



## PS3 CASE BRIEF

# LOCAL GOVERNMENT AUTHORITIES

Stronger governance systems enable and empower communities, civil society, and the private sector to engage with local governments and influence the funding and management of the health system.

Local Government Authorities (LGAs) in Tanzania are accountable for the delivery of public services to citizens - providing oversight and management support to health facilities, schools, and villages. In order to perform these key functions, LGAs need the right information, the right systems, and the right processes to be both efficient and effective.

The United States Agency for International Development (USAID) in partnership with the Government of Tanzania (GOT) worked to support LGA system strengthening and capacity building to support the delivery of frontline services through the Public Sector Systems Strengthening Project (PS3).

PS3 worked across the education and health sectors using a systems approach to identify interventions that impacted multiple functions in the health system at once, such as information systems and data use, human resources, finance, governance, service delivery and quality improvement. Through PS3, USAID and the GOT strengthened the systems that deliver important services to Tanzanians and paving the way for Tanzania to rely less on foreign donor assistance and more on the ingenuity of Tanzanians themselves.

## COMPARATIVE ADVANTAGE

Transparent and convenient collection of taxpayer revenue has been a challenge for LGAs. To address this, PS3 supported the GOT to implement a new Local Government Revenue Collection Information System (LGRCIS) – an easier, more transparent system for LGAs and citizens alike. Following the implementation of LGRCIS nationwide, in the 93 LGAs which PS3 directly supported there was an accelerating trend of increased tax revenue collected (3.7% increase in 2017, 16% increase in 2018 and a 35% increase in 2019). Revenue from taxes is an important source of funding for the public services that LGAs provide.

In the past, this revenue was recorded in a standalone system, making it difficult for LGA management to quickly obtain a clear picture of their financial situation. Financial reports on expenditures and revenue were produced manually, increasing the risk of human error in the calculations and requiring a large investment of time. To alleviate this pressure, PS3 focused on upgrading and extending the accounting system, Epicor, to all 185 LGAs. Epicor is now able to exchange information with other LGA public financial management systems - including LGRCIS. As a result, LGAs now can automate the production of financial reports, giving them a full picture of their financial health with the touch of a button.

## IMPACTS ON THE HEALTH SYSTEM

Providing citizens with up-to-date and relevant information was a priority for the GOT. USAID and the GOT worked very closely to design standardized websites for LGAs which give communities, private sector, and government staff access to government reports and budgets, official forms, as well as providing a platform for citizens to share feedback directly with the LGAs. A study conducted by USAID's PS3 project found that one year after the websites were introduced, an average of 2,100 people viewed the websites in each of the LGAs and that the number of viewers more than doubled by April 2019. Some LGA websites have had as many as 44,000 views.

The demand for information has motivated LGAs to share information more proactively. By late 2018, 71% of LGAs were publishing their local budget summary and almost half of LGAs were publishing local expenditures and revenue on their websites. Almost a third of all LGAs have uploaded administrative forms for staff as well, saving staff valuable time that they could be using to deliver services at facilities, rather than traveling to LGA headquarters to fill out a paper form.

With stronger systems, LGAs are now able to provide more timely and meaningful oversight and support for healthcare providers in their districts, while also making information available to the public. This increased transparency means greater accountability overall. The LGA Systems enable and empower communities, civil society, and the private sector to better engage with local governments and influence the management, funding, and oversight of health institutions in Tanzania, working together to ensure healthcare meets people's needs.