



LAGOS STATE GOVERNMENT

Medium Term Sector Strategy (MTSS): Process and Content Standards Review

November 2013

Content List

Abbreviations and Acronyms	
Executive Summary	1
Section One: Introduction and Background.....	3
Introduction.....	3
Background to the MTSS evaluation.....	3
Objectives of the Assignment.....	5
Approach and Methodology Adopted.....	6
Limitations of the Study.....	7
Section Two: MTSS Evaluation Analyses.....	8
Introduction.....	8
MTSS Process Descriptions and Evaluation	8
MTSS Development Process: 2008.....	9
MTSS Development Process: 2009.....	10
MTSS Development Process: 2012.....	10
MTSS Development Process: June 2013	12
Medium Term Group Strategy (MTGS) Development Process: March 2013.....	13
MTSS Revision Process	14
Content Standards Evaluation	14
Application or Uses of the MTSS Prepared in Lagos State	24
Section Three: Findings and Recommendations	26
Summary of Findings and Conclusions.....	26
MTSS Process Evaluation Findings and Conclusions.....	26
MTSS Contents Evaluation Findings and Conclusions.....	28
Summary of Recommendations	29
Recommendations Requiring Policy Changes/Management Decisions	30
Operational or Technical Type Recommendations	30
Next Steps.....	31
References	32
Appendix 1: MTSS Process Standards Scoring Criteria.....	33
Appendix 2: MTSS Content Standards Scoring Criteria	35
Appendix 3: MTSS Evaluation Interview Checklist	38
Appendix 4: Sample LASG’s MTSS Collected for Evaluation Study	39
Appendix 5: List of MTSS Produced in Lagos State Since 2008	40

Abbreviations and Acronyms

AESPR	Annual Education Sector Performance Review
APR	Annual Performance Review
CoA	Chart of Accounts
COFOG	Classification of Functions of Government
CSOs	Civil Society Organisations
DFID	Department for International Development's
ESSPIN	Education Sector Support Programme in Nigeria
GPT	Group Planning Team
IPSAS	International Public Sector Account Standards
KPIs	Key Performance Indicator
LASEEDS	Lagos State Economic Empowerment and Development Strategy
LASG	Lagos State Government
LSDP	Lagos State Development Plan
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MEPB	Ministry of Economic Planning and Budget
MTGS	Medium Term Group Strategy
MTSS	Medium Term Sector Strategy
NGOs	Non Governmental Organisations
PATHS2	Partnership for Transforming Health Systems
PwC	PricewaterhouseCoopers
RAG	Red Amber Green
SDP	State Development Plan
SLGP	State and Local Government Programme
SPARC	State Partnership for Accountability, Responsiveness and Capability
SPT	Sector Planning Team
ToR	Terms of Reference

Executive Summary

Lagos State Government (LASG) commenced the preparation of Medium Term Sector Strategy (MTSS) in 2008. As at October 2013, 25 MTSS have been completed and signed off by the respective Commissioners. Some 11 MTSS whose preparation commenced in June 2013 were yet to be signed off; while about 15 Ministries, Departments and Agencies (MDAs), many of which are 1-line budget MDAs, were yet to prepare any MTSS.

This study evaluates the MTSS of a sample of 6 sectors that have so far produced MTSS in Lagos State. The evaluation is in terms of process and content standards of the MTSS as well as the extent to which the MTSS have influenced the preparation of the annual state budgets. The main objective of the evaluation is to identify lessons that can be applied to improve future MTSS preparation and application in Lagos State.

The approach deployed involved an application of a RAG-Rating scoring system; where RAG is an acronym for Red, Amber and Green. SPARC's generic strategy process and content standards were developed into RAG scoring criteria and the respective MTSS in the study sample were scored against the criteria; such that a score of zero attracted Red, 1 attracted Amber and 2 attracted Green.

The key findings of the study included the following.

There was evidence of some improvement in the process of MTSS development in Lagos State over time. For example, preparation of the latest set of 15 MTSS was more participatory than the first and second generations of MTSS that were largely Consultants driven; thus fostering better ownership by relevant government partners. Moreover, political commitment to implement MTSS is strengthening as MTSS were reflected in the preparation of the 2014 annual budget; while Sector Planning Teams were constituted and trained on MTSS development.

However, significant weaknesses remain to date in the MTSS process. For example: indicative budget ceilings were either not being issued by the Ministry of Economic Planning and Budget (MEPB) or are issued very late in the MTSS process; stakeholders' and public involvement in MTSS preparation is still very minimal; and operational or action plans are still not being developed to guide MTSS implementation.

Similarly, the contents of the MTSS have recorded some improvement over time. For example, many of the recent MTSS specified output or outcome based Key Performance Indicator (KPIs) that were accompanied by measurable targets; the sector strategies cover 3 years and some of the MTSS have been rolled over although not on the basis of the findings from any performance review; consistency of the sector strategies with state, national, regional and global policy guidelines is evident; sector strategies reflected the key findings from sector situation analyses that were carried out; and strategies of some of the sectors demonstrated their contributions to the achievement of the Millennium Development Goals (MDGs).

Outstanding weaknesses in the MTSS contents included: minimal reference to cross government and cross-stakeholders workings; none financial feasibility of many of the MTSS; lack of evidence on implementation capacity; and little or no evidence that public views were or will be taken into account in the development of the MTSS.

Recommendations were made to enhance the quality of the process and content standards of future MTSS based on the observed weaknesses of the historical MTSS. In particular,

relevant political office holders of Lagos State (e.g. Commissioners and Permanent Secretaries) will need to demonstrate stronger commitment to and involvement in the MTSS process; stakeholders' and public involvement in the process will need to be strengthened; indicative budget ceilings should be issued timely and compliance with them should be enforced; and sector annual budget must derive from the MTSS.

Section One: Introduction and Background

Introduction

This MTSS evaluation study is a stock taking exercise for Lagos State Government (LASG), State Partnership for Accountability, Responsiveness and Capability (SPARC) and all those connected with MTSS development in the State. After 6 years of MTSS development experience, the State wishes to sit back and appraise its MTSS development experience in terms of the processes, content and application of MTSS. This is with a view to learning from the experience for improved MTSS development and application going forward.

This section presents the background to the MTSS evaluation; sets out the objectives of the evaluation study; outlines the scope of the study; describes the approach and methodology adopted; and summarises the key limitations of the study.

Background to the MTSS evaluation

LASG aspires to improve strategic prioritisation and efficiency of public expenditures by shifting emphasis away from management of budget resources (i.e. costs) to management of results through effective budget reform. The State's budget reform agenda aims at enhancing transparency, accountability and promote value for money in the planning and implementation of development programmes.

MTSS is considered a veritable instrument for budgeting in the process of budget reform. MTSS were to help MDAs formulate robust strategies and implementation plans that clearly articulate how policies, sector programmes and services will be delivered on time, on budget and to expectations.

MTSS is expected to derive from a State Development Plan (SDP). The Lagos State Development Plan (LSDP) was recently approved by the State's Executive Council; the plan is expected to be implemented through various MTSSs prepared by the respective sectors.

In pursuit of its budget reform agenda, LASG embarked on the development of Medium Term Sector Strategies (MTSS) in 2008. That year, 3 sectors/MDAs were supported to develop their 2009 – 2011 MTSS, namely Education, Health and Environment Sectors. The MTSS development was sponsored by the Department for International Development's (DFID's) States and Local Government Programme (SLGP). SLGP commissioned the Consulting firm of PricewaterhouseCoopers (PwC) to facilitate the MTSS development. The role of the firm included preparation of the MTSS Manual/ Guidelines, training of the Sector Planning Teams (SPTs), facilitating strategy workshops, handholding members of the SPTs in developing their MTSS and quality assurance of the MTSS document.

