



PUBLIC SECTOR REFORM UNIT, OFFICE OF THE PRESIDENT

SECOND QUARTER PROGRESS REPORT

APRIL-JUNE 2012

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Introduction

This Report is for the period April to June 2012, and details activities undertaken by the Public Sector Reform Unit (PSRU) as articulated in its 2012 Annual Work Plan (AWP). During this Quarter the PSRU, in collaboration with its partners in the public sector, the Secretary to the Cabinet, HRMO, PSC, and OCOS, continued its efforts in establishing effective and responsive institutions, and improving on systems and processes for regulating and managing the Civil Service.

The Quarter saw the culmination of months of effort into a formal Financing Agreement with the World Bank to the tune of \$17M, for supporting Government's flagship programme for public sector reform, **"Pay and Performance Management Project"**. Implementation of activities for the three cornerstone components of the project, pay reform, recruitment and staffing, and performance management, continues to progress as planned.

Another significant activity this quarter was the commencement of the development of the 3rd Generation PRSP. With the finale of the 2nd Generation PRSP, the "Agenda for Change", approaching in December, Government embarked on the development of its successor, the Agenda for Prosperity (PRSP III). ***Good governance and public sector reform*** is prioritised as one of the seven pillars of the PRSP III, and the PSRU has been leading the process of developing the objectives and activities for this critical component.

During this period we maintained strong collaborative relationships with our partners in the public service especially the HRMO, PSC, MoFED, OCOS, Cabinet Secretariat, and the ACC. We also continued to collaborate with our external partners, particularly the World Bank, EU and the UNDP.

Pay and Performance Management Project (P&PP)

(Improving Productivity through Management and Pay Reforms)

On June 26th a formal Financing Agreement was signed between the GoSL, represented by H.E. Bockarie Stevens, Ambassador of Sierra Leone to the United States, and the World Bank, represented by Sergiy Kulyk, Acting Country Director, for support for the total sum of \$17M over a period of 4 years. The funding will be staggered in two Disbursement Categories, namely (i) Eligible Expenditure Programme (US\$15m) and (ii) Technical Assistance (US\$2m) within the Bank's results-based financing instrument, which links disbursements to the achievement of set targets called Disbursement Linked Indicators (DLIs).

As per the rules such agreements, after signing, the recipient has 90 days to complete certain legal and formal conditions. In the case of the P&PP, the following conditions must be met:

- i. Ratification/Authorization by Parliament
- ii. Presentation of Legal Opinion on Financing Agreement by Attorney-General
- iii. Development of Project Implementation Manual

The PSRU and its partners are striving to ensure that the three conditions for project effectiveness are met by the end of July, before the stipulated 90-day deadline of September 26th 2012.

Progress on P&PP Components and Deliverable-Linked Indicators

Carefully selected targets have been agreed with all three Implementing Agencies (IAs) for each of the components, for the 4-year project. Work is progressing on the targets set for Year 0, which effectively ends with the achievement of project effectiveness, as well as Year 1, which ends December 2012.

Specific actions pursued within each component include:

I. Pay reform

The targets set for this component are informed by the pay strategy approved by Cabinet in February 2011 which sets out a comprehensive approach to reforming public sector pay over a five-year period. Progress on the activities is as follows:

- *Market Remuneration Survey*

The objective of this exercise, which is a Year 0 DLI, is to provide the Civil Service with a quick, reliable, objective, and cost effective basis for establishing public sector pay levels using comparable work in the local market. The survey will provide reliable and up-to-date information on pay and benefits prevailing in the local labour market, and will inform recommendations on a revised pay system.

The three-week exercise commenced in the last week of June and an interim report is expected from the Consultant on July 16th, with a final report due at the end of the month.

- *Job Evaluation*

This comprehensive exercise will determine the relative value and size of individual jobs in the public sector under a fair and equitable assessment process, to inform the development of a revised pay and grading system. The exercise is expected to take place in 2013 (Year 2 in the project), but the initial steps for procuring professional services have begun. The Expression of Interest, and the Request For Quotation will be published both locally and internationally for this exercise.

- *Mainstreaming of LTAs*

The objective of this activity is to ensure a harmonised pay and grading system facilitated by open and merit-based recruitment procedures. A five-step Action Plan was developed for this activity, including development of a policy on public sector contract staff, which is currently being reviewed.

- *Payroll Integrity*

The aim of this activity is to strengthen payroll accuracy and transparency by minimising the discrepancies between the actual pay and the rates approved by the public service leadership. A ten-step Action Plan for achieving this target was developed and is in progress under the leadership of the HRMO.

II. Recruitment and staffing

The objective of this sub-component is to create a capable civil service of the right size and job composition to deliver its core functions assigned by government.

- *Development of open, competitive, and merit-based recruitment procedures*

The updated Civil Service Code, Regulations & Rules, which was approved by Cabinet in 2011, set out the basic principles of a recruitment policy for the civil service. In order to effectively lead this process, the PSC has been

revitalised, and now has a full complement of professional staff. The PSC has also developed a new open, competitive and competency based recruitment procedure to enable this policy to be implemented. These procedures will be formally reviewed and approved by the CSR Steering Committee.

- *Filling of priority vacancies in accordance with an Annual Recruitment plan*

This target aims to not only fill critical vacancies in the middle and senior levels, but also to ensure that recruitment into the public service is done in a coherent and timely manner based on need, absorptive capacity and sustainability. The Manpower and Budget Hearings conducted by HRMO will form the basis for the Annual Recruitment Plans. To facilitate this process, HR Managers have been recruited and deployed to MDAs, and a comprehensive training session on the development of good manpower plans was organized by the HRMO in May this year. In order to reduce the time it take sot fill vacancies, an annual calendar of activities for the recruitment process combining those related to manpower planning at the HRMO, budget planning at MoFED, and the recruitment procedures at the PSC, has been developed.

