are delivered as expected.
- Existing institutional capacity should be taken into account when determining arrangements for service delivery. Countries with limited institutional capacity may rely on the private sector and non-government providers (though with government regulation). However, strengthening the capacity of institutions and staff involved in programme implementation is critical for all implementation processes to work well.

CAPACITY DEVELOPMENT

One of the often-cited challenges of delivering social protection programmes is capacity constraints, especially at lower levels of governance. As extensively discussed in the MODULE ADM and within the wider literature on the topic, some of the main problems encountered across Sub-Saharan Africa include:

- Technical Weakness E.g., Policy-Making Units “Staffed Not By Specialists But By Political Supporters” (Wdr, 2017)
- Lack Of Sufficient Statutory Staff
- High Turnover Of Staff.

The question that naturally arises is to understand what is meant by the term “capacity” and how to assess and develop it. OECD defines capacity as: “The ability of people, organizations and society as a whole to manage their affairs successfully (OECD 2006)”.

4.1 ESTABLISHING CAPACITY REQUIREMENTS

Before discussing how to assess and develop capacity it is important to take a step back and establish how capacity requirements should be defined for the social protection sector. We set out some guiding principles below.

First of all, **capacity only exists with the undertaking of particular activities or tasks and with the achievement of particular goals or objectives.** Capacity can therefore be defined as the ability to deliver programmes according to established standards and requirements as set out in regulations or operational manuals. In the context of social protection, the bodies responsible for different parts of the system need, between them, to be able to ensure that key administrative functions are carried out effectively (see also MODULE ADM)¹⁹

19 For example, the identification and registration of eligible recipients in line with the agreed policy (minimizing errors of inclusion and exclusion); regular, timely and accurate payments in accordance with the policy; monitoring of payments and uptake by recipients; maintenance of accurate management information and updating of records as necessary and effective handling of grievances and complaints



Second, there are three core dimensions of capacity, namely institutional, organizational and individual:

- The **institutional aspect**, as discussed under chapter 2, includes both the laws, policies and regulations that set out the mandate of different entities and their roles and responsibilities and also how their working relationships and coordination are established and monitored;
- The **organizational aspect** is concerned with how the staff are structured, systems and processes set up and functions delivered. This aspect includes approaches to recruitment, staff development and retention as well as the allocation of material resources, logistics and IT infrastructure necessary to deliver their organizational mandate. The organizational capacity comprises both the formal and informal elements, of which the latter includes the organizational culture and unofficial rules of engagement and practices; and
- The **individual aspect** focuses on the personal capabilities of the people who make up the organization. It looks at the level of knowledge, skills and attitudes of their staff and how they relate to their roles and responsibilities and the functions they are expected to undertake. For example, it relates to whether staff are sufficiently trained and incentivised to identify and enrol potential programme recipients, use management information systems or deal with recipient complaints – all of which may be enhanced by training and development. Staff will also require training on disability- and gender inclusion, and the provision of accommodations.

Third, it is important to recognize the temporal element of capacity (see Table 4). This means looking not only at an entity's ability to create or acquire capacity (for example through training or recruitment) at a particular point in time but also at its ability to use these new capabilities effectively and to ensure that capacity remains in place over time (Kardan et al, 2016).

Table 4: A capacity matrix

	CAPACITY CREATION	CAPACITY UTILIZATION	CAPACITY RETENTION
Individual level	Development of adequate skills, knowledge, competencies and attitudes including those related to inclusive social protection	Application of skills, knowledge, competencies in the workplace	Reduction of staff turnover, facilitation of skills and knowledge transfer within organisations
Organisational level	Establishment of efficient structures, processes, and procedures; recruitment and support of sufficient staff and procurement of adequate equipment	Integration of structures, processes and procedures in the daily workflows; monitoring of staff performance; adequate provision for consumables	Regular adaptation of structures, processes, procedures and incentives; maintenance and repair of equipment
Institutional level	Establishment of adequate institutions, laws and regulations	Enforcement of laws and regulations for good governance	Regular adaptation of institutions, laws and regulations

