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**ASSESSING THE PERFORMANCE OF LOCAL AUTHORITIES IN
ZAMBIA DURING THE COVID-19 PANDEMIC**

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LIST OF ACRONYMS

Covid-19: Corona Virus Disease of 2019

GDP: Gross Domestic Product

GRZ: Government of the Republic of Zambia

ICT: Information Communication Technology

KII: Key Informant Interviews

LGSC: Local Government Service Commission

MLGH: Ministry of Local Government and Housing

MoH: Ministry of Health

SDG: Sustainable Developments Goals

WHO: World Health Organization

ABSTRACT

The Covid-19 pandemic has had far-reaching impacts on human well-being, consequently affecting the operations and delivery of services by governments around the world. In many cases, the effective provision of essential services has been limited at both national and local levels of government. This study aims to assess the performance and challenges faced by the local authorities in Zambia in the wake of the Covid-19 pandemic by collecting both qualitative and quantitative data. Qualitative data was collected from the Ministry of Local Government and Housing (MLGH) and the Covid-19 Advisory Center for Local Authorities, while quantitative data was collected from 32 local authorities across nine provinces in Zambia. Quantitative data was analyzed using descriptive statistics, while qualitative data was analyzed using theme assignment.

The study has established that Covid-19 has affected the provision of key services by local authorities in Zambia, with some services suspended and others increased. It has also established that local authorities in Zambia faced new challenges during the Covid-19 pandemic, such as increased operational costs arising from adopting Covid-19 compliance systems. As a result, local authorities, in adherence to WHO and MoH guidelines, have had to employ various response strategies, including social distancing, masking, and hand sanitizing. The study recommends a look into sustainable solutions for councils and long-lasting measures to address the effects of the pandemic and the challenges being faced by the local authorities.

Keywords: Covid-19, Zambia, local authorities, service provision

1. INTRODUCTION

The Coronavirus Disease 2019 (Covid-19) has had devastating effects on the global economy, with widespread outcomes on health, social, and economic systems. Global statistics obtained from the World Health Organization (WHO) Covid-19 Dashboard show that, as of June 7th, 2021, there were over 173 million confirmed cases of Covid-19 and 3.7 million deaths. In order to contain the spread of the disease, governments in Africa and around the world rapidly adopted various policy measures, among them complete lockdowns, partial lockdowns, and no lockdown (United Nations, 2020).

The lockdown measures have severely impacted various sectors of the economy. For instance, the manufacturing sector has experienced reduced production of goods, while the services sector was severely affected, resulting in the disruption of key services around the world. According to COMESA (2020), the containment measures employed by governments have tremendously affected production, global demand, and supply of goods and services. The Covid-19 pandemic has also had far reaching impacts on human well-being, thereby changing how governments the world-over operate and deliver their services. Governments at all levels have been forced to rapidly organize, implement, and finance responses to both public health and economic crises (Green and Loualiche, 2020). One key level of government adversely affected by the Covid-19 pandemic has been the local government services sector, which forms a significant part of the services sector. Various containment measures imposed by health authorities and fear of contracting the virus by local government service consumers have affected the way local authorities operate, thus preventing them from efficiently and effectively providing the essential services that they are mandated to provide.

The importance of local authorities in any society cannot be overemphasized. Local authorities perform a diverse range of functions and also play a crucial role in the governance system of any country around the globe. Their mandate is centered around tackling key developmental challenges faced by people in different areas within a country. For this reason, the Sustainable Development Goals (SDGs) have reinforced their importance through SDG 11, which aims to make cities and human settlements inclusive, safe, resilient and sustainable by 2030 (UN, 2015). Local authorities can achieve this by ensuring access for all to safe and affordable housing and basic services, investing in public transport, creating green public spaces, and improving human settlement planning and management in participatory, integrated and sustainable ways (UN, 2015).

A large and growing body of research affirms the importance of local authorities in the provision of services in a country, as local authorities are seen to play a key role in a wide variety of state functions relating to public service delivery, rural development, and the delivery of social security mechanisms (Rondinelli, Nellis, and Cheema, 1983; Heller, Harilal, and Chaudhuri, 2007; Faguet, 2012). The importance of local authorities in service delivery is highlighted by the following points: (i) they are more closely connected to public and better able to navigate context-specific local conditions; (ii) they are themselves embedded within the societies that they serve and likely to be more responsive to the public's urgent needs; and (iii) they are often perceived as more legitimate than other external actors for carrying out different kinds of state regulatory functions (Manor, 1999; Dutta and Fischer, 2020).

Globally, Covid-19 has impacted the operations of different levels of government, affecting their budgets and operations. Governments generally had to shift their focus from activities such as capital projects to Covid-19 containment activities. Similarly, the local governments had to shift their attention to operational issues. This is because local authorities are also critical in the implementation of containment measures. As a result, the pandemic has had an impact on expenditure as well as revenues for the local authorities to the extent that it has widened the gap between expenditure and revenue (IFC 2020; OECD, 2020; OECD, 2021). Expenditure increased as councils had to buy new Covid-19-friendly equipment and were involved in the provision of services aimed at containing the virus. At the same time, as a result of the virus, restrictions caused the local authorities to either reduce or halt the provision of certain services, as well as the collection of some forms of revenue. In Africa, IFC (2020) estimated a 30-65% reduction in Local Government revenues. In Uganda, Mbabazi *et al.* (2020) observed that Covid-19 imposed various operational challenges which included failure to meet the minimum operational conditions, lack of facilitation equipment for staff to work from home, and suspension of council meetings, among others.