In 2009, LASG decided to extend the MTSS process to additional 7 MDAs/Sectors. The 7 Sector/MDAs were Justice; Women's Affairs and Poverty Alleviation; Housing; Physical Planning and Urban Development; Transportation; Youth, Sport and Social Development; and Works and Infrastructure. The MTSS process started in 2009 but completed in 2010; thus the MTSS were for the period 2011 – 2013. The MTSS development was fully funded by LASG; which was a clear indication of the commitment of the State Government to budget reform¹. In this connection, LASG commissioned PwC to again facilitate the MTSS

¹ However, the State Government's commitment to budget reform has so far not concretely manifested by way of reflection of MTSS in the annual budgets and diligent implementation of MTSS. This is explicable in terms of lack of capacity to carry through the process of budget reform. What is

development process and perform the same set of roles it performed during the first round of MTSS development.

In 2012, LASG decided to extend the MTSS process to additional 15 sectors/MDAs. The Sectors/MDAs were: Finance; Economic Planning and Budget; Commerce and Industry; Agriculture and Co-operatives; Waterfront Infrastructure; Office of Head of Service/Public Service Office; Information; Lands Bureau; Home Affairs and Culture; Science and Technology; Tourism and Inter-governmental Relations; Rural Development; Special Duties; Local Government and Chieftaincy Affairs; and Establishment, Training and Pensions. Their MTSS were developed for the period 2013 – 2015. The MTSS development was fully funded by LASG; which again indicated the commitment of the State Government to budget reform. The development process of these MTSS was highly participatory; the MTSS were developed by sectors/MDAs personnel, with the Consultant providing support in strategy sessions facilitation and review of MTSS documents.

The first set of 3 MTSS and the second set of 7 have been revised/updated at various times with the support of SPARC and in-house consultants. As at October 2013, 25 MTSS have been completed and signed off by the respective Commissioners.

In June 2013, the LASG supported additional 11 MDAs to develop their 2014 – 2016 MTSS. The sector/MDAs were: Energy and Mineral Resources; Teachers' Establishment and Pensions Office; Office of Chief of Staff; Deputy Governor's Office; Local Government Service Commission; Office of State Auditor-General; Civil Service Commission; Office of Transformation; Lagos State Judiciary; Local Government Establishment and Pensions Office and House of Assembly. Like the 2012 MTSS, the development of the 2014 – 2016 MTSS was quite participatory with the sector personnel taking charge of the MTSS development. The strategy sessions have been held but the MTSS were yet to be completed and signed off as at the time of this report.

Meanwhile, LASG has adopted the United Nations' Classification of Functions of Government (COFOG) system for its policy planning and budgeting purposes. Accordingly, all functions of Government in Lagos have been classified into 9 groups; and Government has decided that its MTSS will be structured along the line of the 9 COFOG groups. Consequently, the 25 completed and signed-off MTSS were to be consolidated into 9 COFOG groups. The outputs were to be called Medium Term Group Strategy (MTGS)² rather than Medium Term Sector Strategy (MTSS).

Economic Affairs Functional Group, which comprises 6 MDAs (namely: Agriculture and Cooperative; Commerce and Industry; Energy and Mineral Resources; Transport; Waterfront Infrastructure; and Works and Infrastructure) was selected as pilot for the MTSS consolidation exercise. The Economic Affairs Medium Term Group Strategy (MTGS) for the period 2014 – 2016 was completed in September 2013. The development of the MTGS was fraught with difficulties, especially as the Functional Group comprises incongruent MDAs.

different now is that the officers in MEPB have both the capacity and capability to support the budget reform process in all MDAs based on previous trainings they have received in the course of MTSS development.

² The concept of MTGS was agreed upon at the MDAs' Medium Term Strategies Consolidation training workshop held during 25 – 27 June 2013. This was because conventionally, the COFOG system which the LASG wishes to apply to its MTSS development uses concepts like functional groups, divisions, and classes but not sectors (See <http://unstats.un.org/unsd/cr/registryregcst.asp?Cl=4>). Accordingly, using the concept of MTSS for the output of such an exercise will be a misnomer.

The foregoing is a summary of the history of MTSS preparation in Lagos State over the past 6 years. As at the time of this report, most MDAs in Lagos State have had the experience of preparing one form of MTSS or the other. However, information has it that there were still about 15 MDAs that were yet to prepare any MTSS.

Key attributes of the MTSS development process in Lagos so far included the following:

- LASG has demonstrated great commitment to MTSS development to facilitate budget reform through its sponsorship of the preparation of most of the MTSS so far prepared and resource commitment to MTSS development in general;
- MTSS development has not been based on a properly defined sectoral classification; MTSS have been developed largely on the basis of MDAs; recent attempt at basing MTSS development on COFOG system is still experimental and it is fraught with challenges. In other words, the issue of sectoral classification for the purpose of MTSS development is yet unresolved;
- MTSS have generally not been reflected in the annual state budget preparation in Lagos State. One explanation for this was that the LASG did not want to apply MTSS to budgeting on a piece meal basis. They would prefer that all the MDAs/sectors are ready and have produced their MTSS before using them for budgeting all at once. Whatever be the explanation, the non-application of MTSS for budgeting in Lagos is a particularly unfortunate situation because in the process, an opportunity to learn from, and make improvements on, the process and contents of these MTSS was lost.

After 6 years of MTSS preparation and given the foregoing issues, Lagos State Government, under the auspice of SPARC, now wishes to assess the progress of the MTSS so far prepared in terms of process, contents and application. This is to help the Ministry of Economic Planning and Budget (MEPB) clarify and articulate its approach to MTSS development with a view to improving the quality of the MTSS and their reflection in the State's annual budgets going forward. This study is therefore commissioned to carry out the required MTSS evaluation.

Objectives of the Assignment

The objectives of the assignment as contained in the study Terms of Reference (ToR) are to:

- Carry out a desk review of the MTSS to prepare an overview of the MTSS programme in Lagos State bringing out its objectives, approach and methodology, its successes and failures;
- Examine in detail the content of six (6) of the MTSS prepared so far and the process followed in preparing these MTSSs. The examination should be based on the best practice Strategy Content and Process standards compiled by SPARC and adopted by Lagos State through their published MTSS Guidelines. The examination should build on last year's assessment and pay particular attention to the selection of programmes/projects and costing of these to establish whether they facilitate budget preparation and formulation exercise (the spreadsheets from each MDA's MTSS should be examined). The six MTSS to be examined are Education, Health, Transportation, Economic Planning and Budget, Commerce and Industry and Waterfront Infrastructure (Three from the first ten and three from the latter 15); and
- Analyse the data and draw some conclusions on content and process and thereafter make recommendations on the way MEPB can enhance the quality of content and process of MTSS and enable them to be more effective in influencing the budget from the Year 2015.

The whole essence of the evaluation is not to judge whether SPARC is doing well or not but to chart direction for future MTSS programme in Lagos State based on lessons learnt so far and justifying every step to be taken going forward.

Approach and Methodology Adopted

The MTSS evaluation study focuses on assessing the processes and contents of the MTSS developed in Lagos State and their Influence on Lagos State budgets. The MTSS processes were not documented as at the time of their application; meaning that institutional memory in respect of the processes was substantially lost. Accordingly, only a qualitative evaluation of the processes is feasible given the limited information available on them.

The respective MTSS processes were evaluated against each of the 5 process standards of SPARC (See Appendix 1). The assessment was based on what those that participated in the process could recollect since the MTSS processes were not documented as at the time of their application. There are two main problems with this approach. First, many of those that participated in the respective early MTSS processes could not be located. Secondly, complete accuracy of the information received from those that could be located cannot be guaranteed given the usual shortcomings of human memory.

On the other hand, a more analytical approach was feasible for the evaluation of the contents of the MTSS since the documents are available. The assessment involved reviewing the respective MTSS document to ascertain the extent to which they meet the 10 strategy content standards of SPARC (See Appendix 2). Thus, a RAG scoring approach has been applied to the evaluation of the MTSS contents as explained below.

