

## Policy and Strategy *How to Guide 2:* Preparing a State Development Plan

sparc



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## Abbreviations and Acronyms

ExCo	Executive Council
G&SI	Gender and Social Inclusion
GDP	Gross Domestic Product
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IGR	Internally Generated Revenue
KPI	Key Performance Indicator
LGA	Local Government Area
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
M/F	Male/Female
MTSS	Medium-Term Sector Strategy
PMF	Performance Management Framework
PSM	Public Service Management
SDP	State Development Plan
SHoA	State House of Assembly
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
SPARC	State Partnership for Accountability, Responsiveness and Capability

## Preface

The State Partnership for Accountability, Responsiveness and Capability (SPARC) was designed by the UK Government's Department for International Development (DFID) to improve governance for better service delivery in originally five, now ten, state governments of the Federal Republic of Nigeria.

Despite the wealth of resources in the country, development indices in Nigeria remain low. Although there is considerable variability across the country, 60.9% of the population live in poverty,<sup>1</sup> nearly one quarter of the working age population are unemployed,<sup>2</sup> 576 women still die in child birth per 100,000 live births<sup>3</sup> and nationally 30% of girls do not complete their primary education.<sup>4</sup> One underlying cause is thought to be weak governance.

SPARC has produced four **Policy and Strategy Guides** to improve the impact of state government efforts to deliver public goods and services in order to improve the welfare of citizens. The four guides are:

- Guide 1: Preparing a Policy;
- Guide 2: Preparing a State Development Plan;
- Guide 3: Preparing a Medium-Term Sector Strategy;
- Guide 4: How to Conduct a Sector Performance Review.

Taken together, the guides suggest a policy and planning cycle that embraces:

- Evidence-based policy priority choices;
- Preparing a State Development Plan to define the overarching policy position of the state and the expected outcomes;
- Detailing these policy priorities into programmes and projects that are realistic and costed in a Medium-Term Sector Strategy that provides the base for preparing the annual budget;
- A method for assessing performance of activities included in the strategy and funded in the budget to provide lessons for the future.

The Policy and Strategy Guides are multi-purpose. Although they can be read from the beginning to the end, this may not be the best way to use them. States may be at different stages in developing their policies, plans or strategies or may need to strengthen their work in certain areas. What is important is not to skip any steps, particularly in choosing and assessing options and getting buy-in from important parties. Time saved by cutting corners and not keeping those who need to

know in the loop may lead to delays and poor or deficient policy further down the track. If priorities have not been thought through or accepted by those with important roles to play in developing policy, the process may falter or fail.

The Policy and Strategy Guides are intended to be useful for state governments (at a technical, executive and political level), legislatures and civil society. They are intentionally short and do not address all the nuances of what are complex issues. They do not cover everything. The steps are not exhaustive and there is scope to add. However, each guide is comprehensive enough to introduce concepts and methods that will provide a road map to lead politicians and civil servants through often difficult and sensitive tasks and decisions. More specific advice can also be sought from other DFID programmes.

Well-articulated, evidence-based policies that set out a set of priorities, goals and programmes for the state government form the foundation for tackling poverty development. Throughout all of the guides there are five underlying principles:

1. Better governance is essential if efforts to provide services are not to be undermined by weaknesses where governments do not set adequate policy and strategy direction, do not manage public finances well and do not ensure the civil service is structured for delivery;
2. The production and consumption of public goods and services must be for the common good and satisfy both efficiency and equity criteria;
3. Policy must be focused on reducing poverty and should be used to eliminate excessively large disparities of living standards and access to basic services between individuals and communities. There are dedicated DFID programmes supporting service delivery that can provide specific advice and support in this area. These include the Education Sector Support Programme in Nigeria; Teacher Development Programme; Maternal, Newborn and Child Health Programme; Women for Health and a suite of programmes around growth, employment and markets in states;
4. The political decision-making process that determines policy and expenditure priorities must permit expanded popular participation so that social choices reflect the needs and preferences of all social groups, including the marginalised and deprived. The political decision-making process must also be accompanied by strong oversight by legislatures, the media and civil society. There are dedicated DFID programmes that provide specific advice and support in this area, including the State Accountability and Voice Initiative, Mobilising for Development and the Nigeria Stability and Reconciliation Programme;

<sup>1</sup> Poverty Profile, National Bureau of Statistics, Nigeria, 2010

<sup>2</sup> Unemployment Survey, National Bureau of Statistics, Nigeria, 2011

<sup>3</sup> Nigeria Demographic and Health Survey, Nigeria, 2013

<sup>4</sup> National Schools Census, Federal Ministry of Education, 2011

5. Policy and strategy decisions must be based on sound, objective and verifiable evidence rather than unsubstantiated opinion or anecdote. There are dedicated DFID programmes that provide specific advice and support in this area, including Education Data Research and Evaluation in Nigeria, and the Independent Monitoring and Evaluation Project.

The Policy and Strategy Guides have intentionally been produced as Nigeria enters the next phase of democracy following the 2015 elections. With new or returning administrations entering office, we hope the guides provide sound advice for administrations to robustly set their planning and budgeting frameworks towards service delivery, poverty reduction, employment creation and conflict reduction.

We would welcome any comments or queries, and have an established Access to Sharing Knowledge (ASK) Helpdesk that can provide further assistance.

# Section 1: How to Use this Step-by-Step Guide

## Purpose of the Report

*Preparing a State Development Plan* is one of a series of guides the State Partnership for Accountability, Responsiveness and Capability (SPARC) produces to facilitate development in the states in Nigeria. This is a step-by-step guide to developing a State Development Plan (SDP). It starts by explaining why planning and policy are important and then takes the reader through the plan formulation process, step-by-step. Practical tools are provided to help senior officers to develop a state plan from scratch, or to review an existing plan. The tools are of two types:

- **Checklists** that help review where a state is at the moment, identify problems or shortfalls and plan ways to prepare and put a state plan into practice;
- **Tips** to provide suggestions on tackling various tasks along the way.

This Guide is intended for use by policy makers in the state government and by officers of the Ministry of Economic Planning, State Planning Commission or equivalent. It shows how producing an SDP can be used to improve the lives of people in the state but this guide also addresses other questions such as:

- What is policy and how does it relate to strategy?
- What are the basic steps in making an SDP?
- How does the plan connect with other steps in the management of government business, so that policies can be effectively implemented?
- How can we ensure that policies and plans are responsive to the needs of the people?

## Section 2: About State Plans

### What is Policy?

Development planning is a major undertaking by the state. It expresses the development policy of the state and the means by which to implement that policy. The state development planning system embraces a variety of instruments that include the foundation State Development Plan (SDP), but also mechanisms to translate the policy framework of the SDP into actions and services, for example Medium-Term Sector Strategies (MTSSs). The process is about articulating

vision, policy, high-level strategy and costs, and providing the necessary resources to enable implementation, i.e. where the state wants to be in terms of development at a certain time in the future and defining the framework that will enable the state to get there.

The scope of state development planning is comprehensive in that it embraces all the main drivers of development in the state: economic, infrastructural, societal, security and environmental, and included in all of these an opportunity to tackle inequalities. Issues of governance and finance are also fundamental to the future direction of the state and these are considered as cutting across all aspects of development. State development planning is an aspect of transparent and motivational governance, designed to set out a clear vision and Specific, Measurable, Achievable, Realistic and Time-bound (SMART) goals for the future of the state. It sets out a strategic route to achieving these aims that can be monitored and for which all actors in the process can be held to account.

An SDP signals government policy intent over a given period of time. An early decision is needed as to the length of time to be covered by any SDP. Some states have opted for a long-term plan, for example, the Lagos SDP runs from 2012 to 2025. However, the majority of SDPs cover a shorter medium-term period, typically five years, as is the case in, for example, Anambra, Enugu and Niger.

### Definition of a State Plan

An approved public document outlining a state's overarching policy position and the outcomes that the state government expects these policies will deliver. The document describes how this will be done within the limitations of resource constraints, so that it is realistic.

While the plan can include reference to major projects that the government intends to implement, its main contents should describe the overall thrust of government policy and the major outcomes that it expects to deliver over a specified period of time.

A critical requirement is that the plan should be able to demonstrate the realism of the expected outcomes, and this requires that the financial implications be taken into account. It will also be necessary to specify some basic features of the organisational capacity of the government to achieve these goals.

However, the plan will not describe in detail every project or programme that the government intends to implement. This detail will be developed and contained

in individual sector plans or strategies such as MTSSs, and in annual budgets and operational plans of Ministries, Departments and Agencies (MDAs).

But the challenge only begins with the writing and approval of the plan. The key question is how will the SDP be used to ensure that the lives of people in the state are improved? This involves a broader question – what is the role of policy in the state,<sup>5</sup> and what are the responsibilities of the state's policy makers, both in developing policy and in ensuring that it is implemented?

## The Place of the State Plan

How the SDP fits in with other planning initiatives and documents is shown in Figure 1. The state plan connects with other government plans. It provides the policy background for the development of sector strategies and for the preparation of annual budgets.

Figure 1. Different plans should talk to each other



<sup>5</sup> See also the companion *Policy and Strategy Guide No 1: Preparing a Policy*, April 2015.

Key reasons why a new (or revised) SDP is needed are:

- To provide the overall direction of state policy intentions. The MDAs need to know how to direct their sector plans or strategies and the state plan provides the framework or 'compass' against which these plans or strategies can be evaluated for their contribution to the state's overall policy goals;
- To articulate policy outcomes and their contribution to the achievement of higher-level goals;
- To publicise to the general public the direction in which the state government intends to advance development over the coming few years and beyond;
- To ensure a coordinated socioeconomic development of the state;
- To guide priorities for resourcing and funding.

Many states already have a development plan (perhaps a State Economic and Empowerment Development Strategy, 2020 Vision Plan or other more specific plans). Whatever documents exist in each state, these must be identified and their content reviewed to see how they fit together (see Figure 1). Experience has shown that these plans are often ineffective documents that fail to actively lead the state's development programmes and are ignored when financial and human resource allocations are made and priorities set for service delivery.