Due to the various challenges faced by the local authorities in Africa in the wake of the Covid-19 pandemic, this study aims to assess the performance of local authorities in Zambia. This study is particularly significant due to the fact that the services sector, which local authorities fall under, accounts for over 50 percent of Zambia's GDP, making it one of the most important sectors in the country.

1.1. STUDY OBJECTIVES

The goal of this research is to assess the performance of the local authorities in Zambia in the wake of the Covid-19 pandemic. Specifically, the study intends to:

- i). Determine the effect of Covid-19 on the provision of key services by the local authorities in Zambia.
- ii). Identify the challenges faced by the local authorities in undertaking their key functions.
- iii). Establish the response strategies being put in place by local authorities to mitigate the impacts of Covid-19.

1.2. Local Government Landscape in Zambia

Zambia is a lower middle income country in Southern Africa with a population of approximately 17 million. It is a unitary state and divided into 10 provinces, with each province further divided into districts. The country has two spheres of government, national and local, of which the local authorities fall under the local government sphere. There are a total of 103 local authorities in Zambia, comprising 5 city councils, 14 municipal councils and 84 district/town councils. Distinction among the types of local authorities is based on the number of people in the jurisdiction, population density, location and diversity of economic activities. City councils need to have more than 100,000 people with high population density, and they typically contain a relatively wide diversity of economic activities. Municipal councils are in peri- and suburban areas, with at least 30,000 people, while town councils are found in relatively rural regions where population is lower and there is a greater prevalence of agricultural activity (GRZ, 2017).

The functions of local authorities are quite diverse and may vary by type of council. The Local Government Act number 2 of 2019 mandates the local authorities to provide the following services as summarized in table 1.2.1 below:

Table 1.2.1: Major Services Offered by the Local Authorities

Principle Service	Includes
Agriculture	Preserve of agricultural produce; conserve natural resources; prevention of soil erosion; control of plant and insect pests and diseases; protect forests and wood lands; control the keeping and movement of livestock; control the slaughtering of animals for human consumption; control the movement of the carcasses of animals, etc.
Public street and street	Establish and maintain local roads; prohibit and control the erection of street decorations, structures etc; control traffic and the parking of vehicles and establish; promote road safety.
Community Development	Street lighting, firefighting and prevention services; establish markets, and accommodation, control persons the sale or distribution of items of food or drink; prohibit and control land development; assign names to localities, and numbers to premises which shall be displayed at the premises.
Public Amenities and Public Order	Establish and maintain parks, zoos, gardens, pleasure grounds; establish and maintain art galleries, libraries, museum and film services; social and recreational facilities and public entertainments etc. Control places of entertainment; preserve public decency; prevent damage and trespass to property
Public Health	Establish and maintain environmental health services; Establish and maintain cemeteries; promote public health; prevent and abate of nuisances and disease causing organisms.
Registration	Registration of property, births, marriages and deaths, clubs etc.
Sanitation and drainage	Establish and maintain sanitary convenience and ablution facilities; sanitary services, sewer, drainages; provide and maintain supplies of water.
Additional devolved functions of a local authority	Carry out communication services; maintain pontoons, ferries, jetties, piers and harbours; develop trading regulations; manage museums; manage refuse removal, refuse dumps and disposal of solid waste.

Source: Local Government Act number 2 of 2019 Section 16.

Although the local authorities have an important role in providing public services to communities and businesses, they often face challenges in discharging their functions. One of the major challenges the local authorities are confronted with is that of raising sufficient revenue, which hinders them from delivering their services (Chikulo, 2009). The local governments generally raise revenue from property rates, levies, user charges, personal levies, and licenses. In addition to these sources, local authorities also benefit from intergovernmental fiscal transfers in the form of the Local Government Equalization Fund (LGEF), Grants-in-Lieu of Rates, and the Constituency Development Fund (CDF), which are generally earmarked for different activities. According to the Local Government Act No. 2 of 2019, 20% of the Local Government Equalisation Fund, disbursed monthly, should be used to finance capital projects while the remaining 80% should be utilized for salaries and other operations (GRZ, 2019). The Constituency Development Fund (CDF), on the other hand, is meant to finance community-based micro projects (GRZ, 2019). The Grants-in-Lieu of Rates is meant for the

compensation of local authorities for central government buildings in the local authority's jurisdiction, which are exempted from paying property rates (UN-HABITAT, 2013).

The local authorities in Zambia derive their powers from the constitutional provision for local government, particularly the Local Government Act No. 2 of 2019, which allows for a system of local government in Zambia. The Ministry of Local Government and Housing (MLGH) is charged with the oversight of local authorities. The mission of the ministry is “to promote a decentralized and democratic local government system and facilitate the provision of efficient delivery of quality housing, infrastructure and other social services by local authorities and other stakeholders for sustainable development” (CLGF, 2019).