In summary, key elements of the approach applied in this study can be stated as follows:

- Sample assessment of the MTSS: Since it is not economically feasible to review all the 25 MTSS so far completed and signed off, a sample of 6 of them has been reviewed; namely: Education, Health, Transportation, Economic Planning and Budget, Commerce and Industry and Waterfront Infrastructure; comprising 3 from the first generation MTSS and 3 from the latter 15 MTSS;
- Desk review using SPARC's 10 MTSS content standards: a desk review was the main approach to the MTSS evaluation whereby each of the 6 MTSS in the sample was read and evaluated using SPARC's 10 MTSS content standards. In an earlier study of MTSS development across SPARC supported states in April 2013 the 10 content standards into RAG scoring criteria (See Appendix 2) were developed; RAG is an acronym for Red, Amber and Green. In the scoring system, a score of zero is depicted as Red, 1 as Amber and 2 as Green. The scoring criteria, which are presented in Appendix 2, have been applied in this study;
- Supplementary interview with relevant officers of MEPB (the Central Planning Agency) and SPARC was planned to validate or clarify some of the findings from the desk reviews so as to strengthen the conclusions from the study. The interview sessions were also to provide an opportunity for collecting information on the MTSS processes. Accordingly, the interview checklist presented in Appendix 3 was designed. However, the interviews could not be held due to difficulties in finding convenient meeting time for all concerned;
- A proxy indicator was developed to assess MTSS reflection in the budgets: This again followed the approach in adopted by the earlier study cited previously. The approach is an adaptation of the M&E Team's definition of the RAG criteria for evaluating Outcome 1,

Milestone 1.1 of SPARC's main Logframe (See SPARC Logframe RAG Criteria, October 2012);

- Collation of preliminary findings and recommendations: Following the qualitative assessment of the MTSS processes, desk reviews of the sample MTSS and the application of the relevant evaluation criteria, key findings were documented and appropriate recommendations were drawn from the findings;
- Validation and report finalisation: A draft report was prepared and presented to SPARC for review; following which the study report was revised, finalised and submitted.

Limitations of the Study

As with any study, this MTSS evaluation study has a number of limitations resulting from methodological and information constraints. The limitations should be borne in mind when interpreting the findings and recommendations in this report. The key limitations of the study are as follows:

- Base information for the MTSS process evaluation was largely oral. The assessment was based on what those who participated in the processes could recollect since the MTSS processes were not documented as at the time of their application. There are two main problems with this. First, many of those that participated in the respective MTSS processes could not be located. Secondly, complete accuracy of the information received from those that could be located cannot be guaranteed given the usual shortcomings of human memory;
- Largely oral evidence from the supplementary interviews. As noted previously, interviews were held with officers of MEPB and SPARC to validate the information collected through desk review of the MTSS documents. While an interview checklist was designed and used to capture relevant information from the interviewees, there was no way of double checking or validating the information collected from the respective interviewees. Therefore, the findings, conclusions and recommendations in this report depend to a certain extent on the level of validity of the information collected from the interview;
- Some of the MTSS documents could not be located, especially the revised versions of some of the first generation MTSS. Specifically, the first generation Education Sector 2009 – 2011 MTSS and first generation Transport Sector 2011 – 2013 MTSS could not be located. It is unknown if revised editions of Health Sector MTSS exist for 2010 – 2012 and 2011 – 2013; as well as Transport Sector's 2012 – 2014 MTSS as none of the documents could be found. Non-availability of these documents will necessarily create a hiatus in the progress analysis of the respective MTSS. Appendix 4 presents the MTSS documents collected for evaluation as well as those that were outstanding as at the time of this report and those we were not sure if they existed.

Section Two: MTSS Evaluation Analyses

Introduction

This section presents the evaluation analyses of the 6 sampled MTSS. The section begins with a chronological description of the processes and approaches adopted for MTSS development in Lagos State from inception in 2007 to 2013. This is followed by content standards evaluation of the 6 MTSS. The section concludes with a brief discussion of the influence of MTSS on Lagos State annual budgets preparation.

MTSS Process Descriptions and Evaluation

The development of Medium Term Sector Strategy (MTSS) commenced in Lagos State in January 2008. Since then, there have been 5 attempts at freshly developing MTSS in Lagos State (first generation MTSS). These were in 2008, 2009/2010, 2012, June 2013 and in August 2013. Revised versions of earlier MTSS (e.g. Education and Health) were developed by in-house consultants with some support from SPARC. Appendix 5 presents a full list of the first generation MTSS produced in Lagos to date.

This section describes the processes adopted during the respective attempts and presents some evaluation of the processes based on SPARC's generic strategy making process standards. Key strengths and weaknesses of the respective MTSS processes are also highlighted. SPARC's generic strategy process standards are 5 in number and are as follows:

- Politicians and the Central Planning Ministry are providing timely annual policy guidance and envelopes, based upon the SDP, within which sector strategy can be developed;
- Approaches to achieving public involvement in strategy making are understood and utilised;
- Strategies are published, and a political commitment to implement them is being made – attached to service charters where appropriate;
- MTSS teams (or committees or focus groups) in each “sector” have been established, and receive support on how to develop MTSS according to all the contents standards listed adjacent from the central planning Ministry; and
- Sector strategies are developed into (or iteratively on the basis of) sector implementation or action plans (See Appendix 1).

The respective MTSS processes were evaluated against each of these 5 process standards. No attempt was made at scoring the processes against the process standards in view of the limited information available on the processes. The assessment simply involved a cursory examination of the extent to which a particular MTSS process met the respective process standards based on available information and adding comments accordingly. The comments largely captured the strengths and weaknesses of the respective processes.

It should be noted however, that the evaluation has a major limitation which must be borne in mind in interpreting the results and discussions presented in this section. The assessment was based on what those that participated in the processes could recollect since the MTSS processes were not documented as at the time of their application. There are two main problems with this. First, many of those that participated in the respective MTSS processes could not be located. Secondly, complete accuracy of the information received from those that could be located cannot be guaranteed given the usual shortcomings of human memory.

Chronological descriptions of the MTSS processes and qualitative assessment of their process standards achievements now follow.

MTSS Development Process: 2008

This was the first attempt at MTSS development in Lagos State. The process was sponsored by DFID financed State and Local Government Programme (SLGP), the predecessor of SPARC. SLGP commissioned the Consulting Firm of PricewaterhouseCoopers (PwC) to facilitate the development of MTSS for 3 sectors, namely: Education, Health and Environment for the period 2009 – 2011. The contract was signed in January 2008.

Being the first attempt at MTSS in the State, the MTSS process was very much a learning experience for the State partner and SLGP, the development Partner. However, PwC already had experience supporting MTSS development at the Federal level. The approach and process deployed for Lagos State were therefore very much influenced by what obtained at the Federal level.

Preparatory to the rollout of MTSS process, the Ministry of Economic Planning and Budget of LASG commissioned PwC to prepare Guidelines for the preparation of MTSS. The Guidelines document was submitted to MEPB on 26 October 2007. Sector Planning Teams (SPTs) were constituted for each of the 3 MTSS sector. The SPTs were trained by PwC on the MTSS Guidelines and on how to develop MTSS generally in a 2-day workshop on 26 – 27 February 2008.

The strengths of the MTSS process included the following:

- SPTs were constituted and trained on the MTSS process. Moreover, members of the SPTs worked closely with the Consultants provided by PwC and gained hands-on experience from the Consultants, which is important for sustainability of the MTSS process;
- The MTSS were completed well in advance of the commencement of the budget preparation process which should facilitate the translation of the MTSS into annual budget; for example, the Environment and Health Sectors' MTSS were dated April and May 2008 respectively.

Key weaknesses of the process included the following:

- The MTSS development process was not based on a properly defined sectoral classification. Even though the 3 entities for which MTSS were developed (Education, Health and Environment) are sectors in their own right; this was by accident rather than by design;
- Indicative budget ceilings were not issued to sectors by MEPB; thus, the MTSS expenditure proposals remained more or less a wish list as the expenditures were far in excess of what were financially feasible;
- Stakeholders and public involvement in the MTSS development was weak; some stakeholders participated in the strategy workshops organised by the sectors but that was all;
- The MTSS documents were uploaded unto LASG website but they were not published; they were also not used for budgeting, which puts a question mark on the State Government's commitment to implement the MTSS;

- Implementation plans were not developed from the MTSS, perhaps because there was no intention to implement the MTSS.