### Tips: Some typical shortcomings of development plans

While all states need a state plan – an approved public statement of its overarching policies – what plans do exist are often inadequate. There is a tendency for them to:

- Focus mainly on projects to be implemented without adequate consideration of the expected outcomes;
- Consist of separate sections on specific MDAs or sectors, without explaining how these join up or complement each other;
- Fail to be specific about costs and other resource availabilities, making them generally unrealistic and not implementable;
- Provide inadequate consideration of how performance against the plan is to be monitored or evaluated.

inputs, which are ultimately about people. An 'Outcome' is a statement of how life is better than it was before, in some way, for some people. Deciding upon these outcomes for the state is the key policy-making challenge.

Some examples of the distinction between 'Outcomes' and 'Strategies' and elaboration of the meaning of 'Outcomes' and 'Strategy' are given in the following boxes.

In policy terms, a new road (which is an **output**) is a way of achieving an **outcome** such as reducing social exclusion of a previously isolated community, by allowing people to take goods to market in order to stimulate that local economy and bringing educational, medical and safety services into the community. The road matters but the policy is aimed at the results it brings, not the stretch of physical road as such.

Having a nation of educated, ambitious youths – both young women and men – who can apply their skills to developing the economy is an **outcome**. It is a result of a successful education system and is part of the reason for having that system. Building that system will have needed inputs – schools, books, desks, latrines for girls and boys – but the outcome is much more important than simply having all these material objects. The result will also have needed people – skilled teachers, janitors and administrators – to teach the children and to run the system.

Policy Statements would normally be found in Vision Statements and SDPs and sometimes in preambles of legislation. Strategy statements would be found in MTSSs.

## About Policy and the Development Plan

The SDP is an approved public document that outlines a state's overarching policy position and the outcomes that the state government expects these policies will deliver. Thus, the adopted development policies are to be seen as the 'building blocks' that will determine actions to deliver services and provide a framework for enhancing the well-being of the residents of the state.

There are many ways to look at policy but the simplest way is to look at it as a course or principle of action adopted or proposed by a government, party, business or individual for a purpose.

**Policy making** is the process by which governments translate their political vision into programmes and actions to deliver 'Outcomes' – desired change in the real world.

**Policy** is often confused with **Strategy** and they are sometimes used interchangeably.

In very simple terms, **Policy** is about defining expected overarching goals and outcomes, whereas **Strategy** is about how we may achieve them. In other words, 'Policy' is mostly about 'What' and 'Strategy' is about 'How'.

Policy making is therefore about 'Outcomes' and 'Outcomes' being consequences, not outputs and

**Checklist: Attributes of good policy**

- Policy should focus on intended outcomes;
- Policy should take a long-term view based on statistical trends and informed predictions as the effects of policy decisions taken now will be felt many years from now;
- Policy should be robust to deal with the risks and unknowns in the future and be able to deal with change;
- Policy formulation should learn from other states and other parts of the world, although care should be taken to adapt lessons to the particular circumstances of the state;
- Lessons from elsewhere guide policy makers to new solutions to problems and new mechanisms for implementing policy, and provide evidence of what works in practice and what does not work;
- Policy formulation should involve consultation with those responsible for service delivery/implementation and those at the receiving end or otherwise affected by the policy;
- Formulation should include an impact assessment of the various options considered;
- Policy addresses issues concerning Gender and Social Inclusion (G&SI) and conflict issues;
- Policy seeks meaningful inputs and feedback from recipients and front-line managers;
- Joint working arrangements with other MDAs are clearly defined and well understood;
- Implementation requirements are considered as part of the policy-making process.

## Section 3: Preparing a State Plan

### Content of the State Development Plan

The content of the SDP will depend on its purpose. Generally the purpose of an SDP is:

- To provide guidance and direction to state sectors and MDAs, ensuring that their efforts, and especially the expenditure of public resources, are targeted in the best way possible for the achievement of the state's overarching vision;
- To provide the public with information about what the state government's intentions are with respect to the use of public resources;
- To provide information on the nature and extent of private sector participation and collaboration with government in the economic development of the state, e.g. public-private partnerships.

There are many different audiences for a plan document – politicians, the state administration, the private sector, civil society groups and individuals, and the public.

The following is the broad content of an SDP:

1. Background and Purpose of the Plan – what plans exist and why a new plan has been prepared.
2. Existing Situation and Needs Assessment – this should include analysis of data and information on:
  - Policy review: what works, what did not, what were the outcomes of policy implementation, who benefitted, etc.;
  - Baselines: providing information on the current situation in the state with regard to sociodemography, service provision and infrastructure;
  - Projections of future situations providing as assessment of future needs for state services across all socioeconomic groups.
3. Vision and Strategic Direction – a statement of the core values that drive the plan, including elements such as transparency, efficiency, whether it is equitable, evidence based, provides a framework for the approach to the whole plan and can guide reviewers even when these elements are not explicitly a target.
4. Outcomes – a relatively small number of key or critical results the state is aiming for, a description of the overall thrust of the state government's policy direction and the major outcomes that the plan is expected to deliver.

## Tips: Some essential things to think about

### 1. Think about the need to be big, long term and realistic:

- Need to 'think big' because the challenges are big – big differences need to be made for millions of people;
- Sometimes problems are so big all you can do is put in place action to begin to make things better, for example poverty cannot be eradicated over one plan period but the plan can map out the first steps;
- Problems and responses should be considered in the medium term, long enough to make a difference, short enough to manage the responses;
- Above all else, do not make the situation worse.

### 2. Think about affordability and sustainability:

- Good plans and policies must be achievable – the critical question is what can be done with the financial and human resources available?
- Projections of financial availability are essential if a realistic plan is to be drawn up;
- Projections must themselves be realistic and must be enough to sustain services and infrastructure implemented under the plan;
- So, as well as thinking about capital expenditures, consider overhead and personnel costs – including capacity building – that will be needed to maintain government activities.

### 3. Think about inclusion and who should be involved in the plan preparation:

- Stakeholder engagement in plan development is critical as plans are concerned with how to use public resources;
- Stakeholders will be affected by plan proposals, some positively and some negatively, and their opinion may be different from that of the government. Some stakeholders will be involved in, or responsible for, plan delivery;
- Different perspectives will help develop a more robust plan;
- Ensure that stakeholders understand the limitations of what the plan can achieve;
- Involve a wide selection of stakeholders, including genuine 'grass roots' representation that includes both men and women as well as disadvantaged groups.

### 4. Think about the needs of the whole population, including those who are socially excluded:

- The majority of people in Nigeria are poor and so the plan must address issues of those less able to help themselves;
- It may be necessary to make extra efforts to ensure information and data are collected in order to develop policies that are nuanced enough to capture the situation and needs of the whole population, including the poor, socially excluded and disadvantaged men, women and children;
- Think how the plan may support services targeted at the socially excluded or disadvantaged people including women, people with disabilities and the elderly.

### 5. Think about potential for conflict:

- Think about the nature of policies to be developed and whether the interventions may exacerbate conflict and tensions in the community;
- Recognise that there will almost always be 'winners' and 'losers' and consider ways to ameliorate the impact on the losers;
- Recognise the obligation of the state to 'do no harm' and ensure state actions do not make imbalances and deprivation worse;
- Think about positive steps that are needed to improve security and the rule of law.

5. Policy and Programmes – programmes of work that are expected to contribute to the higher-level goals or policy outcomes. The plan will not describe the details of every project or programme that the government intends to implement. This detail should be developed and contained in individual sector strategies (MTSSs), and in the detail of annual budgets and operational plans. Presentation of policy programmes may include implementation arrangements.
6. Financing Arrangements – requires that the fiscal (financial) implications be taken into account to be able to demonstrate that the outcomes are realistic and that they will be monitored and evaluated. This will require revenue projections over the plan period that include federal transfers, internally generated revenues (IGRs) and other external revenue. Such projections should be provided by the MDA responsible for finance.
7. Assessment – how progress in implementing the plan will be reviewed and communicated to a range of stakeholders from politicians to the general public.

### Checklist: Plan preparation process

- Prepare:** Is there political support and understanding? Have institutional arrangements been put in place?
- Prepare:** What time frame for the SDP is to be adopted?
- Assess:** What is the current situation?
- Assess:** What financial resources will be available over the plan period?
- Think:** What caused the current situation? Who is involved?
- Envision:** What are we going to achieve?
- Plan:** How are we going to do it? With whom? When? With what resources?
- Do:** Get it done. How is it going? Do we need to adapt?
- Review:** What went well/badly? What can we learn for next time?

## Process of Preparing a State Development Plan

The preparation of an SDP should go through a number of stages, combining both a top-down approach and bottom-up approach. In the following sections, the ten major steps are briefly described (see Figure 2).

Figure 2. The plan preparation process



## Stage 1: Making State Government Preparations for Developing a State Plan

### Stage 1: Get prepared

1. Obtain political commitment to the plan;
2. Inform all MDAs and stakeholders;
3. Get organised — appoint oversight and technical teams;
4. Define and schedule process;
5. Calculate plan preparation budget and get approval;
6. Liaise with Finance MDA to obtain fiscal projections;
7. Ensure Medium-Term Budget documents are available.

Stage 1 should consist of three parts:

1. Clarity on intention – announcing intention to all stakeholders and ensuring understanding and commitment on the part of the Governor and Executive Council (ExCo).
2. Getting organised – defining the process, management and technical teams and expertise.
3. Obtaining information on revenue projections – so as to determine the level of financial resources likely to be available to fund development and government services over the plan period.

#### Clarity of purpose

Before all else, ensure that there is political understanding of the plan-making process, the reasons for developing the SDP and full political support for it. This will require a brief to the governor and ExCo that

can be formally adopted by ExCo. Once ExCo has approved the development of the SDP a circular should be disseminated informing the senior management of all MDAs of this approval, a description of the process and an implementation timetable. There is need to set out a time frame for the plan preparation activities. This is very important because:

- The process needs to be controlled, as it is easy for planning to go on and on.
- The success of the planning process depends on the inputs of others, therefore it is important that all actors are aware of the timing of their inputs and make the process less disruptive for all involved.
- The process needs to avoid certain times of year when actors may not be available, examples would include when the State House of Assembly (SHoA) is on recess, budget preparation periods and, perhaps, major religious occasions, e.g. Ramadan.