The disbursement-linked indicators (DLIs) to support progress in this area are:

- (a) Appropriate open, competitive and merit-based civil service recruitment procedures to be designed by PSC and approved by the Civil Service Steering Committee (Year 0)
- (b) Seven staff to be recruited at PSC and trained to manage recruitment and selection (Year 0)
- (c) At least 60% of Priority Vacancies to be filled in accordance with the

Annual Recruitment Plans and the approved Recruitment Procedures
(Year 1)

(d) At least 80% of Priority Vacancies to be filled in accordance with the
Annual Recruitment Plans and the approved Recruitment Procedures
(Year 2)

(e) At least 90 % of Priority Vacancies to be filled in accordance with the
Annual Recruitment Plans and the approved Recruitment Procedures
(Year 3)

(f) The number of LTAs to be integrated in accordance with an approved
Mainstreaming Policy and Action Plan (Year 2)

III. Performance management and accountability

There are two main activities under this component namely, performance contracts and performance appraisals.

While both of these activities have been initiated in the public sector at one point or another, significant progress has been made under this project to improve and harmonize the guidelines for both processes. The HRMO has developed comprehensive guidelines for the individual performance appraisal process, which will be used for the majority of the civil service in Grades 6 and below. The guidelines have been validated, and will be reviewed for approval by the CSSC in the early days of the Third quarter.

Similarly, the guidelines in use for performance contracts are being reviewed and updated by a joint SPU/ HRMO team. Already a total of ? senior level public servants, including those in the 8 pilot ministries, have signed contracts with specific and ambitious targets, which will be evaluated by the SPU/HRMO team.

Capacity Building: World Bank Institute Leadership for Results/ Rapid Results Approach

I WILL INSERT THIS LATER ON TODAY.

Agenda for Prosperity: Development of Pillar 7

STILL NEEDS TO BE ADDED.

Teachers' Records Management Improvement Project (TRMIP)

The second phase of the Teachers' Records Management Improvement Programme, i.e. verification of Teachers and schools, continues to progress. The team is in the final stages of their nationwide verification of teachers. As of June a total of ? teachers of all categories on Government Payroll have been interviewed, with related supporting personnel documents sorted, filed, foliated, recorded on checklists, scanned and indexed in the scanning software.

In view of the significant delayed disbursement of funds for phase 2 from the AfDB, the PSRU requested for an extension of the August 31 deadline through the Ministry of Finance and Economic Development. This extension has been formally granted (??? HAS IT??), and the current deadline for the project is ? November 2012 .

As per the current plan, verification of teachers will continue until ?, after which the focus will shift to resolving the anomalies in the personnel databases, (MR. KAWA TO PROVIDE INFO)? . The team has also been working on finalising a comprehensive teachers' records management guide for all stakeholders responsible for managing these records, including the Ministry of Education, Science, and Technology; principals/ headmasters of schools; the 'Standards and Guidelines for Managing

Teachers' Records' has been reviewed by relevant stakeholders, and will be validated at a Workshop on 4 July 2012.

Management and Functional Reviews (MFR)

The PSRU continued to use the Management and Functional Reviews (MFR) as the entry points to access the institutional, structural and human resources capacities of Ministries, Departments and Agencies (MDA), and to discuss and recommend the way forward.

Upon request from the Ministry of Finance and Economic Development, we commenced a review of the Assets Commission with a view to clarifying its mandate and developing an achievable plan of work. An initial meeting has been held with key stakeholders, including the Chairman, Commissioners, and staff. During the meeting, these key stakeholders expressed concerns about the lack of clarity and coordination between the Assets Commission and the Ministry of Works, Housing and Infrastructure, which has been affecting the performance of both institutions.

With regards to the recent re-review conducted with the Ministry of Energy and Water Resources, the final report has since been issued. The Ministry with support from the PSRU, HRMO, and PSC, is currently working on implementing the recommendations to address its critical human resource gaps. A draft report has also been issued for the re-review conducted on Ministry of Fisheries and Marine Resources and is being studied by the Ministry.

Technical backstopping

In line with its mandate to provide support and technical backstopping to public institutions, the PSRU actively participated in numerous meetings, workshops, and related activities. In addition to routine technical support to the leadership of the Civil Service and MDAs, PSRU participated in the following:

WE NEED TO ADD THE VARIOUS MEETINGS/ WORKSHOPS/ ETC STAFF PARTICIPATED IN

Communications

As part of the Technical Support component of the World Bank supported P&PP, a comprehensive Communications Strategy for Public Sector Reform is being developed. Initial activities in developing this strategy include organizing focus group discussions and interviews with various stakeholders in the public sector. These discussions will be held in the early weeks of July in Freetown, Makeni, Bo and Kenema, and will include stakeholders in the civil service as well as the Local Government service.

Conclusion

The activities highlighted in this Report signal a continued commitment by GoSL and development partners to strengthening the capacity of the public service to deliver efficient and reliable services. The support being provided by the World Bank under the P&PP addresses the three most critical challenges facing the public sector. This support complements the on-going support being provided by UNDP to Civil Service reform. It will be augmented in the near future by the EU support to the public service reform agenda, including targeted support to civil service institutions such

as HRMO. These interventions are all being operationalized at an opportune time, with the development of the PRSP III. We have an opportunity to not only ensure the alignment of development support to public sector reforms to the national development priorities, but also to evaluate recent and current interventions to assess their relevance and effect on the people of Sierra Leone.

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