The laws governing the operations of the local authorities have changed over time since the country gained independence from Britain in 1964. The first Local Government Act—Local Government Act (LGA) No. 69—was enacted in 1965, a year after independence, replacing the Native Authority Ordinance which had been enacted by the colonialists prior to independence. The Act outlined the authorized functions of all councils and the additional functions of municipal councils such as the establishment of electricity supply in townships, agriculture, grazing ground for animals, and forest control, among others (Sakala, 2014). The LGA No. 69 of 1965 was replaced 15 years later with the Local Administration Act (LAA) No. 15 of 1980, which was designed to provide for a unified and integrated local administration system by abolishing city, municipal, and township councils in both urban and rural areas (Sakala, 2014). Most of these functions were then apportioned to district councils within the guidelines stipulated by UNIP Party¹ policies and programmes (LAA 1980: 1227). Due to the failure to separate civil and political functions at the district level, however, the LAA No. 15 of 1980 was repealed and replaced by the LGA No. 22 of 1991. This saw the re-introduction of many of the provisions of the LGA of 1965, for instance the re-introduction of the mayoral system and the delinking of the ruling party from all civil service and state apparatus.

The Act was yet again repealed and replaced with the LGA No. 2 of 2019 which places great emphasis on the decentralization of decision making to local authorities. Successive governments have pushed a decentralization agenda as a major policy goal without much success, though decentralization can

¹ United National Independence Party (UNIP), the only political and ruling party at that time.

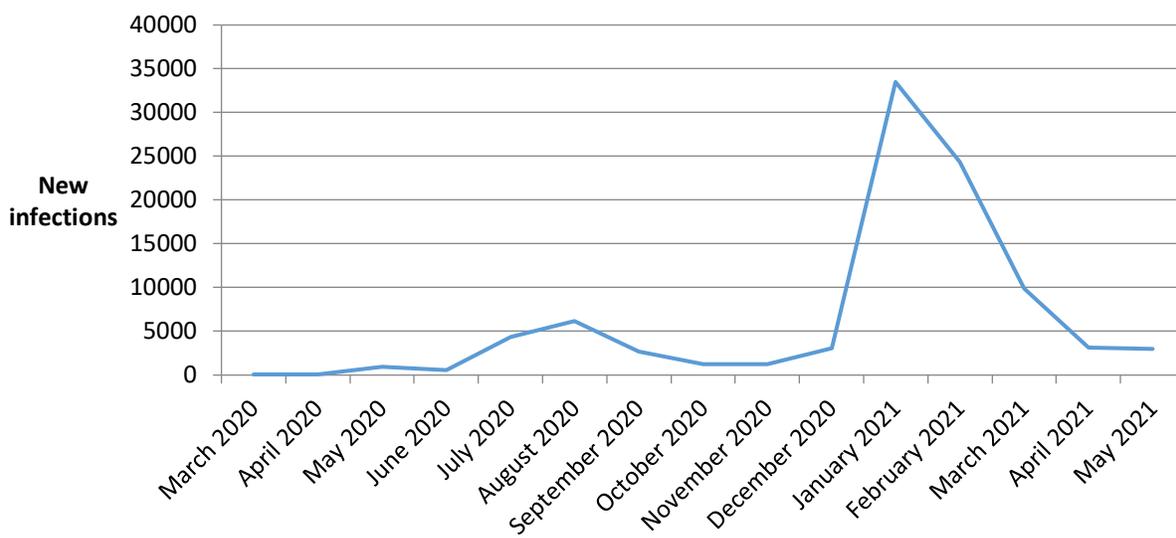
be important for a vast country with major regional disparities like Zambia. First and foremost, it has the potential to improve service delivery as it ensures that governance is brought closer to the people who themselves take part in decision making (Resnick *et. al.*, 2019). Secondly, it ensures that decisions are tailored according to the tastes and preferences of those in the local authority (Wallace and Oats, 1998). Furthermore, decentralization also ensures political accountability and greater citizens' participation in the political process due to the small nature of the jurisdiction (Resnick *et. al.*, 2019).

Despite repeated attempts to implement a decentralization agenda, various factors have impeded the effective implementation of the agenda. These factors include an unwillingness to cede autonomy to local authorities by the national or state government, and further conflicts between national and local governments as the former aims to retain power and relevance in key policy domains while the latter seeks greater autonomy, especially when devolution has been legally implemented (Resnick *et al.*, 2019). Another impeding factor has been the mismatch in incentives between bureaucrats, who are concerned with job security and career fulfillment, and politicians, who are interested in delivering for their constituencies and obtaining reelection (Resnick *et al.*, 2019). Politicians will often bypass formal procedures in order to gather votes while bureaucrats will follow procedure and respect authority. In 2012, for example, the ruling party legalized street vending, at least up to a time when alternative trading places would be made available. This policy, however, came without regard of street trade management and public health issues such as availability of toilets, clean water sources, and solid waste management, among others. These factors remain major contributors as to why local authorities remain constrained in their capacity to deliver developmental goods and services to the communities they serve (Resnick *et al.*, 2019).

1.3. Covid-19 and Local Authorities in Zambia

With the first infections of Covid-19 being detected at the end of 2019 in China, the pandemic only reached Zambia in March 2020. The first confirmed case was detected during a 14 day remote monitoring of a married couple who had travelled to France. Since then, there has been a steady rise in new infections, with some periods experiencing sharp increases. As observed in Figure 1.3.1, the country experienced a steady rise in new infections from June through August 2020, attributed to the cold weather. Thereafter, new infections dropped and remained relatively stable from August until December 2020, when there was a sharp spike in the new infections arising from the newer SARS-CoV-2 variant.