The simplest way to draw up a planning timetable is through a Gantt chart (Figure 3). Think through everything that needs to be done, who is responsible and indicate its approximate timing.

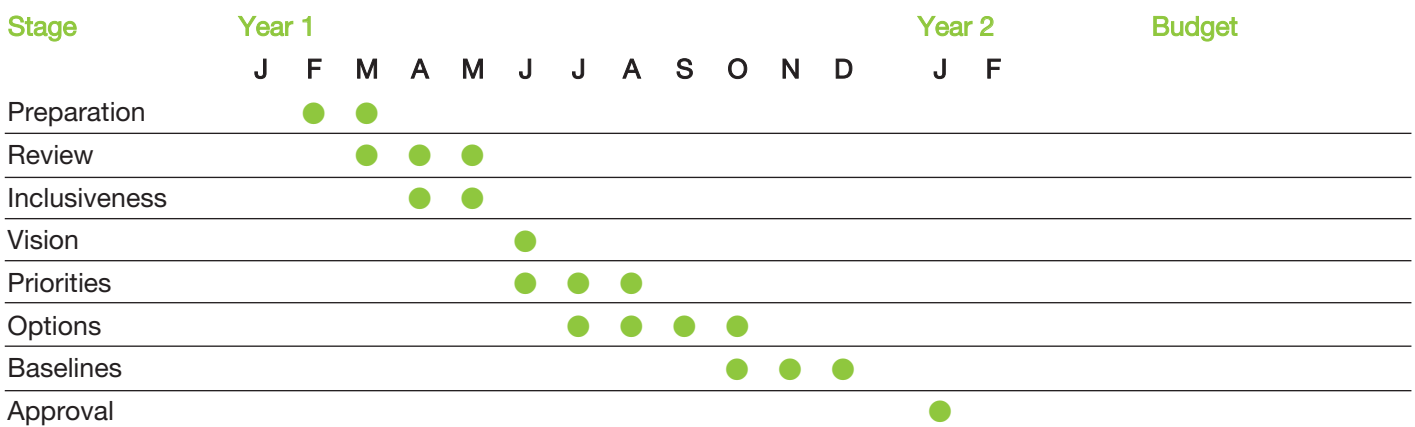
#### Organisation

Form a **State Plan Core Advisory Team** to:

- Oversee the plan preparation process;
- Act as the 'client' for the technical team (see below) providing guidance on content;
- Provide strong links with ExCo, SHoA and other essential stakeholders;
- Provide authoritative liaison with all government MDAs to ensure cooperation and coordination.

It is suggested that the team be chaired by the Commissioner of the Economic Planning MDA, Commission or equivalent, with membership drawn from two or three other selected key commissioners and

Figure 3. Illustrative plan preparation timetable



Note: Stages mentioned are described later.

senior-most civil servants, and a small group of representative people from the civic sector (civil society organisations, private sector, professional bodies). But keep the team small and functional, ideally ten or fewer people. The core team must have clear Terms of Reference that, among other matters, articulates the authority of the group it reports to and how it will interact with civil servants immediately involved in plan development.

A civil service **Plan Technical Team** will also need to be established headed by a Plan Coordinator within the Planning MDA. This full-time Coordinator will be the main point of contact between the Core Advisory Team, the agency responsible for plan preparation and individual MDAs. It is recommended that **Sector Technical Teams** be established, each responsible for a sector.<sup>6</sup> The technical teams will work with MDAs and other stakeholders to analyse current situations and needs, outline policy options, define outputs and outcomes, and all other technical elements of the plan. The planning departments of all MDAs will also have a critical role to play.

The Plan Coordinator will also be responsible for managing the plan preparation budget and be aware of the funding needs of each of the stages so that funds can be made available in a timely manner to support the process. The same timetable as in the time frame can be used by adding expected costs on the last column (See Figure 2).

The checklist below will help the assessment of how favourable conditions are for developing a state plan.

### Projecting available finance<sup>7</sup>

One fundamental attribute of a successful SDP is that it is realistic and feasible in respect of explicitly recognising financial constraints and ensuring that selected policy outcomes are affordable.

Therefore, it is imperative that, right from the start, the MDA responsible for drawing up the SDP and the MDA responsible for finance and budget interact closely. The SDP must be developed against a realistic assessment of all expected revenues (including federal allocations, grants, loans and IGRs).

The MDA responsible for finance should produce a multi-year fiscal projection that covers the period of the plan: the first three years in some detail with further years with less authority. The projection should outline the key fiscal parameters associated with the government's budgetary operations, namely: revenue, expenditure, budget balance, financing and debt. It locates these in a strategic framework that is consistent with macroeconomic stability, growth and sustainable debt management. The fiscal projection draws on analysis of recent and expected future economic conditions affecting the state.

### Checklist: Getting started – organisation

- Are the Governor and members of ExCo committed to preparing a state plan, do they understand the process involved and are they committed to its implementation?
- Is the senior civil service management committed to preparing a state plan and will they provide leadership and coordination?
- Will necessary inputs be provided by all MDAs in terms of information, analysis and suggested policies?
- Is it clear which MDA leads the plan-making process and does that MDA have a dedicated team to formulate the plan?
- Is there a budget to develop the plan and who will be responsible for managing that budget?
- Will time be set aside to prepare a state plan?
- Is there clarity over the sectors that are to be used and to which sector each MDA is to belong?
- Have the other actors and stakeholders been identified?

<sup>6</sup> Most states have found it beneficial to define a small number of 'sectors' made up of closely related MDAs. An example is Jigawa State where seven sectors have been created: Agriculture; Environment; Water Resources; Commerce and Investment; Education; and Health.

<sup>7</sup> See also *How to prepare a realistic budget*, SPARC 2014 and *Guide to producing the Economic and Fiscal Update (EFU): Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS)*, SPARC October 2014.

Fiscal projections should be broken down by expected personnel costs (salaries and allowances), overheads (recurrent expenditures) based on recent trends and the residue that will be available for capital investment. An analysis of recent sectoral apportionment should also be provided, although there will be scope to amend these in the course of plan development.

Thus, the initial intent is to provide the overall fiscal envelopes that are expected to be available to pay salaries, fund government services, maintain infrastructure and purchase equipment, and build new infrastructure development. As plan preparation advances, priorities are better defined and policy outcomes more nuanced, it will be necessary to revisit and revise the initial projection, particularly with regard to sectoral apportionment and priorities.

## Stage 2: Review of Existing Situation

### Stage 2: Review existing situation

1. Assess what has been tried, what worked and what did not;
2. Collect and consider information on current situation in all sectors and populations;
3. Identify missing data and arrange for collection;
4. Engage stakeholders and seek their opinions on current situations.

The review process should cover at least three elements:

- Describing the current situation in terms of identification of problems and opportunities, policy analysis, baselines and projections and seeking validation from the MDA;
- Completion of an assessment of current and future needs across all socioeconomic groups of the population for government services and infrastructure;
- Engaging stakeholders, including both male and female representatives of the poor and marginalised groups, to validate the description of the current situation (policy analysis, baselines and projections) and seeking their views on types of policy and programmes that will succeed.

The following cautionary statements should be taken into account when undertaking the reviewing process:

1. Spend sufficient time analysing what was tried in the past (policies and plan) and why they did or did not work or yield the results expected as well as effective

approaches from other states or similar places in the world.

2. Identify data and information that is not readily available and take steps to obtain this missing data. However, do not spend too much time collecting and analysing data. They say, "too much analysis can lead to paralysis".
3. Spend time engaging representatives of a wide range of stakeholders, including the poor and marginalised groups to validate the description of the current situation.
4. Consider evidence about trends, forecasts and future scenarios that will affect the state and the current and future needs of all.

### Needs assessment

The data should show a general picture of the state and contain facts that are of concern and will be used by most players in the state, e.g. population, natural resources, status of education and health, and economy. There are standard ways of describing and projecting these.

1. The plan is about people and it is important to know how many people are to be served by the plan and that their demographic profile is broken down by factors such as age, gender and location. There will be specifics that should be brought out later through sectoral presentations.
2. People's livelihoods are supported by the economy. Is it growing or stagnant? Is it sufficiently diversified and robust to offer opportunities for the number and socioeconomic dimensions of people described?
3. The economy is exploiting the natural resources available (most significantly land and water). What are these and how are they being exploited for the sustainable benefit of citizens? Is there equality of access?
4. The impact of the economy is impacting in many ways on the lives of the citizens and there are standard indicators to describe this; e.g. poverty, unemployment, level of well-being, etc.
5. Identifying particular vulnerable groups for whom special provision or consideration is needed along with any current situations that are potential areas of conflict.

### Performance of existing policies and plan(s) or programmes

It is essential to thoroughly review the performance and efficacy of all current policies to assess whether or not they are reaching policy targets and expected outcomes. Such an evaluation should be an early undertaking by the Sector Technical Teams. The focus should be upon identifying what is working and what is not to identify which policies should be carried forward into the next plan and where there is need to rethink policy options. Furthermore, changes in higher-level political agendas may demand changes in policy design



and direction. Their assessment should include experience with implementing existing plans in terms of resource mobilisation and implementation arrangements.

#### Role of private sector and civil society

Engaging the private sector and civil society is important because the state plan is about deciding how to use public resources to deliver public services. Members of the private sector and civil society, because of their job, because of where they live or because of the public or private services they use, will be affected by the proposals of the SDP and will therefore bring a different perspective that may help to develop a more robust plan.

Stakeholders should be engaged with when work starts on the plan. They will need to be partnered all the way through. This is not passing decision making on to others but stakeholders need to be consulted because they may well have a different perspective on what the problem is, what might be best in addressing the issue and also because they may well be part of the solution.

#### Tips: Involving civil society in developing the state plan

- Explain the limitations of the state plan, for example financial constraints, so that civil society representatives have realistic expectations;
- Invite civil society representatives, including those of marginalised communities, to provide information on policies that have worked and those that have not;
- Take steps to ensure input from civil society is meaningful, for example by utilising briefings appropriate for different audiences and ensuring women have a chance to speak;
- Invite civil society representatives to advise how non-government organisations and groups can help government deliver services;
- Keep in mind the fact that civil society groups represent different interests and may not agree with each other on which policies should be adopted.