Source: Wyatt 2014

Fourth, it is also **useful to look at capacity across the different functions and sequences of administrative processes that fall under the remit of different entities and individuals**. Broadly these could be grouped across the policy cycle, focusing on a) problem identification and analysis (e.g., assessing what categories are poor, vulnerable or in need of support); b) policy development and intervention design; c) service delivery and implementation, and; d) monitoring and evaluation. Under each stage of a process, a subset of functions and sub-stages also exist, as exemplified in Figure 4

Figure 4: Processes and functions



Source: Authors

4.2 CAPACITY DEVELOPMENT – KEY STEPS

Addressing capacity gaps involves understanding, maintaining, strengthening and adapting existing capacity, but can also involve building capacity in new areas. While capacity can be developed at an individual level, (because our ability to undertake key tasks depends on experience, knowledge, and technical skills), it can also happen at an institutional level and organizational level.

The institutional environment, for example, influences the behaviour of organizations and the individuals within it through a set of incentives which stimulates organizations and encourages individuals to act in particular ways. An organizational culture characterised by traditional gender norms, and a male-dominated workforce, for example, can present barriers to the implementation of gender-responsive programme features, even where these are officially included in programme design and staff have been trained in their applications. Likewise, social attitudes that people with disability should not or cannot participate in work or social life, and cannot represent themselves or manage their benefits, may lead to paternalistic approaches to social protection that increases dependency rather than empowerment and dignity.



Figure 5: The capacity building process: step by step



Source: UNDP 2009

4.3 TAKE AWAY LESSONS

- The capacity of responsible agencies, as well as that of the wider public service system within which they operate, is an important determinant in the successful delivery of social protection programmes.
- In the context of social protection, capacity is assessed by responsible agencies delivering their programmes according to established standards and requirements as set out in regulations or operational manuals. To assess the adequacy of existing capacity it is therefore important to begin by reviewing the actual current experience of service delivery and identifying specific deficiencies as evidence of current capacity weaknesses.
- Capacity assessment should look at the adequacy and appropriateness of laws, regulations and institutional relationships; the level of staffing, resources and systems in place at the organizational level to deliver assigned functions; and the knowledge, skills, attitudes, gender, ethnicity, disability etc., the status of employed staff.
- Once capacity gaps are identified against established norms and standards, a plan can be developed to address these. It is important to note that some gaps may be easier to address than others and that a longer-term approach to capacity development is needed.
- A capacity development plan should recognize the time horizon for implementation and the costs and resources required for its implementation. Some actions will invariably be less time intensive or costly to implement than others. It is important to make sure that the magnitude of capacity change does not indefinitely put off reform but rather helps with a sequenced and long term vision for capacity development.





CURRICULUM OVERVIEW

The TRANSFORM Learning Package is organized in a modular structure, and reflects the key building blocks of a holistic & interdependent social protection system.

The TRANSFORM modules that are currently available are listed below. Other modules are under development and will be added to the curriculum.

 LEG	Legal Frameworks
 S&I	Selection & Identification
 ADM	Administration and Delivery Systems
 COO	Coordination
 GOV	Governance, Institutions & Organizational Structure
 MIS	Management Information Systems & Approaches to Data Integration
 FIN	Financing & Financial Management
 M&E	Monitoring & Evaluation

All TRANSFORM materials are available at:

www.transformsp.org

WHAT IS TRANSFORM?

TRANSFORM is an innovative learning package on the administration of national social protection floors in Africa. The prime objective of TRANSFORM is to build critical thinking and capacities of policy makers and practitioners at national and decentralized levels to improve the design, effectiveness and efficiency of social protection systems. TRANSFORM aims not only at imparting state-of-the-art knowledge that is appropriate for the challenges faced by countries in the region, but also to encourage learners to take leadership on the change and transformation of nationally defined social protection systems.

WHY TRANSFORM?

Many training curricula exist in the field of social protection and thus fundamental ideas, concepts, approaches and techniques are accessible. And yet, institutions and individuals struggle with the complexity of developing a broad, encompassing social protection system.

This complexity requires a transformational approach to teaching and knowledge sharing. It is far from enough to impart knowledge, to fill heads. It requires learners to grapple with the features of complexity, to stimulate creativity, to appreciate diversity and uniqueness, to be involved as a key element of ownership –elements which are at least as important as the factual knowledge itself. This learning package aims at just that: TRANSFORM!

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