MTSS Development Process: 2009

In furtherance of the decision of LASG to gradually implement MTSS across sectors, the State Government decided to extend MTSS to 7 additional sectors/MDAs. The 7 Sectors/MDAs for which MTSS were developed for the period 2011 – 2013 were: Justice; Women’s Affairs and Poverty Alleviation; Housing; Physical Planning and Urban Development; Transportation; Youth, Sport and Social Development; and Works and Infrastructure.

PricewaterhouseCoopers was again commissioned to facilitate the development of the MTSS. The MTSS Guidelines prepared in 2007 were revised. Sector Planning Teams (SPTs) were constituted for each of the 7 Sectors/MDAs. The SPTs were trained on the revised MTSS Guidelines and MTSS development process generally at a 2-day workshop on 2 – 3 November 2009.

The strengths of the MTSS process included the following:

- The development of the 7 additional MTSS was fully funded by Lagos State Government; which is an indication of the commitment of the State Government to budget reform;
- The strengths of the 2008 MTSS process are also relevant to the 2009 process. SPTs were constituted and trained on the MTSS process; members of the SPT worked closely with the Consultants assigned by PwC; and the MTSS were completed well in advance of the commencement of the budget preparation process. For example, the submitted Works and Infrastructure MTSS was dated December 2009.

All the weaknesses identified for the 2008 MTSS process are pertinent to the 2009 process. The problem of lack of proper sector classification was even more pungent for the 2009 MTSS process; most of the 7 entities for which the 2011 – 2013 MTSS were developed were ministries rather than sectors.

MTSS Development Process: 2012

In 2012, MEPB decided to extend the MTSS process to 15 additional Sectors/MDAs. The Sectors/MDAs for which MTSS were developed for the period 2013 – 2015 were: Finance; Economic Planning and Budget; Commerce and Industry; Agriculture and Co-operatives; Waterfront Infrastructure; Office of Head of Service/Public Service Office; Information; Lands Bureau; Home Affairs and Culture; Science and Technology; Tourism and Inter-governmental Relations; Rural Development; Special Duties; Local Government and Chieftaincy Affairs; and Establishment, Training and Pensions.

The MTSS process was partly funded by Lagos State Government and supported by SPARC. Sector Planning Teams (SPTs) were constituted for each of the Sectors/MDAs. There was no dedicated training session for the MTSS process; but SPTs were provided with hands-on training on MTSS development as part of a 6-day strategy workshop on 13 – 18 February 2012.

The approach to the development of the MTSS was still conventional in nature as against the contemporary results-oriented approach. Under the former, the results to be achieved

from MTSS implementation (i.e. outputs, outcomes, and impacts) depend on the goals, programmes and projects that were developed. Under the latter however, the results to be achieved from MTSS implementation would have been determined upfront based on the State Development Plan (SDP); planners are then required to develop the programmes and projects/activities that will deliver the predefined results based on resource availability.

The strengths of the MTSS process included the following:

- The 2012 MTSS development process was highly participatory. Unlike the 2 previous processes that were largely Consultants led, the 2012 process was led and executed by the SPTs. The SPARC's appointed Consultant only provided support in facilitating the strategy sessions and in reviewing the MTSS developed by the SPTs. The participatory attribute is likely to enhance the ownership of the resulting MTSS;
- A MTSS Core Team has been constituted in the MEPB; members of the team have better understanding of MTSS process through relevant trainings and they provided support/guidance to sector personnel in preparing their MTSS. This is facilitating the State Partners taking ownership of the MTSS process which will enhance process sustainability;
- All the resulting 15 MTSS documents were signed off by the respective Commissioners; which is an indication of some political support for the MTSS process.

However, the 2012 MTSS process suffered a number of weaknesses similar to those of the 2008 and 2009 processes. Other major weaknesses of the 2012 process included the following:

- The problem of lack of proper sector classification was quite serious for the 2012 MTSS process as most of the entities for which the 2013 – 2015 MTSS were developed were ministries or agencies rather than sectors in the proper sense of the concept. It is a serious issue because MTSS is about sectors not about ministries, departments or agencies (MDAs);
- Sector Champions appointed during the 2013 budget preparation were given budget ceilings for their sectors and were required to share the ceilings among all the constituent MDAs of their respective sectors. In the first place, the ceilings came late in the MTSS preparation; and secondly, the Sector Champions were not given any guidelines for sharing the ceilings. Accordingly, each Champion was free to approach the sharing as he/she deemed fit, leading to diversity in approaches and invariably, in the results³;
- Political participation in the MTSS development process has been rather weak in Lagos State. For example, Commissioners and Permanent Secretaries rarely participated at MTSS strategy sessions and other MTSS events. Only one Commissioner and a few Permanent Secretaries attended the strategy workshop in February 2012 for the development of the latest 15 MTSS; but that was the only occasion recallable;
- Until recently, the M&E Department of MEPB has not been visibly/significantly involved in MTSS development. Accordingly, the inputs required from the department for strengthening the results framework of MTSS were not forthcoming. Representatives of the M&E department participated in the strategy sessions in February 2012 to develop the latest 15 MTSS; but that was all that can be said for it.

³ The Sector Champions were appointed mainly to aid budget preparation/ negotiation process not to aid the MTSS preparation process; it is even doubtful if the appointed Sector Champions were aware of or did care about MTSSs?

MTSS Development Process: June 2013

Lagos State Government currently adopts the United Nations' Classification of Functions of Government (COFOG) for its policy planning and budgeting purposes. Accordingly, all MDAs in the Lagos State Government service have been classified into 9 groups and a new MTSS is required to be prepared for each group. One of the 9 functional groups, the Economic Affairs Functional Group, was selected for use as pilot for the development of the COFOG based MTSS. However, the Ministry of Energy and Mineral Resources, one of the constituent MDAs of the Economic Affairs Functional Group, did not have any MTSS and its personnel have not been exposed to the process of developing MTSS.

In 2013 therefore, LASG decided to support the Ministry of Energy and Mineral Resources and other outstanding MDAs to prepare their MTSS in readiness for the preparation of COFOG based MTSS. Thus, 11 MDAs commenced the preparation of their MTSS at a strategy workshop held during 4 – 6 June 2013. The MTSS were for 2014 – 2016 and the strategy workshop was financed by LASG; which again demonstrated LASG's commitment to budget reform.

The approach to the June 2013 MTSS process was basically similar to that of 2012. The strengths of the process included the following:

- The level of participation of State Partners in the 2013 process was higher than in previous years. The State Government's appointed Consultant only provided support in facilitating the strategy workshop while MTSS analyses and documentation were done by SPTs under the guidance of members of MTSS Core Team in the MEPB;
- MTSS and budget preparation templates were harmonised in June 2013 in order to make MTSS a veritable instrument for budgeting; and in particular, to facilitate the translation of the various MTSS into 2014 State budget.

However, even though the MTSS of the 11 MDAs were yet to be concluded as at the time of this report, the process for their preparation is likely to suffer the same set of weaknesses as 2012 MTSS process. For example, indicative budget ceilings were not issued as at the end of the strategy workshop; no external stakeholders (member of the public, CSOs or NGOs) participated at the workshop; and the MTSS are not likely to be developed into operational or implementation plans. It is unknown if the MTSS of the 11 MDAs had any influence on the preparation of the 2014 budget.

Medium Term Group Strategy (MTGS) Development Process: March 2013

The MTGS development process is the latest in the approaches to developing medium term sector plans in Lagos State. It is in response to LASG's desire to prepare COFOG based MTSS for the 9 COFOG Groups into which LASG Service has been classified. Since all the constituent MDAs of the respective 9 COFOG Groups have prepared medium term strategies (called MTSS), the MTGS development process entails consolidating such strategies for relevant MDAs.