Figure 1.3.1: Monthly Covid-19 New Infections in Zambia



Source: Authors compilation from COMESA Statistics Data hub, <https://comstat.comesa.int/COVID-19>.

In terms of districts, the capital Lusaka, Copperbelt, and Ndola districts have consistently reported the highest transmission rates. The high rates recorded in these places could be attributed to increased testing capacity, with an average of 4,000 daily tests (OCHA, 2020). It is important to note that in Zambia the testing capacity is highly centralized, thus resulting in most districts not having sufficient supplies in stock to sustain testing.

The Government of the Republic of Zambia (GRZ), through the Ministry of Health (MoH), has put in place preventative and control measures to upscale national preparedness, and surveillance and response measures to address the threat of the outbreak (Mulenga *et al.*, forthcoming). Some of the measures put in place are rotational working schedules, adherence to social distancing and crowding, and banning non-essential travels. Other measures implemented include: review of the issuance of visas for travelers to Zambia from countries affected by Covid-19; mass testing; restriction of public gatherings of more than 50 people; limiting restaurant operations to a takeaway and delivery basis; closure of all bars, night clubs, cinemas, gymnasiums and casinos; and closure of all international airports, with the exception of Kenneth Kaunda International Airport, so as to ensure efficient and effective screening of travelers; among others (Mulenga *et al.*, forthcoming). As mandated by the Local Government Act, local authorities play an important role in the enforcement of these measures.

Because of the large and heterogeneous nature of the country, centralized decision making may prove to be ineffective or inefficient in tackling the pandemic, highlighting the need for enforcement by local authorities, as their operations are much closer to the people. Moreover, their diverse functions, which include the licensing of shops, bars, night clubs, cinemas, gymnasiums and casinos, help to ensure that these business entities strictly adhere to the Covid-19 guidelines set out by the MoH. This need for local authorities to enforce Covid-19 measures raises an important question: How has Covid-19 affected the operations of local authorities? Since local authorities account for a large share of overall government service provision, the Covid-19 pandemic has created unprecedented challenges in the delivery of key services in their jurisdictions. Owing to their diverse functions, the emergence of the Covid-19 has affected the operations of the local authorities in that they cannot perform their tasks of delivering services to the people effectively, as some services were suspended in order to adhere to health guidelines. This study is therefore timely as it aims to assess their performance during this period.

2. METHODOLOGY

2.1. Study Design

This study used a cross-sectional study design offering a snapshot of the effect of Covid-19 on local authorities. The study employed a mixed method approach involving the use of both quantitative and qualitative data collection methods. The mixed approach research design allowed for results from both data collection methods to be compared, thereby providing a more comprehensive picture of the results.

2.2. Sampling Frame and Sampling Design

This study focused on all local authorities in all districts of Zambia. The total number of local authorities in Zambia was 103 of which 5 are city councils, 14 are municipal councils and 84 are district councils. Thus, 103 councils formed the sampling frame for this study. Reports indicated that cities, provincial headquarters and border towns had higher Covid-19 infection rates. Based on this information, this study focused on all cities, provincial headquarters, border towns, and some rural towns. To ensure that the sample covered these characteristics, the study used purposive sampling to select a sample of 34 local authorities. The sample comprised four city councils, eight municipal councils, and twenty town councils. In total, the study collected information from local authorities in

nine out of ten provinces of Zambia, namely, Lusaka, Copperbelt, Central, Eastern, Northern, Muchinga, Luapula, Western, and Southern.

2.3. Data Collection

The data for the survey was collected using a standardized questionnaire administered to all the 34 local authorities. 32 of the 34 councils responded, yielding a 94.12% response rate. Two local authorities did not return the questionnaires distributed to them. The questionnaires were distributed to local authority administrators or other senior officers. The information was collected through both face-to-face interviews and through phone interviews where necessary. In addition, 2 Key Informant Interviews (KII) were conducted with Ministry of Local Government and Housing (MLGH) and the Covid-19 Advisory Center for Local Authorities) to get their views on the impact of Covid-19 on the general performance of councils countrywide.

2.4. Data Analysis

Data collected through self-administered questionnaires was first coded, entered, cleaned, and analysed using Microsoft Excel and SPSS 21. For quantitative data, analysis took the form of descriptive statistics while qualitative data obtained from KIIs was analysed through assigning of themes and incorporated into the discussion of results section.

3. FINDINGS

3.1. Characteristics of the Sampled Local Authorities

Table 3.1.1 below presents the characteristics of the sampled local authorities. The table shows that 62.5% of the councils were town councils, 25% were municipal councils and 12.5% were city councils. The table also shows the distribution of the sample across provinces. Lusaka had the highest percentage of sampled councils (15.6%) as it was the hardest hit province while North Western province had 0% because the councils did not respond to the questionnaires sent to them.