## Stage 3: Consideration of Gender, Social Inclusion<sup>8</sup> and Conflict Sensitivity<sup>9</sup>

### Stage 3: Ensure inclusiveness

1. Recognise needs of all, including poor and socially excluded;
2. Recognise imperative of avoiding actions that exacerbate social tension;
3. Assess existing policy for impact upon gender and social inclusiveness;
4. Consult local community for 'buy-in';
5. Develop criteria for new policy.

In order to consider issues of G&SI and conflict sensitivity while identifying and evaluating possible policy options, an approach is required that includes the following:

1. Due to the potential for policies and their ensuing activities/projects to be perceived as benefiting one group over another and reinforcing existing divisions that may contribute to social conflict or escalate to violent conflict, it is important to conduct conflict analysis such as multi-stakeholder analysis to assure the broad participation to relevant stakeholders.
2. Get organised, build awareness and ownership among government planners and other stakeholders and establish a structural and cultural basis for addressing equalities issues in plans and policies. It can be helpful to look at Nigeria's commitments to equalities issues<sup>10</sup> to determine whether essential equalities legislation is being adhered to in the state.
3. Identify relevant G&SI issues for the state and sectors under consideration. Assess whether policies or plans to date have had a negative, neutral or positive impact on reducing inequalities. Issues could include for example, whether youth unemployment in rural areas is increasing, urban migration is a problem, or whether there is unequal access to education, health care or agricultural resources among males and females.
4. Once it has been established that the policy is gender relevant, a G&SI impact assessment should be carried out.
5. Where a policy or element of the plan is found to have a negative or neutral impact on inequalities and social inclusion, it is essential to identify ways in which it could be redesigned to promote gender equality and social inclusion.

<sup>8</sup> SPARC report (2014) *Gender and Social Inclusion-related treaties and laws in Nigeria: An audit and state checklist*. Includes descriptions of a range of international and regional agreements, the Constitution and federal laws on G&SI issues. A checklist for states is included.

<sup>9</sup> Conflict sensitivity means the ability to understand the context in which the plan operates; understanding the interaction between plan intervention and the context and acting upon the understanding of this interaction, in order to avoid negative impacts and maximise positive impacts of policy.

<sup>10</sup> Ibid.

6. Due to the potential for policies and their ensuing activities/projects to be perceived as – or actually are – benefiting one group over another and reinforcing existing divisions that may contribute to social conflict or violence, it is important to broaden participation to all relevant stakeholders.
7. Annexes 1 and 2 contain detailed guidance, but aspects to consider include:
  - a. Ensure that needs analysis takes into account all communities and issues that could contribute to conflict such as ethnicity, religion, poverty and competition for resources.
  - b. Consult local representatives to ensure greater local community buy-in and that information-sharing feedback mechanisms are constructed to handle any potential grievance at the community level.
  - c. Ensure transparent and inclusive selection criteria for policy are clearly shared with the public.
  - d. Identify geographic areas where outcomes (e.g. health, education, access to water, etc.) are worst and have potential to exacerbate conflict. Consider targeting these areas with additional resources.
  - e. Ensure that the needs of target vulnerable beneficiaries are taken into account (e.g. latrines for girls/boys, single-sex wards in hospitals, private breastfeeding facilities, access ramps for physically challenged people, etc.)
  - f. Socially excluded groups (e.g. rural people, older people, people living with HIV/AIDS, people who are physically challenged) are targeted, based on needs assessment and evidence of effectiveness.
  - g. Ensure that conflict and needs analyses include consideration of other groups in proximity to the primary target group (e.g. targeted and non-targeted groups).
  - h. Ensure transparent and inclusive selection criteria and that the communication of those criteria are clearly shared with the community.

## Stage 4: Developing State Vision, Core Values and Establishing the Strategic Direction for the Plan

### Stage 4: Vision and strategic direction

1. Develop/adapt aspirational vision as overarching ambition for the plan;
2. Debate and agree strategic shape and direction of the plan;
3. Articulate key priorities and broad goals that respond to vision and direction;
4. Establish revenue projections and assess impact on ambition;
5. Identify cross-cutting issues.

#### Vision

Developing a vision is not technical. It is political. A vision is an aspirational description of what the state government would like to achieve or accomplish over the mid- or long-term future. It is intended as a clear guide to choosing current and future courses of action. Such a vision is a political statement or a Governor's manifesto. Most states have a vision that is sound, hence there is no need to reinvent the wheel, rather the existing vision should be accepted as providing the foundation for the development plan.

#### Tips: Vision is a political commitment

"I see an Enugu State where government is open, accountable and responsive to the genuine yearnings of the people and takes action to improve the lives of the people [...]"

I see an Enugu State where healthcare, quality education, potable water, electricity, transportation; communication will become available to all our people no matter where they are in the State [...] a State where security of life and property will be a reality."

Sullivan I. Chime

#### Core values

As part of its vision, the SDP should express and commit to a set of core values that will underpin the behaviour of the state government and how it relates to its civil society. The core values are fundamental principles that are required for the effective implementation of the SDP and determine the actions of the state executive.

### Tips: Core values

Core values as expressed in the Zamfara State Development Plan 2015–25:

- Dedication: political and public office holders should demonstrate leadership qualities through dedication and selfless service;
- Accountability: all public and political office holders will embrace accountability and honesty in the discharge of their duties;
- Discipline: all public and political office holders will exhibit high sense of responsibility in the conduct of their duties;
- Inclusiveness: G&SI will be paramount in all matters of governance in the state;
- Professionalism: in the conduct of public service, high level will be accorded top priority in the state;
- Efficiency: in improving governance, the state will ensure efficient service delivery among all sectors;
- Integrity: integrity will be the foundation of the conduct of public service in the state;
- Sustainability: sustainable development will be taken with adequate cognisance given to social, economic and environmental factors.

### Strategic direction

After the vision, a major effort should be spent on debating and specifying the strategic direction of the plan. There should be a statement describing the overall thrust of the state government's development direction. There should be development and presentation of a relatively small number of key or critical results or preferences the state has.

The strategic direction provides the overarching rationale that frames the SDP. This in turn establishes the context for all policy outcomes and enables the relationships between the policy outcomes to be appreciated. The following areas should be considered in establishing the logic of the strategic direction of the SDP:

- Understanding the critical developmental requirement for the state, e.g. the creation of a dynamic economy that can provide jobs and wealth to enable the state to realise all its other obligations and aims;
- Choice of the priority sectors that will drive the economy and thereafter a statement of which sectors would receive the highest share of the budgetary allocation;
- Recognition that the state government has social responsibilities to provide social and welfare services that reach all sectors of the community;

- Recognition that other sectors and institutional actors should relate and contribute to the priority sectors and higher-level goals, including the role of other levels of government at the national and local level;
- Options available in fiscal policy including possible changes that could be made in the state administration in order to achieve realistic revenue collection;
- Options for increasing implementation capability in the state.

The choices should be justified by available data to provide evidence for decisions that are taken.

The strategic direction should also be thought of in a broader sense. If the state government can decide upon a relatively small number of key or critical results it is aiming for, then as different programmes of work are

### Tips: Definition of high-level goals

Enugu State Medium-Term Development Plan 2014–18

The goals of the state vision include but are not limited to the following:

- Provision of adequate infrastructural facilities, like roads, electricity, water, housing, etc., that will make the state a destination for local and foreign investors;
- Achievement of net self-sufficiency in food production by the year 2015 and export 80% of total output by 2020 as well as develop robust industrial sector that will generate employment and achieve 80% utilisation of local raw materials to produce globally competitive products by the year 2020;
- Development of efficient, quality and accessible health and education systems that meet the Millennium Development Goals (MDGs), and will make the state a world class destination for quality medical and educational services;
- Improvement of IGR and reduction of the dependence on federally collectable revenue by at least 50% of the annual resource envelope of the state by the year 2020;
- Achievement of governance that is inclusive, accountable, transparent and responsive to ensuring the security of lives and property, access to justice and balanced gender development that will meet the genuine needs of the citizens of the state;
- Development of a coal-based energy sector that takes care of our domestic consumption by 2015 and 80% export by 2020 and ensure eco-friendly environment for sustainable and equitable development.