Accordingly, the process began with the development of a Concept Paper on MDAs' medium term strategies consolidation in March 2013; setting out the approach and process to be adopted in consolidating the medium term strategies of the respective MDAs. The process was applied and a draft consolidated MTGS of the Economic Affairs Functional Group was submitted in September 2013.

The strengths of the MTGS development process included the following:

- A well thought out and documented approach was deployed as contained in the Concept Paper prepared in March 2013;
- Group Planning Teams (GPTs) were constituted and trained on the consolidation process at a workshop during 25 – 27 June 2013;
- The process was highly participatory; in addition to the GPT taking charge of the analyses, a dedicated MTSS Drafting Team was constituted during the strategy workshop and the team championed the documentation of the MTGS; this could have enhanced capacity building for MTSS development;
- The 6-day strategy workshop (11 – 16 August 2013) was very effective; because it was offsite and residential, it was possible to work longer hours and cover more grounds and participants were more focused.

The MTGS development process suffered the same set of weaknesses as the previous attempts at MTSS development. For example, indicative budget ceilings were not issued as at the end of the strategy workshop and no external stakeholders (member of the public, CSOs⁴ or NGOs⁵) participated at the workshop. Even though the MTGS is yet to be finalised, it is unknown if it will ever be developed into operational or implementation plans. The extent to which the draft MTGS has influenced the preparation of the 2014 budget is also unknown.

A serious weakness of the MTGS development process was that even though the training of the GPT was offsite, it was not made residential. This and the fact that the venue was not far from the Lagos State Secretariat greatly impaired the effectiveness of the training workshop as participants came late and left at will on the pretext that they needed to attend to issues in their offices; besides, it was not feasible to work long hours in order to cover more ground.

The MTGS development process was based on the United Nations' COFOG system which is not a sectoral classification system; thus making the task of preparing the MTGS extremely daunting. Moreover, the Economic Affairs Functional Group, like all other COFOG Groups, comprised greatly incongruent MDAs. This seriously compounded the difficulties of preparing the MTGS since it was then extremely difficult to develop reasonably common mission, vision and goals for the constituent MDAs.

⁴ Civil society organisations

⁵ Non governmental organisations

MTSS Revision Process

The foregoing is a summary assessment of the processes adopted since 2008 in preparing MTSS afresh (i.e. first generation MTSS) in Lagos State. Some of the earlier MTSS have been revised/rolled-over over time, especially those of Education, Health and Transport sectors. However, little is known about the process adopted for their rollover; but information has it that the revisions were facilitated by in-house consultants with some support from SPARC and other DFID programmes such as PATHS2⁶ and ESSPIN⁷.

Content Standards Evaluation

This section presents the analyses and findings on the content standards achievements of each of the 6 sampled MTSS and the trend of that achievement over time for the respective MTSS. In order to facilitate the identification of the trend of the content standards achievements, the respective MTSS have been analysed in 4 groups as follows:

- Education sector: 2009 – 2015;
- Health Sector: 2009 – 2015;
- Transportation Sector: 2011 – 2015; and
- Commerce & Industry, Planning & Budget and Waterfront: 2013 – 2015.

The results of the analyses are summarised in Tables 2.1 – 2.4 respectively.

⁶ Partnership for Transforming Health Systems II

⁷ Education Sector Support Programme in Nigeria

Table 2.1: Content Standards Achievement by Education Sector MTSS: 2009 – 2015

Standard	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
1. Outputs and KPIs are present in the MTSS					
2. MTSS Covers 3 years with later rollover versions benefiting from performance reviews					
3. MTSS Shows how to contribute to the achievement of SDP outputs					
4. Consistency of MTSS with national and regional policies is discernible					
5. MTSS includes references to cross-government and/or cross-stakeholder working					
6. MTSS is financial feasibility (i.e. it is within indicative budget ceilings)					
7. MTSS is evidence based (i.e. based on research findings, etc.)					
8. There is evidence on human resource and organisational capacity to implement MTSS					
9. It is evidence that public views were taken into account in the development of the MTSS					
10. MTSS demonstrates its contributions to MDGs achievement and to G&SI targets.					
Overall Score		7	9	10	6

Source: Author's analyses

Highlights of the Education Sector MTSS evaluation presented in Table 2.1:

- The first generation Education Sector 2009 – 2011 MTSS document was not found. Accordingly, all the Education Sector MTSS evaluated in this study are the revised versions. The extent to which the revised versions reflect the first generation MTSS is unknown. Moreover, political support was not discernible from the MTSS reports as the various MTSS reports were not signed by the Hon Commissioners or any similar political office holders.
- Objectives, targets and KPIs were stated (e.g. see p.62 of 2010 – 2012 MTSS), but the targets were not output or outcome based and the targets were generally not measurable; in the 2013 – 2015 MTSS, the outputs, outcomes and targets were generally wrongly defined and the MTSS document appeared incomplete.
- All the MTSS included 3-year estimates and the MTSS are rollover of their earlier versions; however, the first generation of Education Sector MTSS (i.e. the 2009 – 2011 MTSS) was not found; so it was not possible to identify changes made to it as a result of performance review. It is known however that the 2009 – 2011 MTSS was not implemented and no performance review of it was carried out. The 2011 – 2013 MTSS discussed the relationship of CSOs with the Education Sector, Education Sector's response to HIV/AIDS and education management information systems (See Chapter 6); which are improvements over the earlier MTSS. Beside, the 2011 – 2013 MTSS document (P.vii) noted that: "The experience gained from the implementation of the 2010-2012 MTSS has further prepared the education sector for the use of subsequent MTSS as basis for the generation of its annual budget, ..." The 2013 – 2015 MTSS appeared uncompleted as it contains several gaps. The Annual Education Sector

Performance Review (AESPR) was conducted in 2012 as part of the preparatory work for the 2013 – 2015 MTSS (see P.9); but influence of the review on the 2013 – 2015 MTSS is not clear.

- In most of the MTSS, only a passing reference was made to Lagos State’s policy goals (e.g. see Pp. 10-11 and 27 of the 2010 – 2012 MTSS) but there was no clear demonstration of how MTSS will contribute to the achievement of the policy goals. For example, the 2010 – 2012 MTSS document stated that: “The rationale behind choosing the Goal, Targets and Objectives (GTO) was based on Lagos State policy objectives in the key strategic and planning documents”; but no mention of how the sector strategies have been designed to attain the State goals.
- Consistency with national or regional policy guidelines was not discernible from the many of the MTSS documents; however, in the 2013 – 2015 MTSS, some global, regional and national policy documents were reviewed (See section 2.3 of the MTSS document) but no indication of how sector strategies have been designed to reflect the policies.
- All the MTSS, except that of 2013 – 2015, made reference to cross-government working and linkages among various MDAs in the Education Sector (e.g. See Table 5.3 of the 2011 – 2013 MTSS).
- All the MTSS were costed but there was no breakdown of recurrent and capital costs for many of them; it was only for the 2013 – 2015 MTSS that the indicative budget ceilings were specified in the MTSS and the expenditure proposals in the MTSS were within the ceilings but the MTSS logframe look uncompleted; for all other MTSS, it was either the indicative budget ceilings were not provide or the amounts were not stated in the MTSS, in which case it was not possible to ascertain the extent to which the MTSS were within ceilings.
- Except for the 2013 – 2015 MTSS, the education policy environment and sector situation analyses were carried out in all other MTSS, including the challenges in the sector; but it was not clear how the strategies developed derived from the analyses.
- In all the MTSS except that of 2013 – 2015, the sector strategy contained several staff development and capacity building projects (e.g. see section 5.3 of the 2010 – 2012 MTSS) but there was no specific mention of MTSS implementation capacity in terms of availability of requisite human resources and suitable organisation structure.
- There is no evidence of public involvement in the MTSS development or any indication that public views will ever be taken into account in the MTSS.
- MDGs issues were mentioned at various sections of the MTSS documents and some of the objectives and targets relate to MDGs but there was no specific demonstration of how the MTSS will contribute to the attainment of the MDGs. The 2012 – 2014 MTSS (P.68) stated that in order to ensure that the MDGs were met, “...the MTSS will continue to focus on the challenged and vulnerable groups...”

