

**Program Support Unit
Devolved Social Services Program**

**Subject: Minutes of second Meeting of the Provincial Steering Committee,
Devolved Social Services Program**

(List of Participants Attached)

Second Meeting of Provincial Steering Committee (PSC) of Devolved Social Services Program (DSSP) was held under the Chairmanship of Additional Chief Secretary (Dev) / Chairman PSC on September 6, 2004 in the Committee Room of Finance & Cooperation Department. After the recitation, following Agenda items were discussed:-

Agenda Item No. 1:

Presentation on recommendations of Inception Mission (12 to 17th July)

With the permission of Chair, the Program Director, SDSSP made Presentation on the Action Plan recommended by ADB's Inception Mission. Members of the PSC appreciated the efforts of Executing Agency (E.A) in the implementation of the actions within the agreed time frame.

While discussing, inter alia the transfer of ADF funds to LGs, PD informed the forum that he had a meeting with the officers of Accountant General Sindh so as to workout mechanism for transfer of ADF funds to LGs. He further recommended that funds should not be transferred to LGs until & unless the sector experts from government side are placed in PSU to guide the LGs in the preparation of the annual sector plans. Chair seconded the views expressed on the issue and directed PSU to further pursue with AG Sindh and finalize workable mechanism in this regard by October 15, 2004.

On the issue of identification of focal persons the Chair endorsed the recommendations of the PDWP for having EDOs CDD and Taluka/Town Officer (Infrastructure & Services) as focal persons in District and TMAs respectively for the purpose of coordination and implementation of the SDSSP. Chair directed to hold meeting with Secretary (Services) SGA&CD regarding the existing position of postings of officers (EDOs) in Community Development Department in each district so that the required objectives are achieved.

Furthermore, PD informed the forum that the program has provided a platform for the related activities in the social sector and therefore it has attracted more investment in the policy formulation in the form of grants to improve the sector related policies. Sindh Education Program, Capacity Building TA, Social Mobilization of Stakeholders TA have been initiated in strengthening policy framework mechanism for improving social services at the grassroots level under devolved administrative structure.

PD also apprised the forum that PSU and ADB have reviewed the list of consultancies during the Inception Mission. Secretary Finance referring to the apprehension of

sector chiefs of P&D dept. informed the members that EA has convinced ADB to keep a block of 298 PMS to be utilized for any domestic / international consultancy in response to emergent needs

of PLDs and LGs during program implementation with the approval of PSC/PDWP. Chair appreciated and advised PLDs to identify the areas for conducting studies; one possible area could be Gender Assessment, he pointed out.

As far as the distribution of DSSP funds among City District Govt. Karachi and TMAs in Karachi is concerned, the Committee unanimously approved that existing formula be kept intact and TMAs in Karachi should spend DSSP funds on the sanitation, construction / M&R of the existing storm water drains along the roads and the Water Supply schemes which have been handed over to TMAs.

Agenda Item No 2:

Role and Objectives of the PSC

While discussing the role and responsibilities / objectives of the PSC, Chair referred to the concept of “Concurrent Auditing” – actions and monitoring / evaluation should go hand in hand so that planning and implementation process could progress efficiently and effectively. PSC’s role & responsibilities therefore needed to be seen in such perspective.

Members unanimously agreed upon PSC’s Objectives, TORs, Scope and Functioning as defined in para 117 of RRP.

Agenda Item No. 3

Review implementation of First Tranche Actions and the Progress on Second Tranche Actions and the Action Plan

Agenda Item No. 4

The finalization of Plans (I) Delegation of Powers to local Governments (II) Integration of Community Based Organizations for all sectors (III) Public-Private partnership in Health sector.

PD made a Presentation on the critically important policy outcomes/ tranche conditions in general and the finalization of Plans (I) Delegation of Powers to local Governments (II) Integration of Community Based Organizations for all sectors (III) Public-Private partnership in Health sector in particular. After detailed discussion and reviewing the suggestions of PSU, the Committee recommended the following actions to be taken ahead of ADBs Consultative Mission (12 to 17th September) and Review Mission in December.

Policy Outcome 1: Further Devolve Social Services to District Governments and Taluka Municipal Administrations