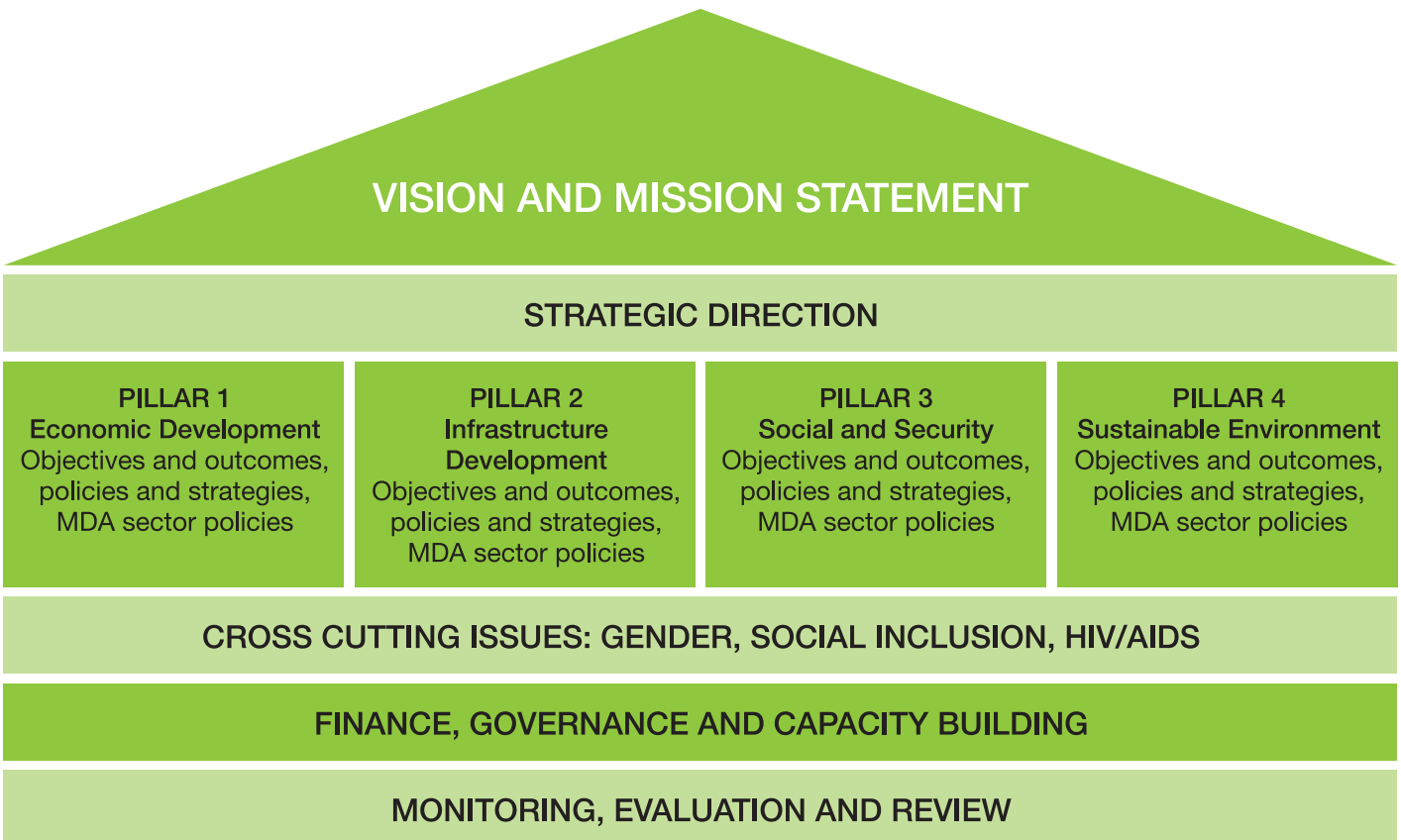
elaborated it is possible to evaluate these according to their potential contribution to the 'higher-level goals' being aimed for.

Many states have used a 'pillar and arrow' approach when formulating their SDP. An example is illustrated below with the overall progress and future of the state dependent upon the key pillars (e.g. economy,

infrastructure, social services and environment) with cross cutting areas of finance, governance and G&SI playing a supportive role. Different programmes in or across different MDAs are expected to contribute to the achievement of results described in each of these pillars.

Figure 4 illustrates the pillar and arrow approach.

Figure 4. The pillar and arrow approach



### Stage 5: Establishing Foundations for Policy Priorities and Policy Options

**Stage 5: Policy priorities and options**

1. Debate political ambition and priorities;
2. Identify and assess efficacy of a range of policy options;
3. Recognise fiscal and human resource constraints on policy options;
4. Consider capital/recurrent budget balances;
5. Are options responsive to political ambition?

Once the vision and strategic direction for the plan have been decided, more detailed work now needs to be completed to identify sector priorities and articulate and examine policy options of the plan. Stage 5 involves:

- Arranging sector-wide sessions to decide policy priorities;
- Developing policy options;
- Assessing options and their cost;
- Preparing the presentation of policy options for political assent.

In this stage it is useful to get a political 'nod' on options early in the process. Presenting a Governor with a list of options late in the planning process is not advisable, especially if it is not an area in which there is much

political interest, or which a Governor did not originate. It is also useful to involve civil society at this point in time. Inviting representatives of groups relevant to the sector to take part in meetings and discussions can do this. Arranging this participation may take time but the process of developing strategy cannot be hurried. It usually takes three to four months. Time taken to get buy-in is well spent.

Identifying priorities and then policy options involves several steps:

1. Deciding sector priorities.
2. Considering these sector-specific priorities across all sectors and deciding plan priorities.
3. Returning to the sector level to identify policy options that respond to the plan priorities.
4. Reconsider these sector policy options at the central level.
5. Present plan priorities and selected policy options for political endorsement.

#### Step 1: Arrange sessions to decide sector priorities

The first step involves arranging discussions to decide sector priorities. To start the process, the **Sector Technical Teams** need to arrange a preliminary sector-wide session. This session will bring together a range of stakeholders and technical staff. Led by the Sector Technical Team, the group will review any existing sector plan or strategy, consider the Plan Vision and strategic direction, to put forward a set of sector priorities.

At this preliminary session the group will assess the current situation and what is likely to happen in the future based on sector knowledge and information gleaned in Stage 2 (see earlier) as presented by the Sector Technical Team. The group will need to discuss sector policy goals, and consider strengths and weaknesses in the sector. There should be clear identification of the needs of those who most require services. The discussion can then move on to putting forward priorities for the sector.

#### Step 2: Plan-wide priorities

Sector priorities need to be considered in the context of the cross-sector Plan by the **State Plan Core Advisory Team** and the **Plan Technical Team**. This step will need to consider the alignment of multiple sector priority demands, prioritisation between these, and coordination and interaction between sectors. The outcome should be a clear set of Plan priorities that can be returned to the sector for the development of responsive policy options.

There is need to consider national policy in terms of percentages and amounts allocated for certain sectors. For example, the federal health sector recommendation is that 15% of the budget is spent on health.

#### Step 3: Identifying sector policy options

The conclusions of the central debate on Plan priorities will be returned to the sector level so that accepted sector priorities can be developed into policy options. The sub-team and wider set of stakeholders should identify a range of policy options that, if adopted, would address the approved Plan priorities. Each option needs to be analysed for its potential effectiveness and resource demands so that the most efficient can be identified. To do so will require the group to define the expected outcomes for each policy area.

#### Tips: Developing policy options

- Analyse information on the state and draw on expert knowledge;
- Build on your experience rather than doing exactly what you have done before;
- Be aware of the resources (financial and human) that will be available to make the policy operational;
- Think constructively about the balance between capital and recurrent expenditure over the term of the Plan;
- Think about how other players, such as the private sector, development partners and civil society, can contribute;
- Take technical and capacity limitations into account;
- Identify both new and current activities;
- Ensure policy options are politically relevant.

#### Step 4: Selection of plan policy options

The selected sector policy options will be returned to the central **Plan Core Advisory Team** for vetting and cross-sector assessment. Each selected policy and its expected outcomes will be assessed for its responsiveness to, and impact upon, the Plan Vision and Strategic Direction. The Plan Core Advisory Team should consider how sector policies can be integrated across sectors.

The central review must take into consideration changing options in fiscal policy and propose decisions on changes to realistic revenue collection, taking account of the potential impact on the local economy. It should also debate changing options in expenditure policy, given the projected financial situation in the state over the period of the plan (probably five years) and develop recommendations for changes in expenditure direction and pillar/sector priorities.

## Checklist: Sector priorities and policy options

- Sector-wide group has reviewed the current situation and what is likely to happen in the future based on the information the committee gathered and analysed;
- Sector-wide group has agreed sector priorities;
- Sector priorities agreed by central Plan Core Advisory Team;
- Sector-wide group has developed a draft list of policy options;
- Draft list has been discussed with a selection of senior management;
- Draft list has been discussed with Plan Core Advisory Team;
- Plan policy options have been discussed and agreed with politicians and high-level decision makers.

### Step 5: Political consideration

When the Advisory Team has agreed on the priorities for the Plan and drawn up a list of policy options, the options need to be put to politicians and a range of senior management, staff and high-level decision makers to get their initial reactions. If policies proposed are to be adopted and plans made to deliver them, politicians in particular must be supportive, and senior management and high-level decision makers must agree that these are indeed the options to be considered to achieve government goals.

To arrive at a selection of policy options, it will be necessary to:

- Debate changing political ambition;
- Debate changing options in fiscal policy;
- Debate changing options in expenditure policy;
- Draw on specific knowledge about intended changes from specific sectors/MDAs;
- Ensure the different roles and mandates of both federal and Local Government Areas are taken into account.

## Stage 6: Determining Policy Outcomes

### Stage 6: Determine policy outcomes

1. From identified policy priorities, determine the expected outcomes leading to the achievement of vision and goals;
2. Outcomes to be results oriented and measurable;
3. Outcomes must be viable, affordable and within capacity of government to achieve in the plan period;
4. Coordinate outcomes between sectors.

From the vision and strategic direction and consideration of policy priorities, the state should determine **Policy Outcomes** that will lead to the achievement of the vision.

An **Outcome** is a broad statement of what the state hopes to achieve in each policy area and is both qualitative and quantitative in nature. It seeks for long-term impact, a long-term improvement in society that contributes to changes in the lives of people. It contains clearly what must change by a future date.

The procedures below are appropriate steps in suggesting outcomes:

- Indicate from the start what the results are that ExCo aims for;
- Determine baselines and set targets on SMART indicators (see next section);
- Emphasise what is to be achieved instead of what is to be done.

ExCo should make sure that the outcomes they define are based on realistic expectations, given the financial and human resources available. Civil servants, based upon their experience and work on sector strategies, budgets and work plan development, should be able to provide advice on what is or is not realistic. Also per capita amounts need to be calculated to give an indication on how much is being spent in priority sectors per person per year.

This results- or outcome-based approach to policy making should lead to:

- Planning based on evidence on the ground;
- Result orientation becoming part of government culture;
- Planning that is realistic in terms of implementation.

## Stage 7: Establishing and/or Confirming Baselines

### Stage 7: Establish baselines

1. For each outcome, define the current situation in terms that will enable future progress to be measured;
2. Where necessary, gather data to enable baseline to be established;
3. Ensure there is capacity and systems to collect future performance data.

Baselines are starting points for monitoring and evaluation and effort should be made to ensure that baseline positions are available for each outcome suggested. Outcomes or policy are about either creating new situations or making existing situations better.

A baseline sets out the situation regarding a desired outcome as it is today. Information should be as quantitative as possible so that progress in attaining the desired outcome can be measured and objectively verified. It is essential that the baseline defines Key Performance Indicators (KPIs) that are to be used in measuring progress over time against the baseline.

