

Product Sheet Establishing a Local Government Quality Institute

The challenges facing municipal governments

All over the world, governments are decentralising tasks to local and regional tiers of governments. In addition to traditional services (waste collection, water and sanitation), municipal governments have ever-increasing responsibility for sustainable economic development and social services. On the other hand, the available financial and human resources are increasing somewhat less rapidly. This presents municipal governments with some significant challenges: how to efficiently and effectively execute the tasks and responsibilities?

This issue also raises many questions for the relevant Ministry (Local Government, Interior, Regional Development, etc) regarding the steering and approach to any such decentralisation. After all, if local authorities do not deliver on their responsibilities, then their citizens will lose their confidence in their local authority. This is something which reduces the legitimacy of the government as a whole.

In this context, a 'quality institute for municipalities' can be of great significance. A quality institute is committed to improving the services which municipal governments provide to citizens and businesses, with the focus on the efficiency of its activities.

Alleviation

A quality institute alleviates the tasks of municipal governments, relieving them from having to care for matters which can be generically regulated, in order to free up time for matters which must be dealt with on an autonomous and individual basis. It does so by offering products and services which municipal governments would otherwise develop separately from each other, while in essence they are the same for everyone. Or in situations where a generic approach has added value for the future, such as a single method of data registration, thus enabling the smooth exchange of information between municipalities.

Bridging the gap

Municipal governments are assisted in many ways, e.g. by an umbrella organisation to represent municipal interests. In many cases, it will strive for further decentralisation. A quality institute bridges the gap between representation and implementation. For example, by reviewing new legislation as to feasibility, or by analysing what measures (organisational structure, information systems, alignment of new and existing tasks, etc.) are necessary to prepare municipalities for their new tasks.

Role and position of a quality institute

The quality institute has a three-pronged approach for supporting municipalities: national government, the market, and municipal governments. With regard to the national government, the quality institute has a "gatekeeper" function vis-à-vis the municipal governments: monitoring feasibility. The institute makes agreements with the market and sets prerequisites, e.g. in the form of schedules of requirements for the development of particular software. Lastly, the institute helps municipal governments in the execution and implementation of the generic solutions. And also, by making it possible to learn from each other, e.g., by benchmarking. In the meantime, VNG International has successfully introduced that approach in various countries.



Position and structure

A quality institute is of joint interest for both the national and local governments. Successful functioning of a quality institute requires a supporting base at both levels. However, with regard to the position and structure, there are various options. VNG International can help here in making a well-considered choice. The schedule below sets out some of the main points to be considered. In reality, this is a careful process in which various stakeholders must be involved.

Position	Advantage	Disadvantage	Financing	Advantage	Disadvantage
Part of the Ministry of Local Management	Accountability is arranged	Possible influence of / dependence on national government	Financing by national government	Most long term certainty	Influence from national government
Part of an association of municipalities	Direct relationship with municipalities	Possible influence from the association of municipalities; risk of overlapping services	Municipal fund	Long-term safety	Influence from association of municipalities / national government
Autonomous	Fully independent	Accountability is less clear	Contribution of beneficiaries	Direct interest	Free-riders

About VNG International

VNG International is the International Cooperation Agency of the Association of Netherlands Municipalities. We support decentralisation processes and facilitate decentralised cooperation. We strengthen local governments, their associations, training institutes and decentralisation task forces both in developing countries and in countries in transition. We have project offices in various countries and work with a large group of local government experts with broad international expertise.

Together with VNG International, KING (Local Government Quality Institute) is part of the Association of Netherlands Municipalities. KING makes its experience available for beneficiaries abroad, through VNG International with its wide international network and experience. VNG International is familiar with the procedures of donors such as the European Commission, the World Bank, the Dutch Ministry of Foreign Affairs, and some other bilateral donors. However, more and more often, VNG International is also contracted directly by the beneficiaries of its work.

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