

Ministry of Local Government & Rural Development

Vote Number: 120

Controlling Officer: Secretary for Local Government and Rural Development

1. Overview

1.1 Mission

The mission of the Ministry of Local Government and Rural Development is to promote and develop local governance and participatory democracy by creating an environment conducive for socio-economic development and the socio stability of the districts.

1.2 Objectives and Strategies

<i>Objectives</i>	<i>Strategies</i>
	To support the vulnerable groups in society with access to basic needs of life.
To provide linkages between the central and local governments.	To promote value addition to agro-products and other natural resources
To promote an effective system of local governance and development.	Provide rural people with capital for investment to stimulate economic growth
To provide the policy and legal framework for the efficient and effective operation of local assemblies.	To transform rural areas through creation of a conducive environment for investment to stimulate sustainable economic growth. An additional K600 Million is being invested in the construction of Rural Growth Centres, Truck parks and markets.

1.3 Summary of Achievements in 2010/ 2011

- The Ministry completed construction Neno and Nthalire Growth Centres in Neno and Chitipa respectively;
- Progress has also been made in the construction of Nambuma in Dowa, Chitekesa in Phalombe, Jenda in Mzimba, Malomo in Ntchisi, Mkanda in Mchinji and Chapananga in Chikwawa.
- The Ministry has also completed construction of 5 modern markets namely Thyolo Boma; Mataware in Zomba City; Dwangwa in Nkhotakota District; and Ekwendeni in Mzimba District.
- The Ministry constructed houses complete with furniture for Paramount Chief Mkhumba of Phalombe and Senior Chief Makanjira of Mangochi. The following Chiefs were promoted to the positions of Senior Chiefs: Chief Karonga of Karonga, Chief Mbwana of Nkhata Bay, and Chiefs Mtwalo and Mpherembe of Mzimba.
- Chiefs were trained in issues of democracy anti-corruption, HIV and AIDs among others.
- The Ministry in conjunction with the Accountant General's Department, has facilitated the rolling out of the computerized Integrated Financial Management Information System (IFMIS) to 17 Local Authorities.

- The Ministry rolled out the Service Charter Programme to 12 Councils namely: Luchenza Municipality, Mzuzu City, Zomba City, Lilongwe City, Blantyre City, Nsanje, Ntcheu, Dedza, Karonga and Lilongwe District Councils.

- The Ministry piloted the Child Friendly District Initiative (CFDI) into 7 Councils. This was meant to ensure that development plans that are implemented by the Councils take into account the needs of children in those Councils.

- The ministry has aligned the District Development Plans to the Malawi Growth and Development Strategy and in the same vein it has facilitated the drafting of the integrated Rural Development Strategy (IRDS). Preparation of the Social Economic profiles, District Development Plans and Local Public Sector Investment Plans was also facilitated by the Ministry.

1.4 Priority Outputs and Measures

Output	What Objective Is Output Contributing To?	2010-11 Planned	2010-11 Preliminary	2011-12	2012-13	2013-14
Marketing of Agricultural produce improved	To promote an effective system of local governance and development.	Construction of 9 markets.	6 Markets have so far been completed.	6 more markets.to be constructed	4 more markets.to be constructed	6 more markets.to be constructed
Administration and Support Services improved	To provide the policy and legal framework for the efficient and effective operation of local assemblies.	To review the Chief's Act. To ensure that 90% of the planned activities have been done.	Chiefs Act not yet reviewed, 50% of the planned activities done.	To ensure that the Chiefs Act has been reviewed and that 90% of the planned activities have been achieved.	To ensure that 90% of the planned activities have been achieved.	To ensure that 100% of the planned activities has been achieved.
Knowledge of the interaction between nutrition and HIV and AIDS increased and dietary practices diversified	To provide the policy and legal framework for the efficient and effective operation of local assemblies.	To conduct 20 monitoring visits and sensitisation meetings to MLGRD establishments.	11 Monitoring visits to MLGRD establishments done, 6 Sensitisation meetings done.	34 Monitoring Visits to MLGRD establishments.	34 Monitoring Visits to MLGRD establishments.	34 Monitoring Visits to MLGRD establishments.
Rural Growth Centers developed	To promote an effective system of local governance and development.	Construction of 8 Rural Growth Centers.	2 Rural Growth Centres furnished with all the basic infrastructural facilities completed.	To construct 4 Rural Growth Centres.	To construct 4 Rural Growth Centres.	To construct 4 Rural Growth Centres.
Improved community participation in policy formulation and implementation	To promote an effective system of local governance and development.	To ensure that the Local Authorities have functional sub-district structures (Wards, VDCs, ADCs, DEC, DA)	34 Councils currently being assessed.	To ensure that 17 Councils have functional sub district structures.	To ensure that 17 Councils have functional sub district structures.	Capacity needs assessment and operationalisation of the structures done.