Table 3.1.1: Characteristics of the Sampled Local Authorities

VARIABLE	Percent	Number
Type of Council		
City	12.5	4
Municipal	25	8
Town	62.5	20
Province		
Northern	12.5	4
Southern	12.5	4
Eastern	6.3	2
Western	12.5	4
Central	12.5	4
North Western	0	0
Luapula	6.3	2
Muchinga	9.4	3
Copperbelt	12.5	4
Lusaka	15.6	5

3.2. Effect of Covid-19 on Service Provision

As result of Covid-19, some local authorities closed temporarily to disinfect the offices. According to Figure 3.2.1, 32.26% of the councils reported to have closed during the period of the pandemic. The figure also shows that 54.84% of the councils temporarily suspended the services they offer during the pandemic period. The suspended services included leisure and sports, community development, valuation services, registration, and library services. Other services suspended included dog registration and field exercises. Administrative services were also impacted due to rotation of workers. In some local authorities, council and committee meetings were suspended.

Figure 3.2.1: Local Authorities that Closed Temporarily (suspend services) due to the Covid-19 Outbreak.

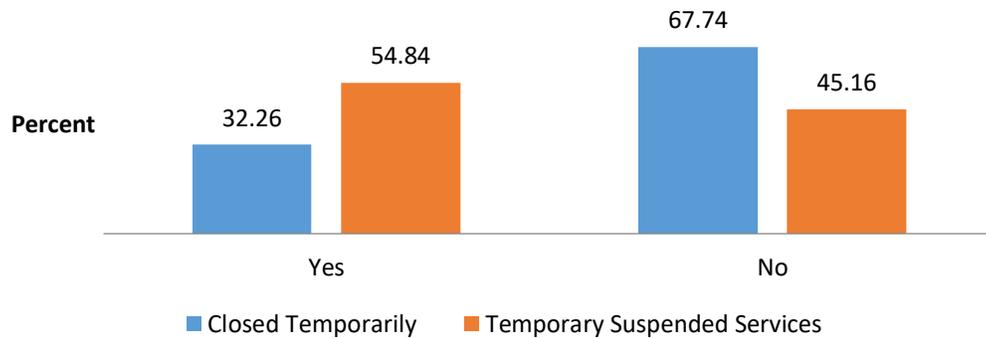
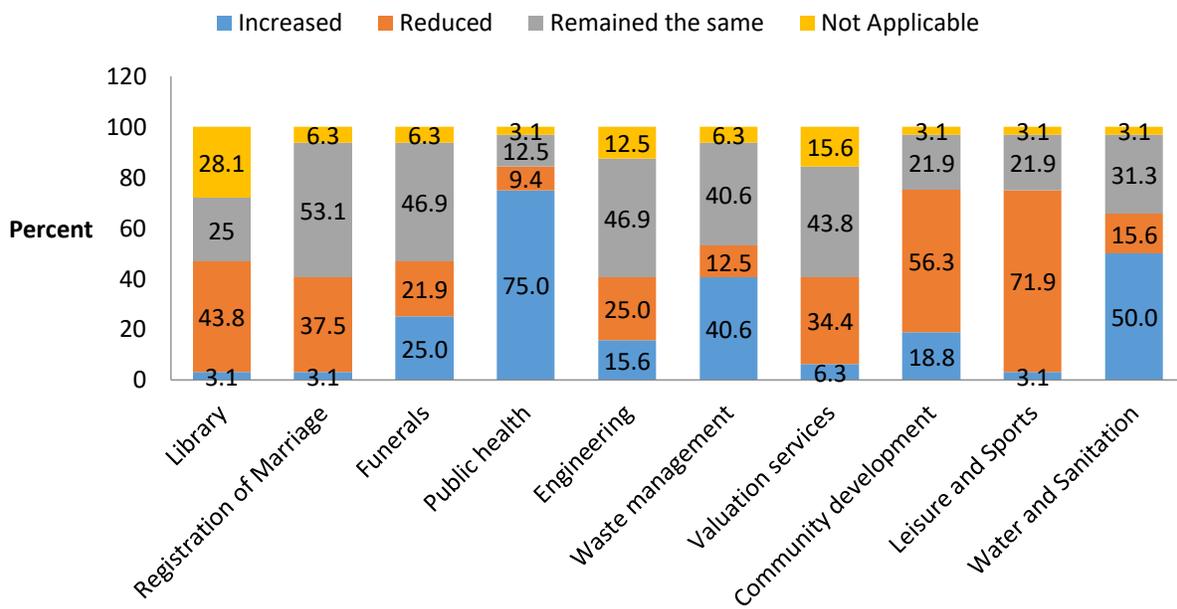


Figure 3.2.2 below indicates how the various key services provided by councils were impacted. According to the figure, various services were affected differently: Some services increased, others reduced, while others remained the same. Most councils (75%) reported an increase in public health services, 50% reported an increase in water and sanitation services, and 40.6% reported an increase in waste management services. In terms of services that reduced as a result of Covid-19, 71.9% of the councils indicated a reduction in leisure and sports services, 56.3% indicated a reduction in community development services, while 43.8% indicated a reduction in library services.

Figure 3.2.2: Covid-19 Impact on Key Services



3.3. Mitigation and Response Measures

In order to respond to the pandemic, local authorities reported the introduction of other services, and an increase in some of the services they provided. These services included: capacity building on Covid-19 preventive measures, awareness campaigns, disinfection of public premises, inspection of premises for adherence to health guidelines, provision of hand-washing facilities in markets and bus stations, and reduced funeral gatherings, among others.