It will be seen in the example from the Lagos SDP that in order to provide the baseline, it is necessary to first define the 'Outcome Indicator' or the KPI that will determine the nature of the baseline. KPIs are those measures that can track the progress towards achieving outcomes. As the term assumes the indicators must seek to be measurable, that is they should involve proportions, ratios, numbers, amounts, volumes or specified events or actions achieved.

### Tips: Setting the baseline for outcomes

Sector	No.	Outcome	Outcome indicator (KPI)	Baseline	Target 2016	Target 2025
Health	1	Improved health care services that are available and accessible to citizens	Percentage of electoral wards with at least one health care facility providing the minimum healthcare package	34%	65%	95%
	2	Improved quality and affordable health care services	Maternal mortality ratio	555/100,000	370/100,000	165/100,000
			Infant mortality ratio	75 deaths per 1000 births	60 deaths per 1000 births	35 deaths per 1000 births
Under 5 mortality ratio			157 deaths per 1000 births	104 deaths per 1000 births	50 deaths per 1000 births	

## Stage 8: Plan Approval

### Stage 8: Plan approval

1. The Core Advisory Team scrutinises final plan; team could invite wider participation;
2. Plan presented to ExCo for approval;
3. Approved plan sent to SHoA for endorsement;
4. Publicise the approval and arrange for plan dissemination.

There are two important points to bear in mind about plan approval:

1. The plan approval process should not be ad hoc. ExCo should have criteria for approving the plan and this should have been agreed at Stage 1.
2. At least two criteria should feature: have the objectives of preparing the plan been met and are the outcomes responding or contributing to the vision and strategic direction statement made at ExCo?

**The correct process and desirable sequence of events are as follows:**

1. The responsibility for state development planning will vary from state to state but will lie with the Planning MDA or the Planning Commission.
2. The Planning MDA/Commission clears the plan drafts with its senior management before passing it on to the body of Permanent Secretaries.
3. The body of Permanent Secretaries scrutinises the plan before giving a green light for the plan to be submitted to ExCo.
4. The plan is then presented to ExCo for scrutiny and approval.
5. The approved plan is then sent to SHoA for endorsement.
6. For SHoA it would have been ideal if the SHoA's committees have been keeping a track on the Vision by ExCo and policy proposals being made by relevant MDAs to avoid surprises when the plan reaches the SHoA.

## Stage 9: Arranging for Plan Implementation

### Stage 9: Plan implementation

1. Make operational any new institutional arrangements;
2. Develop costed sector strategies (MTSSs) that articulate how the policy outcomes will be achieved;
3. Through the MTSSs, formulate annual budgets to finance strategy implementation;
4. Develop annual work plans.

Implementation is the point at which policy and strategy making meet. A critical quality of *good* policy must be that it is achievable. It should be implementable. There is need to identify what has to be done and what new institutional arrangements will be needed to ensure that the plan is an effective mechanism for realising the state vision.

The first step is to translate the SDP's policies into medium-term strategies that set out specific inputs and activities to deliver specific outputs. The mechanism designed to do this is the sector plan or strategy, for example, the MTSS. The sector strategies link plan policies to budgets and actual expenditures. They are, thus a 'road map' that combines ambition and realism and clearly plots priorities, deliverables and costs showing the chain of results that will achieve plan policy goals.

The MTSS sets out the projects and programmes that will be implemented over a 3-year period, how much each programme and project will cost and what the outputs will be. They are a major input to the preparation of the annual budget.

The budget process is the link through which plans are implemented. Hence, there is need to determine what can be done within resource constraints (both financial and human) and also estimate the resource requirements and projections of resources for the plan. It is essential for a timely implementation process that projections of revenue – including IGR, federal transfers, loans and funding from development partners are realistic.

If these figures are over estimated there will be seriously negative consequences in the failure to deliver the services and programmes to which the state has committed. Implementation does not involve only capital expenditure, but involves all expenditure, including:

- Recurrent expenditure on staff costs;
- Recurrent expenditure on overheads;



- Capital expenditure from state resources;
- Capital expenditure from other sources, such as non-discretionary grants;
- Other costs (such as financial charges).

It is also essential that budgeted allocations are released in full and in a timely fashion. Furthermore, the MDA to which funds are released use the funds for their intended purpose.

## Stage 10: Monitoring, Evaluation and Performance Reviews

### Stage 10: Monitoring and performance review

1. Key activity to track progress against goals;
2. Measure delivery against established KPIs;
3. Differentiate policy performance from operational and management performance;
4. Linked with monitoring of MTSS and budget implementation;
5. Centralised action but actual monitoring by MDAs;
6. Findings reported back to central planning agency + MDAs;
7. Any needed adjustments to be introduced.

The goal of the SDP is to achieve its policy outcomes through the delivery of the KPI targets as articulated in the performance management framework (PMF)<sup>11</sup> as cost effectively as possible, taking equity issues into consideration. The purpose of monitoring, evaluation and performance review of the SDP is to:

- Monitor and evaluate the efficiency, effectiveness and cost effectiveness of the plan;

- Review the plan and produce key findings and recommendations for adjusting and implementing to increase efficiency, effectiveness and cost effectiveness;
- Revise the policies, strategies, budget, outputs, outcomes and KPI targets in response to key findings;
- Feedback to citizens;
- Make broader process/management/institutional changes.

### Monitor and evaluate the efficiency, effectiveness and cost effectiveness of the plan

Monitoring, evaluation and review should be results oriented – it should include assessments of performance against outputs, outcomes and impact, taking cost and equity into consideration (Figure 5).

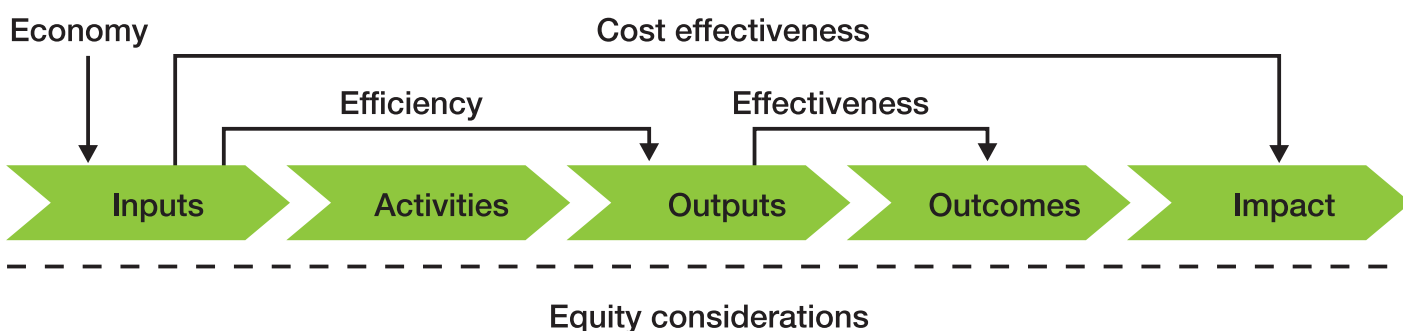
**Efficiency:** The activity implementation rate needs to be assessed as well as the percentage of funding released and human resource used. Funding release should be broken down into percentages, amount for capital and recurrent. Per capita spending can also be assessed. For the plan to be considered efficient it needs to:

- Implement activities on time (at least 80% of activities delivered on time);
- Release adequate funding (at least 90% budget release is required).

**Effectiveness:** The KPIs in the PMF should be assessed against their targets. For each outcome, the policy thrusts, the outcome KPIs and the target set for the year(s) under review analyse the performance variance in relation to the policy thrust of the sector to identify how effective the policy thrusts have been. For the plan to be considered effective it needs to:

- Deliver or exceed its KPI output and outcome targets.

Figure 5. Monitoring, evaluation and review process



<sup>11</sup> A PMF consists of a set of management and analytical tools that enable an organisation (state) to define strategic outcomes and then manage and measure performance against those outcomes.

**Cost effective:** Provide an analysis of the cumulative impact of the financial performance on the impact performance. For each year's sector budget performance, analyse how the financial performance has contributed to the sector outcome performance. For the plan to be considered cost effective it needs to:

- Deliver its KPI targets with optimal human and financial resources.

**Equity:** Assess whether equitable targets have been met. For the plan to be considered equitable it needs to:

- Deliver equitable results.

The SDP should be subject to an annual performance management review along the lines of the established PMF process for the state. It would be appropriate to conduct such annual reviews as a relatively simple exercise, noting trends and serious potential diversions from long-term aims and outcomes. A more thorough exercise, involving a more in-depth review with all stakeholders, may be held every five years or when the annual review indicates that a more in-depth review is required. The performance management report and review process will:

- Annually capture, document and report on the performance of the SDP;
- Annually measure the delivery performance against a suite of established KPIs and targets;
- Use a Red – Amber – Green 'traffic light' system, such an assessment will show whether the state's performance against a particular KPI is either good, average, or in need of improvement;
- Differentiate policy failure from operational or management delivery failure;
- Through the review process, identify and recommend changes to the public service delivery system – procedures, processes, deliverables – that are required in order for the SDP to get back on track;
- Revise/roll over the sector plans or strategies (MTSSs) and resource allocations (budgets) in a way that provides a closer adjustment to the Plan;
- Review the plan and produce key findings and recommendations to adjust and implement to increase efficiency, effectiveness and cost effectiveness;
- Revise the policies, strategies, budget, outputs, outcomes and KPI targets in response to key findings.

An SDP needs to be realistic and based on available funds. Policies and strategies need to be considered in the context of financial and human resources available. KPI targets need to be amended to increase their attainability and realism, comparing the need to the available resources.

### Stakeholder participation and feedback to citizens

A comprehensive range of stakeholders should participate in the monitoring and evaluation (M&E) and review, including: (a) state government officials from central and sector MDAs, (b) development partners and (c) civil society representation. The outcomes of the review can be disseminated to the general public as government's account of what progress is being made to achieve the long-term outcomes of the Plan. This process lays down a baseline of progress that citizens can expect for the future as well as to give them the information with which they can query government about its future performance.