2. Summary of Budget

2.1 Medium-Term Expenditure Allocations

Table 2a: Budget by Type

	MK 000'000s				
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
PE	884.63	885.43	966.17	979.21	1,089.27
ORT	263.90	263.90	258.55	278.98	301.14
Recurrent - Total:	1,148.53	1,149.33	1,224.72	1,258.18	1,390.41
Dev Part II	758.20	758.20	1,007.35	1,031.45	623.27
Dev Part I	1,510.94	1,510.94	3,140.01	3,433.97	1,631.43
Development - Total:	2,269.14	2,269.14	4,147.36	4,465.42	2,254.70
120 - Local Government & Rural Development - Total:	3,417.66	3,418.46	5,372.08	5,723.60	3,645.11

Table 2b: Budget by Program

	MK 000'000s				
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
01. Building and Housing Services	49.49	49.49	0.00	0.00	0.00
10. Transport, Building and Housing - Total:	49.49	49.49	0.00	0.00	0.00
02. Minister's Office	18.97	18.97	10.85	11.71	12.64
03. Management and Support Services	2,429.50	2,429.50	4,189.84	4,166.42	1,988.43
04. HR Development and Management	43.33	43.33	80.67	85.43	93.04
08. Local Government Services	869.72	870.52	1,090.71	1,460.04	1,551.00
17. Public Administration - Total:	3,361.53	3,362.33	5,372.08	5,723.60	3,645.11
Other	6.65	6.65	0.00	0.00	0.00
Other - Total:	6.65	6.65	0.00	0.00	0.00
120 - Local Government & Rural Development - Total:	3,417.66	3,418.46	5,372.08	5,723.60	3,645.11

Table 2c: Development Budget Projects

	MK 000'000s					
	Total Estimated Cost	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
005 - Rural Livelihoods Support Programme (IFAD)		222.31	222.02	280.23	183.90	0.00
011 - Income Generating Public Works Project		1,004.00	1,004.00	0.00	0.00	0.00
012 - Rural Livelihood & Economic Enhancement		113.13	113.13	369.56	0.00	0.00
013 - Local Government Strengthening and Investment Programme (LOGSIP)		0.00	0.00	90.22	450.07	431.43
014 - Support to Local Economic Development (ABB)		171.50	171.79	0.00	0.00	0.00
015 - Rural Infrastructure Development Programme		0.00	0.00	2,400.00	50.00	50.00
Dev Part I - Total:		1,510.94	1,510.94	3,140.01	683.97	481.43
071 - Rural Livelihood Support Program		15.00	15.00	17.25	19.84	0.00
075 - Rural Growth Centre		345.00	345.00	600.00	600.00	300.00
087 - Construction of Markets		238.19	238.19	200.00	250.00	250.00
090 - Rural Livelihood and Economic Enhancement		11.87	11.87	15.10	16.61	18.27
091 - Construction of Flea Markets, Carpentry and Curios		100.00	100.00	10.00	0.00	0.00
092 - Support aof the Development of SEPS and DPPS		17.63	17.63	0.00	0.00	0.00
093 - Construction of Truck Parks		0.00	0.00	100.00	90.00	0.00
094 - Support to Local Economic Development		30.52	30.52	0.00	0.00	0.00
095 - Local Government Strengthening and Investment Programme (LOGSIP)		0.00	0.00	15.00	5.00	5.00
096 - Rural Infrastructure Development Programme		0.00	0.00	50.00	2,800.00	1,200.00
Dev Part II - Total:		758.20	758.20	1,007.35	3,781.45	1,773.27
120 - Local Government & Rural Development - Total:		2,269.14	2,269.14	4,147.36	4,465.42	2,254.70