Local authorities also introduced various measures to ensure business continuity. Figure 3.3.1 below shows that rotation of workforce (90.6%), online transactions (50%) such as e-billing, online meetings (81.3%) and remote working (56.3%) ranked highly in terms of the measures to ensure business continuity. Table 3.3.1 further shows the Covid-19 response measures by type of council.

Figure 3.3.1: Covid-19 Response Measures

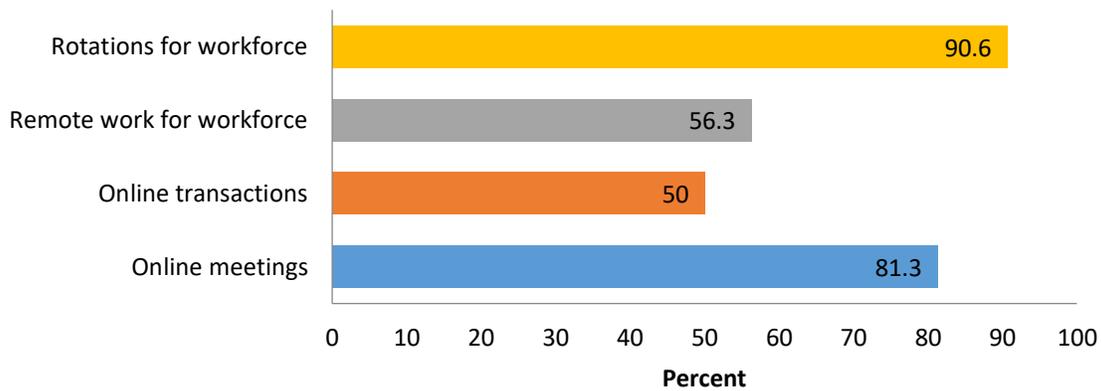


Table 3.3.1: Covid-19 Response Measures by Type of Council

	City Council	Municipal Council	Town Council
Online meetings			
Yes	100.0%	75.0%	80.0%
No	0.0%	25.0%	20.0%
Online transactions			
Yes	75.0%	12.5%	60.0%
No	25.0%	87.5%	40.0%
Rotations for workforce			
Yes	100.0%	75.0%	95.0%
No	0.0%	25.0%	5.0%

3.4. Effect of Covid-19 on Revenue

The Covid-19 pandemic not only affected service provision but also the cost of operations and revenue generation by the councils. The majority of the councils reported an increase in costs of operations and reduced revenues. Figure 3.4.1 below shows the effect of the pandemic on revenue and costs. The figure shows that 74.19% of the councils reported increased operation costs resulting from the pandemic. In terms of revenue, 83.87% of the councils experienced a reduction in revenues.

Figure 3.4.1: Effect of Covid-19 on Operation Costs and Revenue

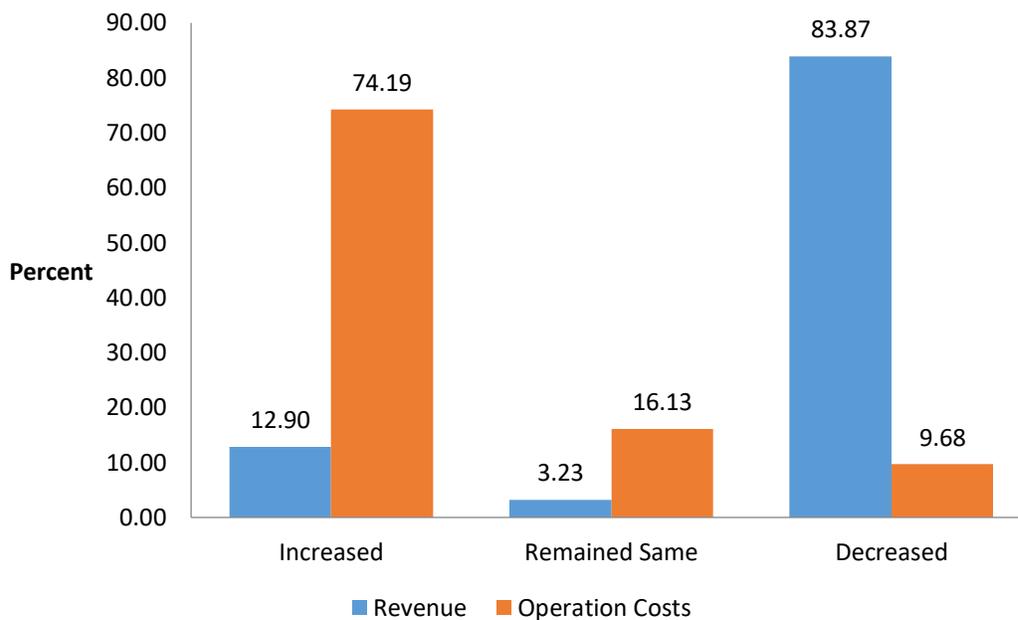


Table 3.4.1 shows revenue changes by type of council, province, and source of revenue. The table indicates that all of the councils experienced a reduction in revenue, with 100% of city councils, 87.5% of municipal councils, and 75% of town councils reporting a reduction in revenues. All (100%) of the councils in Eastern, Luapula, Muchinga and Southern Provinces reported a reduction in revenue followed by Lusaka (80%), while only 50% of the councils in Northern Province experienced a reduction. In terms of sources of revenue, the figure shows that most councils reported a reduction in all revenue sources (property rates, levies, user charge, personal levies, and licenses) with the exception of inter-governmental transfers, which most (56.3%) councils reported to have increased.