In summary.

- The Education Sector MTSS performed poorly overall; the highest score of 10 for the 2012 – 2014 MTSS represented just 50% of the total mark obtainable.
- A more serious attribute of the Education Sector MTSS was that it showed only marginal improvement over time judged by the trend of the overall score; the 2013 – 2015 edition of the MTSS, which was the latest edition of the Education Sector MTSS, was in fact the worst of all. The deterioration in the quality of Education Sector MTSS over time was due to the gradual withdrawal of ESSPIN in the MTSS development process in Lagos State.
- The contents standards on which the Education Sector MTSS performed most poorly were in the areas of lack of indication of how the MTSS will contribute to the achievement of the State Development Plan (SDP) outputs; lack of public involvement in MTSS development and lack of consistency of MTSS with national and regional policies.

- Education Sector MTSS however performed generally well on the contents standards relating to 3-year horizon and references to cross-government and/or cross-stakeholders working.
- Political support was not discernible from the MTSS reports as none of the MTSS documents was signed by the Hon Commissioners or any similar political office holders.

Table 2.2: Content Standards Achievement by Health Sector MTSS: 2009 – 2015

Standard	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
1. Outputs and KPIs are present in the MTSS	Yellow	White	White	Yellow	Yellow
2. MTSS Covers 3 years with later rollover versions benefiting from performance reviews	Red	White	White	Green	Green
3. MTSS Shows how to contribute to the achievement of SDP outputs	Green	White	White	Green	Green
4. Consistency of MTSS with national and regional policies is discernible	Green	White	White	Yellow	Green
5. MTSS includes references to cross-government and cross-stakeholder working	Yellow	White	White	Red	Red
6. MTSS is financially feasible (i.e. it is within indicative budget ceilings)	Yellow	White	White	Green	Yellow
7. MTSS is evidence based (i.e. based on research findings, etc.)	Green	White	White	Green	Red
8. There is evidence on human resource and organisational capacity to implement MTSS	Yellow	White	White	Green	Yellow
9. It is evidence that public views were taken into account in the development of the MTSS	Green	White	White	Yellow	Red
10. MTSS demonstrates its contributions to MDGs achievement and to G&SI targets.	Green	White	White	Yellow	Green
Overall Score	14			14	11

Source: Author's analyses

Highlights of the Health Sector MTSS evaluation presented in Table 2.2:

- The revised editions of the Health Sector MTSS for 2010 – 2012 and 2011 – 2013 were not available. This will no doubt impair the trend analysis of the achievement of the content standards by the Health Sector MTSS. The first generation MTSS (i.e. 2009 – 2011 MTSS) was however available and reviewed here. Political support was not discernible from the MTSS report as the report was not signed by the Hon Commissioner or any similar political office holder.
- The 2012 – 2014 and 2013 – 2015 MTSS were revised editions of earlier Health Sector's MTSS. The 2012 – 2014 MTSS document indicated that its revision was supported by DFID's Programme of PATHS2.
- Outputs, outcomes, KPIs and outcomes targets were stated in general (e.g. see Table 10 and Annex 1 of the 2012 – 2014 MTSS) but either targets were not set or outputs were wrongly called targets and most of the targets stated were not quite meaningful (See Table 10 of the 2012 – 2014 MTSS). Moreover, the objectives set in the 2009 – 2011 MTSS were not output based.

- Apart from the first generation MTSS (i.e. 2009 – 2011 MTSS), 3-year estimates were included in the other MTSS and the MTSS were clearly rolled-over versions of previous efforts; thus demonstrating LASG’s commitment to revising MTSS annual.
- Sector goals and objectives were well linked to State versions and it is clear how the sector strategies have been moulded in order to ensure their contribution to broader goals of the State Plan (e.g. See section 2.6 of the 2009 – 2011 MTSS; Sections 1.2 and 5.3 of the 2012 – 2014 MTSS; and section 2 of the 2013 – 2015 MTSS).
- In general, national, international and state policies were clearly reviewed; and how the sector strategy has complied with the policies was demonstrated (See section 2.3 and Box 2.2 and section 2 of the 2013 – 2015 MTSS); but the 2012 – 2014 MTSS did not provide any indication of how the high level policies have influenced the Health Sector strategy development.
- Only the 2009 – 2011 MTSS made reference to cross-government and cross sectoral working (e.g. See Table 5.1 of the 2009 – 2011 MTSS); even then, it did not demonstrate how it will contribute to the achievement of specific goals in other sectors.
- Project costing was done for all the MTSS but the costing for the 2009 – 2011 MTSS was not broken down into recurrent and capital; indicative budget ceilings were either not provided or not stated in the MTSS document, making it impossible to know if the MTSS proposals were within the ceilings or not; but ceilings were stated in the 2012 – 2014 MTSS and MTSS proposals were within the ceilings (See Annex 1 of the 2012 – 2014 MTSS).
- Except for the 2013 – 2015 MTSS that provided little or no evidence about the sector and the service delivered is presented, the Health Sector’s situation analysis was well articulated (see section 2.4 of the 2009 – 2011 MTSS and sections 1.3 and 3 of the 2012 – 2014 MTSS); and it was well argued that the sector strategy was based upon the evidence provided by the sector situation analysis.
- Human resources input for the Health Sector was extensively discussed and its implications for Health services delivery made clear; but MTSS implementation capacity was discussed only in the 2012 – 2014 MTSS (see section 2.4 of the 2012 – 2014 MTSS).
- Public views were sought and reflected in the MTSS; for example, the 2009 – 2011 MTSS (section 1.4) stated that “In finalising the MTSS (particularly, during the strategy session) the input of the Chairman of the Committee of Health in the Lagos State’s House of Assembly with oversight function on the Health Ministry was also sought, obtained and reflected appropriately in the plan”. The 2012 – 2014 MTSS (section 7.1) stated that the planners planned to: “Carry out a public presentation of the MTSS to all stakeholders in the sector to enable them to engage with it and commence implementation”; but it is not clear if the public presentation was done and how the output of the presentation was used. There was little or no mention of public views or of the need to take them into account in the 2012 – 2014 MTSS (see section 1.4 of the MTSS document).
- The 2009 – 2011 and 2013 – 2015 MTSS clearly demonstrated how MDGs issues were taken into account and how the strategy has been developed to ensure positive results in MDGs (See section 2.3.2 of the 2009 – 2011 MTSS); G&SI issues were taken into consideration in all the MTSS as gender mainstreaming issues abound in the sector strategy; MDGs issues were mentioned severally in the 2012 – 2014 MTSS but no evidence of how the sector strategy has been developed to promote the attainment of the MDGs.

In summary.

- In general, Health Sector MTSS came out quite strong in terms of contents standards achievement. The overall score of 14 by the 2009 – 2011 and 2012 – 2014 MTSS represented 70% of the mark obtainable.
- A more serious attribute of the Health Sector MTSS was that its performance deteriorated at the latter end of the review period such that the 2013 – 2015 edition of the MTSS, which was the latest edition of the Health Sector MTSS, was the worst of all.
- The content standards on which the Health Sector MTSS deteriorated over time were: references to cross-government and cross-stakeholder working and evidence that public views were taken into account in the development of the MTSS.
- Health Sector MTSS performed consistently well on the contents standard relating to MTSS Shows how to contribute to the achievement of SDP outputs.
- Political support was not discernible from the MTSS reports as none of the MTSS documents was signed by the Hon Commissioners or any similar political office holders.