Policy Objectives	First Tranche Actions	Second Tranche Actions	Action Suggested by PSU	Decisions taken by PSC
1.1 Devolve administrative powers in the social sector to local governments as per SLGO	SPG achieves devolution of administrative and financial powers in the social sectors including for approval of budgets, development programs and staff transfers – from PLDs to DGs and TMAs.	SPG establishes a framework for monitoring the delegation of administrative and financial powers to DGs and TMAs. PHED completes devolution of administrative and technical sanctioning powers to TMAs	Constitution of Provincial Devolution Committee (PDC) under ACS, LG with the approval of CS First meeting of the committee to be held in the 2 nd week of September 04 As the issue relates to all provinces therefore the matter regarding devolution of admin and technical sanction powers is under review with NRB	Chair directed to convene meeting of PLDs under chairmanship of ACS (LG) to workout modalities for enduring the devolution of functions to LGs in line with the actions suggested in Delegation Plan.
1.2 Delegate management responsibilities and authorities within the devolved education and health sectors, as per SLGO	SPG, in consultation with DGs prepares an action plan specifying responsibilities and authority of EDOs, district officers and deputy district officers.	Chief Secretary and the DGs approve the delegation plan.	To be included in the ToRs of the PDC PDC would provide continual support for ensuring implementation of the existing orders and notifications	As suggested
1.3 Adjust the role of the 3 PLDs for education, health and local government to the new devolved set-up	PLDs articulate their new role and responsibilities in the social sectors in relation to policy, sector monitoring, and provision of technical support to DGs and TMAs	SPG to approve, publish and initiate implementation of the new role and responsibilities of the PLDs.	Critical condition. To be taken up during the Mission 13-17 sep 04. Needs serious consideration by the PLDs	Chair directed that separate meetings be held with the head of PLDs to ensure the plans are prepared and draft submitted to PSC by 15, Nov 04

Policy Outcome 2: Improve Social Sector Financing

Policy Objectives	First Tranche Actions	Second Tranche Actions	Action Suggested by PSU	Decisions taken by PSC
2.1 In support of the Sindh Poverty Reduction Strategy, increase social sector spending	SPG agrees to maintain the level of social sector allocations as a proportion of total revenues in FY 03-04	SPG, DGs and TMAs agree to maintain the level of social sector expenditures as a proportion of total revenues in FY 03-04	Agreed by GoS, DGs and TMAs in the MOU Sector Plans to be prepared by the LGs	Agreed

	above the normal increment	and allocate \$33 million as additionality.	and allocate \$33 million as additionality.	would also reflect the same	
2.2	Use needs-based, transparent formula for the distribution of the conditional grant funds development	In consultation with DGs and TMAs, SPG proposes an interim formula for the distribution of extra funds under the loan to DGs and TMAs as conditional grants. This formula will be considered and finalized by the PFC or PSC, in case PFC has not been set up.	PFC establishes mechanism for the needs and performance based distribution of PFC grant to DGs and TMAs	Formula approved by the PFC and communicated to the LGs. PSC / PFC supports the performance based disbursement of the funds DSP working on the incentive and performance based formula	Chair directed to communicate the share worked out for each DG & TMA
2.3	Transfer of funds through Account IV in a timely manner	SPG commits to implement the PFC Award to transfer funds to DGs and TMAs through Account IV in a timely manner including for salaries within 2 years	SPG transfers 25% of total non-salary allocations for DGs and TMAs through Account IV within one month of the start of FY 04-05 and agrees to transfer the remaining on monthly basis	Funds being transferred into Acct IV of the DGs and TMAs own accts directly	Non salary funds are being transferred to LGs in their accounts as decided by the PFC

Policy Outcome 3: Improve Participation, Linkages, and Public Accountability

Policy Objectives	First Tranche Actions	Second Tranche Actions	Action Suggested by PSU	
3.1 Ensure implementation of the Sindh Gender Reform Action Plan.	SPG finalize draft of the Sindh Gender Reform Action Plan for presentation to the provincial Cabinet.	SPG has approved the Sindh Gender Reform Action Plan.	GRAP approved by the Cabinet. FD has already released Rs. 25 Million	Chair directed Women Dev. Dept. to come up with the action plan in the light of the plan approved by the Cabinet
3.2 Strengthen participatory planning and monitoring of DGs and TMAs, based on the bottom-up annual planning cycle	SPG commits to prepare an action plan to promote transparent and participatory planning and monitoring in DGs and TMAs in accordance with provisions of the SLGO	SPG implements the provincial action plan to promote transparent and participatory planning in DGs and TMAs	Participatory planning being a relatively new area would require specialist support, which would be made available through PSU. Plans are required to be developed by PLDs would be submitted for review and approval of PSC.	PSU assists PLDs and LGs in the preparation of Plans through the sector specialists to be hired for PSU
3.3 Adopt the mechanism of management agreements between the SPG, DGs and TMAs that would	SPG develops the system for DGs and TMAs to access the conditional grants through individual	Majority of the DGs and TMAs have signed MOUs with GOS	Action completed Ahead of 2nd tranche	Committee appreciated the on going interaction of PSU with the LGs

make them eligible for conditional grants to stimulate social sector development

MOU between DGs / TMAs and SPG.