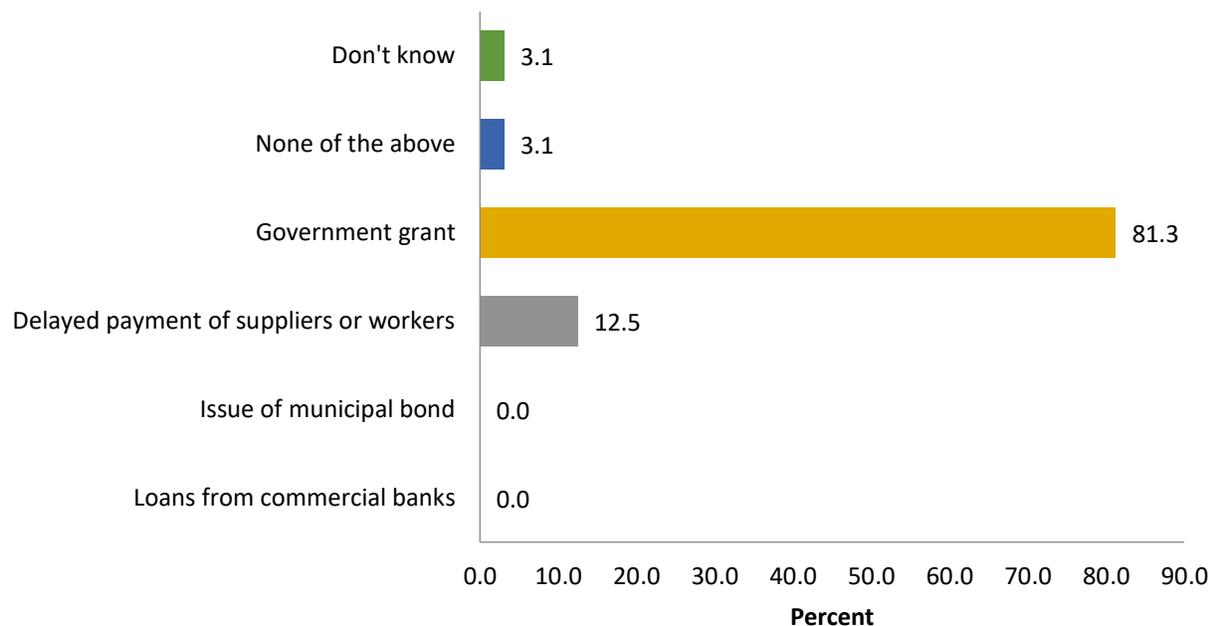
Table 3.4.1: Revenue Changes by Type of Council, Province and Source of Revenue

	REVENUE CHANGES			
	Increased	Remained Same	Reduced	Non-Response
TYPE OF COUNCIL				
City	0.00%	0.00%	100.00%	0.00%
Municipal	12.50%	0.00%	87.50%	0.00%
Town	15.00%	5.00%	75.00%	5.00%
PROVINCE				
Central	0.00%	25.00%	75.00%	0.00%
Copperbelt	25.00%	0.00%	75.00%	0.00%
Eastern	0.00%	0.00%	100.00%	0.00%
Luapula	0.00%	0.00%	100.00%	0.00%
Lusaka	20.00%	0.00%	80.00%	0.00%
Muchinga	0.00%	0.00%	100.00%	0.00%
Northern	25.00%	0.00%	50.00%	25.00%
Southern	0.00%	0.00%	100.00%	0.00%
Western	25.00%	0.00%	75.00%	0.00%
REVENUE SOURCE				
Intergovernmental Transfer	9.40%	56.30%	28.10%	6.30%
Property Rates	3.10%	25.00%	62.50%	9.40%
Levies	12.50%	15.60%	68.60%	3.10%
User Charge	9.40%	21.90%	65.60%	3.10%
Personal Levy	3.10%	28.10%	65.60%	3.10%
Licenses	9.40%	12.50%	75.00%	3.10%

3.5. Cash Flow Mitigation Measures

To mitigate the cash flow effects of the pandemic, almost all of the councils (81.3%) relied upon government grants, as indicated in Figure 3.5.1, although some councils reported that these were mostly in the form of promissory notes. Very few councils (12.5%) used delayed payments to suppliers or workers to deal with cash flow shortages.

Figure 3.5.1: Cash Flow Mitigation Measures



4. DISCUSSION OF FINDINGS

The overarching goal of this study is to assess the performance of the local authorities in Zambia in the wake of the Covid-19 pandemic. Specifically, the study has three objectives: to determine the effect of Covid-19 on the provision of key services by the local authorities in Zambia; to identify the challenges faced by the local authorities in undertaking their key functions; and to establish the response strategies being put in place by local authorities to mitigate the impacts of Covid-19.