Table 2.3: Content Standards Achievement by Transportation Sector MTSS: 2011 – 2015

Standard	2010–2012	2011-2013	2012-2014	2013-2015
1. Outputs and KPIs are present in the MTSS				
2. MTSS Covers 3 years with later rollover versions benefiting from performance reviews				
3. MTSS Shows how to contribute to the achievement of SDP outputs				
4. Consistency of MTSS with national and regional policies is discernible				
5. MTSS includes references to cross-government and cross-stakeholder working				
6. MTSS id financial feasibility (i.e. it is within indicative budget ceilings)				
7. MTSS is evidence based (i.e. based on research findings, etc.)				
8. There is evidence on human resource and organisational capacity to implement MTSS				
9. It is evident that public views were taken into account in the development of the MTSS				
10. MTSS demonstrates its contributions to MDGs achievement and to G&SI targets.				
Overall Score				11

Source: Author's analyses

Highlights of the Transport Sector MTSS evaluation presented in Table 2.3:

- The first generation Transport Sector MTSS was developed during 2009 MTSS development exercise. The first generation MTSS and some of the subsequent revisions were not found. The only edition of the MTSS found was the 2013 – 2015 MTSS that was developed in 2012. The evaluation in Table 2.3 relates to this MTSS.

- Output or outcome based KPIs are accompanied by milestones (See Tables 5, 19 and 23 of the 2013 – 2015 MTSS).
- The MTSS provides 3-year estimates and the MTSS is clearly a rolled over and up-dated version of a previous effort; but the extent to which the MTSS benefited from the results of a performance review was not clear; it however demonstrated commitment to making annual or periodic up-dates of MTSS.
- References were made to Lagos State Development Plans such as LASEEDS⁸, Ten-Point Agenda and objectives set at Ehingbeti Conferences, but how these have influenced the sector strategy was not made clear.
- Global, national and State level policies were extensively reviewed and the goals and programmes in the MTSS seem to emanate from the results of the review.
- Cross-cutting issues were discussed in section 2.6 of the MTSS but the MTSS did not demonstrate how it will contribute to the achievement of specific goals in other sectors.
- Indicative budget ceiling was issued to the sector and the ceilings for recurrent and capital were stated in section 4.1 of the MTSS; the ceilings were for only one year and the MTSS capital proposals were far in excess of the ceiling (See Table 1 and Section 4.1 of the MTSS).
- There was little or no evidence about the sector as not sector analysis was presented.
- Staff projections were carried out for the first 2 years of the MTSS but no specific discussion of human resources and/or organisation capacity for MTSS implementation.
- Section 1.4 of the MTSS stated that a number of stakeholders were involved in the MTSS development but the role they played and how their inputs influenced the MTSS were not specified.
- How the MTSS will impact MDGs achievement was not demonstrated and there was no mention of G&SI issues or concerns.

In summary.

- The 2013 – 2015 Transport Sector MTSS is averagely satisfactory, having achieved 55% of SPARC's strategy content standards.
- The content standards on which Transport Sector MTSS was particularly weak were: MTSS not being evidence based and MTSS did not demonstrate its contributions to MDGs achievement and to G&SI targets.
- Political support was not discernible from the MTSS report as the MTSS document was not signed by the Hon Commissioners or any similar political office holders.

⁸ Lagos State Economic Empowerment and Development Strategy

Table 2.4: Content Standards Achievement by Commerce & Industry, Planning & Budget, and Waterfront Sectors MTSS: 2013 – 2015

Standard	Commerce & Industry	Planning & Budget	Waterfront
1. Outputs and KPIs are present in the MTSS			
2. MTSS Covers 3 years with later rollover versions benefiting from performance reviews			
3. MTSS Shows how to contribute to the achievement of SDP outputs			
4. Consistency of MTSS with national and regional policies is discernible			
5. MTSS includes references to cross-government and cross-stakeholder working			
6. MTSS id financial feasibility (i.e. it is within indicative budget ceilings)			
7. MTSS is evidence based (i.e. based on research findings, etc.)			
8. There is evidence on human resource and organisational capacity to implement MTSS			
9. It is evident that public views were taken into account in the development of the MTSS			
10. MTSS demonstrates its contributions to MDGs achievement and to G&SI targets.			
Overall Score	10	5	8

Source: Author's analyses

Key findings pertinent to the respective MTSS are as follows:

Highlights of the Commerce and Industry MTSS evaluation presented in Table 2.4:

- Output or outcome based KPIs were accompanied by milestones/targets (See Tables 2 and 6 of the MTSS document).
- MTSS covers 3 years but being a first generation MTSS, it did not benefit from any performance review and could not have demonstrated any commitment to making annual or periodic up-dates.
- References were made to Lagos State Development Plans such as LASEEDS, and Ten-Point Agenda (See section 2.3 of the MTSS document), but how these have influenced the sector strategy was not made clear.
- Some global, regional, national and State level policies were reviewed but how these have influenced the sector strategy was not made clear.
- There was no reference to other sectors in the MTSS document.
- Indicative budget ceilings were issued and specified in the MTSS document and the MTSS proposals were within the ceilings; costing of the MTSS was done and the costs were broken down into recurrent and capital components.
- There was little or no evidence about the sector as not sector analysis was presented.
- Staff projections were carried out for the 3 years of the MTSS but no specific discussion of human resources and/or organisation capacity for MTSS implementation.
- Section 1.4 of the MTSS stated that several stakeholders were involved in the MTSS development; it also stated that “to share ideas for formulation and implementation of government policies, Towards ensuring the contribution of the OPS and other relevant bodies, the ministry organised an interactive session tagged “BRF meets business” programmes and projects towards enhancement of economic activities in the State”; which is tantamount to public involvement.

- References were made to MDGs in the MTSS documents, but how the MTSS will impact MDGs achievement was not demonstrated and there was no mention of G&SI issues or concerns.

Highlights of the Planning and Budget MTSS evaluation presented in Table 2.4:

- This MTSS looked grossly unfinished as it contains several gaps and many of the standard tables were uncompleted; Table 7 contained only one goal and only one project; it is unbelievable that this quality of MTSS is coming from MEPB; the poor quality of the MTSS is evident in the evaluation result as it did not score a green on any of the 10 strategy content standards and it scored red on 5 of the 10 content standards.
- Output or outcome based KPIs were accompanied by milestones/targets (See Tables 3 and 7 of the MTSS document); but projects outputs and targets were either not defined or not correctly defined.
- MTSS covers 3 years but being a first generation MTSS, it did not benefit from any performance review and could not have demonstrated any commitment to making annual or periodic up-dates of MTSS.
- Only a passing reference was made to State policy goals such as the 10-point agenda and there was no clear means of determining how the MTSS results will contribute to their achievement.
- Some global, regional, national and State level policies were briefly reviewed but how these have influenced the sector strategy was not made clear.
- There was no reference to other sectors in the MTSS document.
- There was no information on whether or not indicative budget ceilings were issued and none was provided in the MTSS document; how the MTSS proposals related to the ceilings is unclear as total costs were not provided; Table 1, which was about summary of the sector's programmes and related expenditures, was not completed at all.
- Developments and challenges in the sector were presented in the MTSS (see section 2.4 of the MTSS), but it was not made clear how the strategy presented has been formulated in response to them.
- Staff projections were carried out for the 3 years of the MTSS but no specific discussion of human resources and/or organisation capacity for MTSS implementation.
- Section 1.4 of the MTSS listed a number internal stakeholders but no external stakeholders nor any mention of public involvement in the MTSS development.
- References were made to MDGs in the MTSS documents, but how the MTSS will impact MDGs achievement was not demonstrated and there was no mention of G&SI issues or concerns.

Highlights of the Waterfront MTSS evaluation presented in Table 2.4:

- The 2013 – 2015 MTSS of the Ministry of Waterfront Infrastructure was grossly unfinished; many of the tables were uncompleted and the analysis is generally shallow.
- Outcome based KPIs were accompanied by targets (See Table 2 of the MTSS document); but projects outputs and targets were not shown as the logframe was not completed.
- Estimates were not made for any year of the MTSS; the MTSS is first generation, so it did not benefit from any performance review and could not have demonstrated any commitment to making annual or periodic up-dates of MTSS.
- Only a passing reference was made to State policy documents such LASEEDS and there was no clear means of determining how the MTSS results will contribute to the achievement of its objectives.
- Some global, regional, national and State level policies were reviewed but how these have influenced the sector strategy was not made clear.
- There was no reference to other sectors in the MTSS document.