Policy Outcome 4: Rationalize Services and Set Minimum Standards

Policy Objectives	First Tranche Actions	Second Tranche Actions	Action Suggested by PSU	Decisions taken by PSC
4.1 Improve quality of annual Sector plans of DGs and TMAs, by providing incentives of conditional grants	SPG, in consultation with DGs and TMAs, finalizes the social sector activities qualifying for support under the annual sector plans prepared by DGs and TMAs	SPG has approved the Sindh Gender Reform Action Plan.	PSU is engaged with the LGs in the preparation of annual sector plans. Upon development of viable annual sector plans, the incentives would be bundled based on improved performance in both preparation and execution of plans	PSC appreciated.
4.2 Rationalize the distribution of services, staff and fund	<p>SPG ensures that MOUs require DGs and TMAs to rationalize services and staff.</p> <p>SPG follows a policy of transparent, merit-based, contractual, facility specific recruitment preferably of locals and females with the aim of operationalizing schools and health centers.</p> <p>SPG commits to a ban on new civil works and (re-) opening closed schools, facilities and schemes, unless a comprehensive plan to operationalize the service has been prepared and the civil works and operationalization of services is carried out by SMCs</p>	<p>DGs develop strategies to rationalize services, staff, and funds, and Incorporate strategies in their annual sector plans</p> <p>DGs recruit staff on need basis using a transparent selection procedure</p> <p>DGs and TMAs assess technical and financial feasibility before committing new civil works or (re-) opening closed schools, schemes and services</p>	<p>Included in MOU and agreed by the DGs. DGs are working out ASPs accordingly.</p> <p>Reports from LGs would be initiated after the LSUs are established</p> <p>DGs and TMAs are preparing their ASP accordingly</p>	PSC Agreed
4.3 Improve policy framework for drinking water	SPG commits to prepare interim policies on solid	SPG prepares interim Solid Waste Management Policy in	A Capacity Building TA for this purpose is also in the pipeline	Committee agreed with the proposed TORs of the TA and directed that this

supply and solid waste management

waste management and drinking water supply.

consultation with TMAs

aspect must be made an integral part of the ASPs

Policy Area 5: Encourage Public-Private Partnership to Improve Service Delivery

Policy Objectives	First Tranche Actions	Second Tranche Actions	Action Suggested by PSU	Decisions taken by PSC
5.1 Strengthen the role of CBOs in Social service delivery	<p>SPG prepares overall plan to promote the role of CBOs.</p> <p>SPG announces expansion of support to CBOs, including SMCs for Katchi class up to grade 12 and shelter-less school based on number of students enrolled rather than number of classrooms</p>	<p>In consultation with DGS and TMAs, SPG approves expansion of support to (i) home schools for girl (ii) health boards; and (iii)VDAs</p> <p>Majority of DGs provide financial support to SMCs for shelter less schools</p>	<p>Critical condition. CBO Plan approved by CS circulated amongst the PLDs for further developing their individual plans.</p> <p>Legal Status for SMCs Enhancement in the financial support for SMCs upto class 12</p> <p>Allocation for VDAs</p>	<p>Chair directed to hold meeting with PLDs for working out modalities in this regard. Plans should however be ready by 15 Nov 04</p> <p>Chair directed Education dept. to publicly announce expansion of support to SMCs</p> <p>Chair directed the LG dept. to see if these funds could be effectively used through TMAs</p> <p>Chair directed to take into account the track record of funding for SMCs / VDAs and develop some accounting and auditing mechanism</p>
5.2 Increase financing of CBOs (SMCs, health boards, VDAs; and NGOs) in a timely manner	<p>SPG commits that the MoUs require DGs and TMAs to promote increased funding of CBOs by DGs and TMAs for improved service delivery</p>	<p>DGs allocate at least 15% of conditional grants to CBOs</p>	<p>Included in MOU</p>	<p>Chair directed to take into account the track record of funding for SMCs / VDAs and develop some accounting and auditing mechanism</p>

CBO = community based organization, DG = district government, GRAP = Gender Reform Action Plan, PFC = provincial financial commission, PLD = Provincial line department, SMC = School Management committee, SPG = Sindh provincial government, VDA = village development association, WSS = water and Sanitation sector

Agenda Item No. 5:

Review actions for Establishment of PSU and Coordination between PSU, PLDs & LGs.

PD made Presentation on the status of actions on establishment of PSU till September 2004 and its role for coordinated efforts in implementation of program. The Chair appreciated the efforts and directed for immediate measures for bringing counterpart officers on board as early as possible.

PD also informed the participants that a team consisting of focal persons from all PLDs has been formed for a better coordination amongst the PLDs and Executing Agency. Secretary Finance suggested that this group could be named as Technical Working Group (TWG) and have it formally notified. TWG should also work as a sub-committee to PSC on technical & budgetary matters of PSU/LSU besides scrutinizing the Annual Work Plan of the PSU before it is submitted to the PSC for endorsement.

Meeting ended with vote of thanks to and from the Chair.

LIST OF PARTICIPANTS

1. Mr. Ghulam Sarwar Khero Chairman
Additional Chief Secretary,
Planning & Development Dept.
2. Malik Asrar Hussain,
Secretary, Finance & Cooperation Dept.
3. Mr. Suhail Akbar Shah
Special Secretary, Education Dept.
4. Mr. Moula Bux Khatian
Additional Secretary, Local Government Dept.
5. Ms. Farzana Saleem,
Director Women Development Dept.
6. Mr. Farooq Naimatullah,
Nazim TMA, Gulberg, Karachi
7. Mr. Suleman G. Abro,
Member Civil Society
8. Mr. M. Umar Abro,
Additional Director, Health Dept.
9. Mr. Abdul Kabir Kazi,
Program Director, SDSSP
10. Mr. Rafique Mustafa Shaikh,
Program Officer, SDSSP