The study has established that all of the local authorities sampled continued providing services, although some temporarily suspended certain services. The services temporarily suspended included leisure and sports, community development, valuation services, registration, and library services. Other services suspended included dog registration and field exercises. Administrative services were also impacted due to rotation of workers. Provision of some services such as public health services, water and sanitation services, and waste management services increased in most councils, while services like leisure and sports, community development, and library services were reduced in most councils. The KIIs established that no council closed completely, other than in a few temporary cases in which offices were disinfected. A similar observation was made by UNCDF and COBAMS (2020)

that, in Uganda, infrastructure maintenance, provision of social services, and official meetings, among others, were severely affected.

Although local authorities have always faced many challenges in their operations even before the pandemic, new challenges have emerged as a result of Covid-19. According to the results of this study, the cost of operation in most local authorities has increased arising from the adoption of Covid-19 compliant systems and response measures. According to KIIs, operation costs have been triggered by the need to sensitize, ensure adherence to guidelines, increased patrols and inspections, and the acquisition of face masks, disinfectants and sanitizers. Our results are consistent with the findings of Petek (2021) who found that globally, operation costs in local authorities arose from additional employment costs such as overtime and introduction of new protocols to provide services amidst the pandemic.

The Covid-19 pandemic also affected revenue for local authorities negatively. Revenues have been generally decreased because Covid-19 affected key sources of revenue. According to one key informant, service provision had reduced especially during the first wave of the pandemic, adversely affecting revenue collection as people were compelled to stay indoors and avoid movement. Most business closed or scaled down operations, negatively affecting revenues for councils. Local authorities also offer a number of services that are financed with user charges and fees such as lodges, garbage collection, car parks, etc. Covid-19 negatively impacted these business activities, subsequently limiting revenue sources. Further, the number of customers the councils attended to on a daily basis reduced due to social distancing requirements. Due to these factors, revenues for local authorities have dwindled. Similarly, in Uganda, UNCDF *et al.* (2020) observed that Covid-19 impacted fiscal space and ultimately service provision in local governments.

The study also observed that most local governments relied upon statutory government grants to cushion cash flow challenges during the pandemic. Considering that revenue was reduced as a result of decreased services due to Covid-19 restrictions, most local governments relied upon the statutory intergovernmental fiscal transfers (grants) to sustain their operations. Government equalization funds are inflexible, however, as they are determined through national budgets and thus cannot be increased to respond to unplanned expenditure needs. Grants such as the CDF and the LGEF are characterized

by challenges such as delayed disbursement by the Ministry of Finance, hence affecting project implementation by local governments (GRZ 2019).

The scissors effect of rising costs and dwindling revenues (OECD, 2020) has imposed further challenges on the councils. The scissors effect has imposed greater stress on the already financially challenged local authorities, further limiting their ability to provide essential services to the public. Even before the pandemic, effective service provision by local authorities in Zambia was hampered by a lack of financial resources (Chikulo, 2009). The cost and revenue effects on local authorities have however not been uniform across the various councils. The effects have been generally varied based on different characteristics such as location, size, number of services offered, and spending responsibilities. Cities are highly prone to high Covid-19 infections due to the fact that they are highly urbanized and characterized by high populations and economic activities. Considering this fact, most city based local authorities are likely to face more severe impacts on revenue and operational costs because they have a higher likelihood of experiencing lockdowns and closures. Conversely, most town councils are located in less population dense rural areas far from cities. In these towns, there are either no or very few cases of Covid-19 infections, so they are less likely to experience closures and lockdowns. Thus, some councils have been affected much more severely than others.

To mitigate the effect of Covid-19, local government authorities have put in place various measures through adherence to WHO and MoH guidelines for social distancing, masking up, and hand sanitizing. Although local authorities started employing ICTs even before the pandemic under the Smart Zambia initiative, which is aimed at deploying e-governance services and processes, the pandemic has accelerated the adoption of ICTs in their operations. Various challenges can however be noted, such as network access for councils located in remote areas and low training in ICTs for users. One key informant highlighted that ICT compliance is low in revenue collection due to system failures, thus making it difficult for councils to adopt the technology. Other mitigation measures employed included a reduction of working hours, intensifying revenue collection using online payments, and rotating work schedules. Local authorities were involved in capacity building on Covid-19 preventive measures, awareness campaigns, disinfection of public premises, inspection of premises for adherence to health guidelines, provision of hand-washing facilities in markets and bus stations, and reduced funeral gatherings, among others.

5. CONCLUSION AND POLICY IMPLICATIONS

This study has established the effect of Covid-19 on the operations of local authorities in Zambia. The local authorities have been affected by the pandemic in various negative ways. It has imposed increased costs on the operations of local authorities and at the same time has reduced revenues for local authorities, compounding the long-standing financial challenges they face. Various short term mitigation measures have been put in place to cushion the impact of the pandemic and to ensure business continuity, such as adoption of ICTs and investing in Covid-19 preventive measures. The study recommends a look into sustainable solutions for councils and long lasting measures to address the effects of the pandemic and the new challenges being faced by the local authorities. Specifically:

1. Most councils need grants to effectively provide the services. Without this financing, local governments will remain incapacitated in discharging their mandate.
2. Considering the long-term impact of Covid-19, local governments must adapt to new norms by embracing technologies that allow work from various locations. Local governments need support in this aspect with training, equipment, internet connectivity, and the adoption of e-governance platforms, among other things.
3. Staff should be increased in critical services such as public health, water and sanitation, and waste management.

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