### Roles and responsibilities

The Planning MDA or Commission is the apex organisation responsible for monitoring and evaluation of the development plan while state agencies such as a State Fiscal Responsibility Commission, a State Public Procurement Board or State Statistical Board conduct M&E on their own. They also provide M&E information to track progress. However, the Planning MDA must take primary responsibility for monitoring implementation and utilising its devolved MDA Planning Units for this purpose.

### Linkage with other policies and strategies

**MTSS:** The SDP will be implemented in a sequenced and phased manner. The details of the phasing and sequencing will be provided through the preparation and implementation of MTSSs or sector strategic plans and the annual budget.

In addition to the annual process outlined above, every five years, or whenever the annual review indicates that a more in-depth review is needed, a wider, more in-depth assessment of the progress of the SDP will be conducted with a broad stakeholder gathering, representing the public, private and civic sectors. This will re-examine the aims of the SDP and its key strategies in the light of progress towards outcomes made in the previous five years and recommend changes to strategies, policies and programmes to bring the Plan into alignment with the current concerns. This process will ensure that the SDP retains relevance and provides a platform to renew commitments from all sectors towards its achievement.

### Barriers to effective M&E

- Unavailability of data: if an information management system and survey data are not available then this does not enable an effective assessment;
- The politics of policies, data and evidence;
- Unskilled staff;
- Weak institutional capacity.

# Annex 1: Mainstreaming Gender and Social Inclusion

As noted in the main text, and in line with Nigerian constitutional and legal commitments, it is important that equalities issues relating to G&SI are taken into account in plans and programmes.

Social exclusion of individuals and communities differs depending on the society they are in, but can include factors such as gender, age, ethnicity, disability, poverty, religion, HIV status and other socioeconomic factors. Governments have an important role to play in identifying inequalities in the population; for example, in terms of access to healthcare and education for boys and girls, and between urban and rural areas or slums

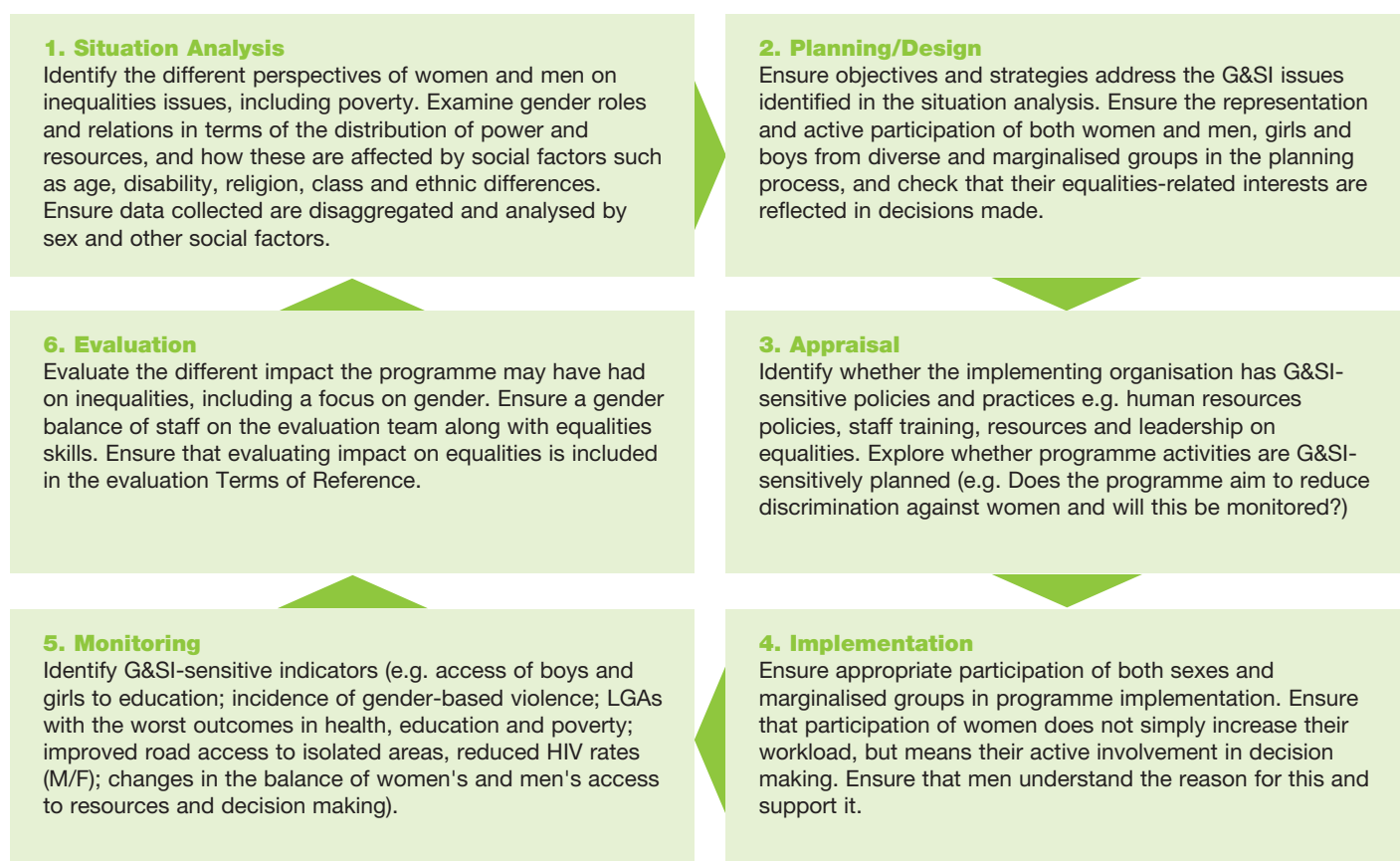
and affluent areas. Equity – measures taken to reduce inequalities – is critical in SDPs.

Two key areas where SDPs need to take G&SI issues into account are:

- **Considering relevant data and information and setting priorities to tackle any inequalities identified.** Where a problem is identified, it is important to ensure it is addressed with targets and budgets and reviewed to determine impact.
- **Ensuring meaningful engagement with civil society – particularly socially excluded or marginalised groups – in planning and review.** It is also important that the views of women, men, boys and girls generally and in the marginalised groups relevant to the policy under development, are taken into account.

Figure A.1 looks at how to include equalities issues across the planning cycle.

Figure A.1. Gender and Social Inclusion in the Policy/Programme Cycle: key issues<sup>12</sup>



<sup>12</sup> Adapted from Elsa Dawson, Gender and impact assessment, LINKS, 1999

## Gender and Social Inclusion Checklist for Policies and Plans

This checklist is a summary of a self-assessment tool for planners to use to determine whether the content and processes of policies and plans is G&SI sensitive.

### Checklist for G&SI-sensitive policies<sup>13</sup>

#### Content

- Context and justification:** G&SI issues are highlighted in introduction/situation analysis; rights-based international agreements and federal and state policies are referred to; relevant key equalities-related indicators are analysed (e.g. population, education, health, poverty – disaggregated by sex, Local Government Area [LGA], other social factors);
- Goals, objectives, indicators, activities:** These reflect G&SI inequalities issues identified in the introduction/situation analysis and address the needs of men, women, girls, boys and other priority groups as required;
- Target beneficiaries:** Socially excluded groups (male/female [M/F]), LGAs with poor outcomes are targeted based on need and evidence of effectiveness; infrastructure needs of priority groups (e.g. girls in school, people who are physically challenged) are taken into account;
- Implementation:** Implementers have the skills to deliver G&SI-sensitive services; socially excluded groups are involved in implementation;
- M&E:** M&E include a focus on equalities issues;
- Risks:** G&SI issues are taken into account in risk assessment and mitigations identified;
- Budget:** Where there is a budget, financial inputs reflect G&SI-related indicators.

#### Process

- Data and evidence:** Data disaggregated by sex and other social factors (e.g. LGA), participatory needs assessment and evidence of effectiveness inform planning;
- Partnership and engagement:** Partnerships are in place with MDAs, professional bodies, representatives of civil society, development partners, etc., to contribute to reductions in inequalities; M/F representatives of socially excluded groups are meaningfully involved in needs assessment, planning, M&E;
- Leadership:** Champions for G&SI equalities issues are identified in the plan;
- Resources and capability:** Planners and reviewers have capacity to input on G&SI issues;
- Communication:** Plans are in place for effective communication with partners on G&SI; there is a plan for documentation and dissemination of results to a range of audiences;
- M&E:** Members of socially excluded groups are meaningfully involved in M&E.

Developed from a range of sources including: *UNDP Gender Mainstreaming Manual*.

<sup>13</sup> For more details, see SPARC (2014) *Working with Ministries of Women Affairs for gender and social inclusion-sensitive Medium-Term Sector Strategies and budgets: Final project report*. Includes full G&SI checklist and results from a project to support Ministries of Women Affairs and Planning and Budget in increasing the equalities focus of plans and budgets.

## Annex 2: Mainstreaming Conflict Sensitivity into Plan Making

The first step to assuring the designed SDP and subsequent programmes are conflict sensitive is to conduct a conflict analysis, giving a clear picture of the drivers of conflict, the escalation and de-escalation dynamics and the role of central and more peripheral actors. This information should be used together with the overall problem statement to design an intervention that not only meets the intended goal, but also provides a measure of assurance that these interventions will not unintentionally create additional conflict dynamics.

### Conflict-Sensitive Policy-Making Cycle

Conflict-sensitive planning is called for in all conflict-affected contexts, regardless of the severity or frequency of violence, including in situations where underlying tensions have not recently resulted in violence. Conflict-sensitive planning situates the planning process within the conflict analysis. Conflict-sensitive planning and programme cycle includes three aspects: design, implementation and M&E.

#### I. Conflict-sensitive design

##### Who? Policy beneficiaries, project staff and operational partners

The selection of beneficiaries must relate to both the needs assessment (or other form of assessment) and the conflict analysis:

- Is the beneficiary selection based on need (i.e. in terms of equity) or should an entire community benefit, irrespective of differences in need (i.e. selection based on equality)?
- How does the selection relate to divisions within a community and what are the implications of that?

##### Where? Which geographic area to support

Determining the geographic area of support requires a full reflection of the relationship between the outcomes of the needs assessment process and the conflict analysis. The selection can have a direct influence on a conflict context; therefore, clear explanations of the selection of locations are essential for transparency, accountability and inclusivity.