3. Past Performance and Planned Outputs

Table 3a - Recurrent Budget Outputs

<i>Sub - Program/ Program</i>	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
<i>01. Building and Housing Services</i>						
		49.49		49.49		0.00
10. Transport, Building and Housing - Total		49.49		49.49		0.00
<i>02. Minister's Office</i>						
	Chiefs installations attended. Representing the ministry at International engagements	18.97	Chiefs installations attended. Representing the ministry at International engagements	18.97	Chiefs installations attended. Representing the ministry at International engagements	10.85
<i>03. Management and Support Services</i>						
	Ministry's Procurement Plan produced, Ministry's Fleet of Vehicles managed , Office Environment managed.	160.36	Ministry's Procurement Plan produced, Ministry's Fleet of Vehicles managed , Office Environment managed.	160.36	Ministry's Procurement Plan produced, Ministry's Fleet of Vehicles managed , Office Environment managed.	147.70
<i>04. HR Development and Management</i>						
	New Vacant Posts in the District Councils filled, Performance Management System to District Councils rolled out, Training plan developed,	43.33	Performance Management System to District Councils rolled out, Training plan developed,	43.33	New Vacant Posts in the District Councils filled, Performance Management System to District Councils rolled out, Training plan developed, Induction Course conducted.	80.67
<i>08. Local Government Services</i>						
	Commission of enquiries on chieftaincy disputes facilitated, furniture for newly constructed chiefs houses, Chiefs installations and elevations done, DCs/Ces Annual Conference, Performamnce Assessment Management done,Revision of sector devolution plans.	869.72	Commission of enquiries on chieftaincy disputes facilitated, furniture for newly constructed chiefs houses, Chiefs installations and elevations done, DCs/Ces Annual Conference, Performamnce Assessment Management done,Revision of sector devolution plans.	870.52	Commission of enquiries on chieftaincy disputes facilitated, furniture for newly constructed chiefs houses, Chiefs installations and elevations done, DCs/Ces Annual Conference, Performamnce Assessment Management done,Revision of sector devolution plans.	985.49

<i>Sub - Program/ Program</i>	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
17. Public Administration - Total		1,092.39		1,093.19		1,224.72
<i>Other</i>						
Audit services conducted, Technical support for the production of SEP's and DDP's provided.		6.65	Audit services conducted, Technical support for the production of SEP's and DDP's provided.	6.65	Audit services conducted, Technical support for the production of SEP's and DDP's provided.	0.00
Other - Total		6.65		6.65		0.00
120 - Local Government & Rural Development - Recurrent Budget Total		1,148.53		1,149.33		1,224.72

Table 3b - Development Budget Outputs

Project	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
005 - Rural Livelihoods Support Programme (IFAD)						
Productive local agricultural activities are developed through improved inputs and irrigation, Crop production increased, Production of pigs, poultry and goats increased, Informal and formal off farm income generating activities increased,		222.31	Productive local agricultural activities are developed through improved inputs and irrigation, Crop production increased, Production of pigs, poultry and goats increased, Informal and formal off farm income generating activities increased,	222.02	Develop local governance structures of 15 VDCs; Train 154 PMCs of on food security and 49 PMCs on livestock production; establish 53 safe water points	280.23
011 - Income Generating Public Works Project						
Productive local forestry activities developed, Rural roads and bridges upgraded and rehabilitated.		1,004.00	Productive local forestry activities developed, Rural roads and bridges upgraded and rehabilitated.	1,004.00	None.	0.00

Project	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
012 - Rural Livelihood & Economic Enhancement						
	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	113.13	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	113.13	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	369.56
013 - Local Government Strengthening and Investment Programme (LOGSIP)						
		0.00		0.00	Local revenue mobilization strategies implemented in 3 councils; upgrade LAN and instal internet in 4 councils; reorganize and train ADCs and VDCs in 7 councils	90.22
014 - Support to Local Economic Development (ABB)						
	Local Economic Development approach institutionalised in all District Councils.	171.50	Local Economic Development approach institutionalised in 5 District Councils.	171.79	Local Economic Development approach institutionalised in 29 District Councils. Sensitisation of local communities done, Establishment of database.	0.00
015 - Rural Infrastructure Development Programme						
		0.00		0.00	Productive local forestry activities developed, Rural roads and bridges upgraded and rehabilitated.	2,400.00
071 - Rural Livelihood Support Program						
	Productive local agricultural activities are developed through improved inputs and irrigation, Crop production increased, Production of pigs, poultry and goats increased, Informal and formal off farm income generating activities increased,	15.00	Productive local agricultural activities are developed through improved inputs and irrigation, Crop production increased, Production of pigs, poultry and goats increased, Informal and formal off farm income generating activities increased,	15.00	Develop local governance structures of 15 VDCs; Train 154 PMCs of on food security and 49 PMCs on livestock production; establish 53 safe water points	17.25