##### When? Timing and length of intervention

In conflict situations, time management is a core resource. Several 'lessons learned' documents on conflict-related planning have highlighted the importance of timing in the injection of resources. Again, linking back to the conflict analysis is key. One element of the analysis demands particular attention and this issue concerns conflict triggers. Conflict triggers may be time-bound, such as an election or annual cycles of offensives linked to seasonal changes. Understanding triggers is important in deciding when to start and when to exit, and when contemplating any major changes in the intervention.

#### 2. Conflict-sensitive implementation

Conflict-sensitive implementation involves close scrutiny of the operational context through regularly updating the conflict analysis, linking this understanding of the context to the objective and process of achieving the activities, and adjusting these activities accordingly. See Figure A.1 as illustration of necessity to return to the analysis throughout the implementation of the interventions.

#### 3. Conflict-sensitive monitoring and evaluation

Conflict-sensitive monitoring will enable staff to gain a detailed understanding of the context, the intervention, and the interaction between the two. It introduces an understanding of conflict actors, profile, causes and dynamics to traditional monitoring processes and activities to inform required adjustments and changes to project or programme activities. In this way, conflict-sensitive monitoring helps ensure the intervention has as positive an impact as possible on conflict dynamics.

Naturally, policies and their associated programmes will come to an end. To ensure they remain conflict sensitive throughout the planning cycle, the entire intervention must be planned and executed in a sensitive manner. Broadly speaking, there are three approaches available: (a) withdrawal at termination of project; (b) extension of project; and (c) following up the project with a new phase.

To conflict sensitise this stage of the programme cycle, exit strategies need to be flexible enough to address changes in conflict dynamics, but proactive enough to ensure beneficiaries' expectations are not unduly raised. Decisions should respond to dynamics identified through the conflict analysis and subsequent monitoring.

## Conflict Sensitivity Checklist for Policies and Programmes

### Content

- Have you and your partners consulted with a wide range of local and national actors?
- Is there on-going consultation and involvement with all affected groups and factions in the area? Have you inadvertently excluded individuals or groups?
- Does the proposed intervention meet the needs of a range of interests, not just those of one powerful group?
- How have you ensured that the intervention's resources are not going to support a political faction or militia leaders?
- What specific efforts have to be undertaken to promote women in the project? What steps have you taken to ensure that women, youth and children are protected?
- How do your goals, objectives, procedures and behaviour demonstrate your impartiality? (Remembering that behaviour and values can influence how we are perceived: you can use a project you are involved in as a guide.)
- What steps have you taken to coordinate with others and to ensure that your partners are supported in this work? What accountability mechanisms do you have in place?
- How are you building long-term sustainability into relief and development interventions?
- How does your intervention encourage dialogue between the diverse groups in the community?
- How do your recruitment, tendering and dismissal processes ensure that opportunities for coexistence are maximised and dispute risk minimised? Do your development partners have access to/share your policies?
- What opportunities have you and your partners identified for engaging with traditional leaders, local courts, etc., for building relationships?
- Have you identified the role and credibility of security forces and local government in the project area?

## Annex 3: Glossary

**Activity:** Activities are the things that have to be done in order to bring inputs together to make outputs. In some contexts these are referred to as 'projects'. Examples of activities include: development of a database, building a school, recruiting staff, providing training and procuring equipment.

**Arrow and pillar approach:** A method of policy development where the arrow is a high-level goal and the pillars are the supporting programmes needed to achieve that goal.

**Budget Call Circular:** The circular sent out by the central planning or budget Ministry each year, ideally around July, giving guidance on the annual budget process, and providing MDA budget ceilings based upon fiscal projections and policy direction.

**Capital-recurrent ratio:** The ratio of capital expenditure to recurrent expenditure.

**Conflict sensitivity:** Conflict sensitivity means the ability to understand the context in which the plan operates; understanding the interaction between plan intervention and the context and acting upon the understanding of this interaction, in order to avoid negative impacts and maximise positive impacts.

**Cost/benefit analysis:** The process of comparing the costs involved in doing something to the advantage or profit that it may bring.

**Economic code:** The code in the budget document and chart of accounts referring to a separate type of expenditure by input.

**Equality:** Ensuring equality of opportunity between women and men, or socially excluded groups and the rest of society, so that all have equal rights and entitlements to human, social, economic and cultural development, and an equal voice in civic and political life.

**Equity:** The exercise of rights and entitlements leading to outcomes that are fair and just (e.g. ramps for buildings so that people with mobility problems can enter; pictorial signs for people who are unable to read, maternity leave).

**Executive:** That part of a government that is responsible for making certain that laws and decisions are put into action.

**Fiscal projection:** This is a projection over a defined medium-term period of the expected financial resources that will be available to a government unit (e.g. state government). It will normally be based upon

assumptions and estimates of key fiscal elements, including the assumed oil price and production volume, the level of taxation, the level of inflation and projection of gross domestic product (GDP).

**Gender:** Socially defined roles for men and women, girls and boys. This can vary widely based on differences in social norms, from area to area, region to region and country to country. Examples: women should/should not be able to choose paid employment; men can/cannot change a baby's diaper.

**Gross Domestic Product (GDP):** The total value of goods and services produced in a country (or part of a country) in a year.

**High-level goal:** A high-level objective or goal that exists at the level of the parent organisation, in this case for the state government. It describes a key result over the longer term towards which all combined activities and efforts should be aiming.

**Inputs:** These are what are needed to create outputs. If a road is an output, it needs the inputs of labour, planning, finance, materials and equipment to build it.

**Legislature:** The group of people in a country or part of a country who have the power to make and change laws.

**Medium-Term Sector Strategy (MTSS):** Medium-term strategies set out specific inputs and activities for a particular vote or small cluster of vote heads, to deliver specific outputs in the medium term (three years) and within the limitations of resource constraints so that it is realistic.

**MDA:** Ministry, department or agency, is a collective term covering ministries, non-ministerial agencies, and the departments within them. Each will normally have a separate budget vote functional code.

**MTEF:** A medium-term expenditure framework describes the outline division of planned expenditures over a medium term, all within the confines of projected known financial resource constraints.

**Outcome:** An outcome is a result that contributes to the achievement of a goal. It must contain reference to a measure of improvement in some aspect of business related to the goals of government. For example, fewer people suffering from diseases is an outcome. The result or effect of an activity, particularly insofar as it affects people.

**Output:** Something tangible and measurable produced by an activity or project, particularly a physical object or a physical measure of some activity (e.g. the number of training courses carried out).

**Policy:** A course or principle of action adopted or proposed by a government, party, business or individual. Policy making is the process by which governments translate their political vision into programmes and actions to deliver outcomes – desired change in the real world. Policy can take a range of different forms, including non-intervention, regulation, for instance, by licensing, or the encouragement of voluntary change, as well as direct public service provision.

**Programme:** A programme is a defined collection of inputs and activities, resulting in one or more outputs. It will normally include inputs under all of the three major budget groupings of personnel, overheads and capital.

**Project:** A piece of planned work or an activity that is finished over a set period and intended to achieve a particular aim.

**Sector:** A sector describes a discrete area of government business under which key outcomes are defined, normally at the Vote Head Ministry level, but it may include the work and outputs of more than one vote head category. So, for example, education outcomes might be contributed to by Ministries of Education, Science and Technology, and perhaps even Water Affairs.

**Social exclusion:** A process whereby certain individuals or groups are pushed to the edge of society and prevented from participating in economic, social and cultural life, because of factors such as poverty, age, gender, ethnicity, religion, location (e.g. slum or rural dweller), HIV status, marital status, mental health, physical or mental disability.

**Social inclusion:** Process to ensure that those at risk of poverty and social exclusion have the resources to participate fully in economic, social and cultural life and enjoy a standard of living and well-being that is considered normal in the society in which they live.

**Stakeholders:** People such as employees, customers or citizens or bodies such as non-governmental organisations, Community Based Organisations, MDAs, private sector organisations, development partners, unions or academic institutions, with an investment, share or interest in something such as an organisation, project, society, etc., and therefore have responsibilities towards it, and benefit from it.

**State plan:** An approved public document outlining a state's overarching policy position and the outcomes that the government expects these policies will deliver. The document describes how this will be done within the limitations of resource constraints, so that it is realistic. Also called a State Development Plan.

**Strategy:** A detailed plan for achieving objectives in situations such as politics, business, industry, war or sport, or the skill of planning for such situations. A statement about how policy outcomes and goals are to be achieved.

**Vision:** An aspirational description of what an organisation, in this case the state, would like to achieve or accomplish in the mid-term or long-term future. It is intended to serve as a clear guide for choosing current and future courses of action.

**Vote head:** Ministries and Agencies that are designated a main budget code number under which other MDAs are listed.



## Annex 4: Plan preparation checklist

### Policy process standards

1. Central Planning Ministry provides technical advice to policy makers (ExCo and SHoA) to an acceptable standard across the range of policy-making requirements (fiscal constraints, capacity constraints, public survey, baseline data on poverty and the economy, etc.).
2. Both the ExCo and the SHoA demonstrate through their performance an understanding of their respective roles in making policy.
3. State plan is reviewed annually and revised periodically according to the need shown by the outcome of the annual review.
4. Public commitment is made to the delivery of policy KPIs, and these are connected to service charters.
5. Inclusive approaches to involving the public in the development of policy priorities are being used.

### Policy content standards

1. State plan refers accurately to current state of the economy and service provision in the state, and reviews recent performance record of the government.
2. State plan identifies the core pillars of policy focus.
3. State plan includes Outcome level KPIs for the state.
4. State plan sets out basic statements of sector policy, including reference to major projects, and demonstrates how these are intended to contribute to the achievement of the core pillars and the KPIs.
5. State plan outlines a realistic plan for the reform of governance, including Public Service Management (PSM) and fiscal management plan.
6. State plan is able to demonstrate its general realism and feasibility by comparing general costs of implementation with outline fiscal projections and with expected outcomes from PSM improvement.
7. State plan demonstrates how it will deliver results in MDG achievement and G&SI.

# Notes



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