Project	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
075 - Rural Growth Centre						
	Rural growth centres in Nthalire, Neno, Nambuma, Chitekesa, Malomo, Mkanda, Chapananga and Jenda developed.	345.00	Rural growth centres in Nthalire, Neno, Nambuma and Chitekesa developed.	345.00	Rural growth centres in Chitekesa, Nthalire, Neno and Nambuma developed.	600.00
087 - Construction of Markets						
	Markets in Enukwenu, Ekwendeni, Dwangwa, Thyolo, Mangochi and Matawale constructed	238.19	Markets in Enukwenu, Ekwendeni, Dwangwa, Thyolo, Mangochi and Matawale constructed,	238.19	Construction of Lizulu and Tsangano Markets done.	200.00
090 - Rural Livelihood and Economic Enhancement						
	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	11.87	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	11.87	Capacity building in value chain mapping and analysis done, Formation of value chain networks done, Establishment of viable public private partnership, Initiation of the agricultural commercialisation fund done.	15.10
091 - Construction of Flea Markets, Carpentry and Curios						
	Flea Markets, Carpentry Shops and Curios Constructed in Zomba, Mangochi, Thyolo and Zomba	100.00	Flea Markets, Carpentry Shops and Curios Constructed in Zomba, Mangochi, Thyolo and Zomba	100.00	Flea Markets, Carpentry shops and Curios Constructed in the Districts	10.00
092 - Support aof the Development of SEPS and DPPS						
	Backstopping the updating of DDP's and SEP's in Chitipa, Lilongwe, Mwanza, Neno, Salima, Phalombe and Mulanje.	17.63	Supported the updating of DDP and SEP for Salima District Council.	17.63		0.00
093 - Construction of Truck Parks						
	Truck parks constructed in Mchinji and Kaporo boarders.	0.00	None	0.00	Truck park constructed in Kaporo boarder.	100.00
094 - Support to Local Economic Development						
	Income from on and off farming activities increased in 33 VDCs	30.52	Income from on and off farming activities increased in 33 VDCs	30.52		0.00

Project	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
095 - Local Government Strengthening and Investment Programme (LOGSIP)						
		0.00		0.00	Local revenue mobilization strategies implemented in 3 councils; upgrade LAN and instal internet in 4 councils;reorganize and train ADCs and VDCs in 7 councils	15.00
096 - Rural Infrastructure Development Programme						
		0.00		0.00	Productive local forestry activities developed,Rural roads and bridges upgraded and rehabilitated.	50.00
120 - Local Government & Rural Development - Development Total						
		2,269.14		2,269.14		4,147.36

4. Itemized Budget Summary

Table 4a - Recurrent Budget by Item

	MK 000'000s			
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	% Change 2011/12
10 - Salaries	882.75	883.55	182.02	-79.38%
11 - Other allowances	1.88	1.88	784.16	41643.73%
21 - Internal travel	62.76	62.76	98.23	56.51%
22 - External travel	29.18	29.18	46.26	58.53%
23 - Public Utilities	17.43	17.43	18.20	4.47%
24 - Office supplies and expenses	27.59	27.59	22.60	-18.08%
25 - Medical supplies and expense	0.05	0.05	0.00	-100.00%
27 - Education supplies and services	0.85	0.85	0.00	-100.00%
28 - Training expenses	26.10	26.10	13.04	-50.03%
29 - Acquisition of technical services	0.09	0.09	0.00	-100.00%
32 - Food and rations	1.61	1.61	0.00	-100.00%
34 - Motor vehicle running expenses	43.75	43.75	43.19	-1.28%
35 - Routine Maintenance of Assets	36.93	36.93	7.83	-78.80%
41 - Acquisition of Fixed Assets	17.56	17.56	9.19	-47.65%

	MK 000'000s			
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	% Change 2011/12
120 - Local Government & Rural Development - Total:	1,148.53	1,149.33	1,224.72	6.63%

Table 4b - Development Budget by Item

	MK 000'000s			
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	% Change 2011/12
10 - Salaries	490.62	490.62	312.36	-36.33%
11 - Other allowances	140.23	140.23	5.70	-95.93%
21 - Internal travel	84.28	84.28	214.38	154.36%
22 - External travel	16.66	16.66	40.40	142.55%
23 - Public Utilities	35.63	35.34	37.39	4.96%
24 - Office supplies and expenses	48.11	48.11	62.96	30.87%
25 - Medical supplies and expense	5.53	5.53	0.00	-100.00%
26 - Rents	25.45	25.45	30.37	19.32%
28 - Training expenses	138.36	138.36	60.34	-56.39%
29 - Acquisition of technical services	56.53	56.53	4.02	-92.89%
31 - Agricultural Inputs	74.06	74.06	445.23	501.17%
33 - Other goods and services	8.46	8.46	14.16	67.40%
34 - Motor vehicle running expenses	80.84	80.84	124.91	54.50%
35 - Routine Maintenance of Assets	49.26	49.54	24.00	-51.27%
36 - Agricultural Subsidies	0.00	0.00	94.25	
39 - Grants to International Organisations	0.03	0.03	0.00	-100.00%
40 - Grants and Subventions	15.00	15.00	0.00	-100.00%
41 - Acquisition of Fixed Assets	1,000.09	1,000.09	2,676.88	167.66%
120 - Local Government & Rural Development - Total:	2,269.14	2,269.14	4,147.36	82.77%