- Indicative budget ceilings were specified in Section 4.1 of the MTSS document while some aggregated costs were stated in section 4.2 but how the aggregated costs were derived was not made clear as relevant standard tables were not completed.
- Developments in the sector were presented in the MTSS (see section 2.4 of the MTSS), but the sector strategy was not properly articulated in relation to the analysis.
- The MTSS (section 3.3.1) discussed the challenges faced in implementing the 2011 sector budget, which included inadequate staff especially in the professional cadres; but no specific discussion of human resources and/or organisation capacity for MTSS implementation.
- Section 1.4 of the MTSS listed several stakeholders and discussed how they their inputs have been incorporated into the MTSS; the MTSS document stated that: “In developing a workable MTSS document, the Ministry engaged its key stakeholders in discussions during and after the workshop. A conducive environment was created for them to provide useful information to develop the document”.
- MDGs issues relevant to Waterfront were reviewed and related to sector strategy development (See section 2.3 of the MTSS); while the staff compliment was disaggregated into male and female (see Section 2.2. of the MTSS)

In summary.

- The 3 MTSS evaluated in Table 2.4 were first generation MTSS prepared in 2012. Information has it that all the MTSS have been signed off by their respective Hon. Commissioners but there was no evidence of the sign-off on any of the MTSS documents; but names of Hon. Commissioners were written below the prefaces to the MTSS documents as the writers.
- The 3 MTSS evaluated in Table 2.4 were generally weak; the best of the 3 was the Commerce and Industry’s MTSS which had an overall score of 10 or just 50% of the total mark obtainable.
- Surprisingly, MEPB’s MTSS came out as the worst of all the 3 MTSS evaluated in Table 2.4. This is worrisome in the sense that MEPB is expected to lead the MTSS process in Lagos State; but how can it be expected to perform this role effectively if it cannot develop quality MTSS for itself.
- The reason for the wide divergences in the strategy content standards achievement of the 3 MTSS is not clear; since all the SPTs were taken through the same instructions and were provided with the similar templates for analyses and MTSS documentation.
- Two of the MTSS evaluated in Table 2.4 looked grossly unfinished (namely MEPB and Waterfront MTSS) as they contained several gaps and many of the standard tables were uncompleted; the 2 did not look like MTSS at all and it will be surprising if they have been signed off by their respective Hon Commissioners.
- The content standards on which all or most of the MTSS were particularly weak were: lack of references to cross-government and cross-stakeholder working; MTSS not demonstrating their contributions to the achievement of SDP outputs; and MTSS not demonstrating its contributions to MDGs achievement and to G&SI targets.
- All or most of the 3 MTSS presented output or outcome based KPIs and targets for the MTSS period; the results framework should facilitate M&E activities in the course of implementing the MTSS.
- It looked plausible that the SPTs were not aware of or exposed to the SPARC’s strategy contents standards as at the time of developing their MTSS; which could be a reason for the poor performances of the MTSS on strategy content standards achievement.

Application or Uses of the MTSS Prepared in Lagos State

Conventionally, MTSS are developed to serve two major purposes. The first and perhaps the overriding purpose is to serve as the basis for annual budget preparation, including facilitation of budget defence. The second purpose is to facilitate implementation monitoring and performance evaluation.

Despite the impressive record of progress in MTSS development in Lagos State, there is no evidence that either of the basic purposes of MTSS development have significantly materialised in the State. The MTSS prepared have generally not significantly influenced annual budget preparation and defence in the State. However, information had it that the just concluded 2014 budget was significantly influenced by the MTSS that were on ground but the nature of the influence was not clear⁹. Moreover, the results frameworks in the various MTSS have not been used for any significant M&E activities as the various MTSS have remained largely unimplemented.

Questions are then rightly being asked why the MTSSs produced so far have not strictly been linked to or used to influence the budget over the past 6 years when MTSS development started in the State. A possible explanation offered was that this was a deliberate management decision on the part of MEPB not to use the MTSS for budgeting purposes on a piece meal basis. It preferred a situation where all MDAs would be ready with their MTSSs, then take these and apply them at the same time.

Another plausible explanation could be the existing lack of agreement on the approach to MTSS development in Lagos State, especially with reference to the type of sector classification to use. Most of the MTSS developed in the State so far were developed on the basis of loosely defined sectoral or MDAs classifications. In recent times however, an idea to change this basis was being considered in favour of the United Nation's Classification of Functions of Government (COFOG) system.

Whatever be the real explanation, it has been argued that the lack of application of MTSS to budgeting in Lagos State was a very unfortunate situation because in the process an opportunity to learn from, and make improvements on, the process and content of these medium term plans has been lost.

Concerning the COFOG based MTSS idea, a pilot MTSS (called MTGS) was recently developed for the Economic Affairs Functional Group on COFOG basis and there is a plan to extend the process to the remaining 8 COFOG sectors in Lagos State. The following observations/comments are important and useful regarding the COFOG based MTSS idea:

- The process of preparing the medium term group strategy (MTGS), otherwise called MTSS, is extremely difficult and time consuming since it entails aligning the requirements of several incongruent MDAs. The process is much more difficult and time consuming than preparation of MTSS which involves MDAs with broadly similar mandates;
- Beside, the medium term group strategy (MTGS) is not a particularly meaningful concept. For example, since each functional group comprises several incongruent MDAs, how does one define a mission statement, a vision statement, and medium term goals that will commonly pertain to all the constituent MDAs?;
- The Federal Government of Nigeria is introducing a Chart of Accounts (CoA) based International Public Sector Account Standards (IPSAS). This CoA is structured on the

⁹ A form was used by MEPB during budget discussion to assess compliance of the respective budgets with MTSS. MEPB will be able to confirm how successful the exercise was!

basis of 21 programmes which are equivalents of sectors in MTSS; and every state of the Federation is required to adopt the CoA. Information has it that Lagos State has in fact adopted this Federal Government sponsored CoA. A germane question is: how will Lagos State align its 9-COFOG group structure with this CoA's 21-programme/sector structure?¹⁰.

The foregoing observations/comments suggest that there is need to seriously rethink the COFOG based MTSS development idea. The COFOG idea does not seem to add any value to medium term planning; rather, it makes it more difficult and less meaningful.

¹⁰ In the course of presenting the draft of this report to MEPB on 27 November 2013, MEPB resolved to conduct a thorough sector classification of Lagos State's public service which will be in line with international best practices and be easily reconcilable with the Federal Government's CoA's 21-programme/sector structure.

Section Three: Findings and Recommendations

Summary of Findings and Conclusions

The study findings and conclusions are summarised in this section under two main headings as follows: MTSS process evaluation findings and conclusions and MTSS content evaluation findings and conclusion. In each case, the positive findings are listed first, followed by the weaknesses identified.

MTSS Process Evaluation Findings and Conclusions

The key positive issues identified from the review of the MTSS processes and the conclusions reached are as follows:

- LASG on its own funded or partly funded the development of many of the current MTSS, which is an indication of the commitment of the State Government to budget reform; this however needs to be complemented by commitment to implementation of the MTSS. Essentially, implementation of MTSS entails basing the annual budgets on the MTSS proposals and conducting implementation M&E on the basis of the results framework specified in the MTSS;
- There is evidence that MEPB is gradually taking charge of the MTSS process with support from SPARC. In this connection, the Ministry has anchored most of the first generation MTSS prepared in Lagos State and MTSS Core Team has been constituted in MEPB to provide support to sector personnel in the development of their MTSS; which was a good initiative for ensuring process ownership and sustainability;
- Sector Planning Teams (SPTs) were constituted in all MTSS MDAs and trained on how to develop MTSS for all the first generation or freshly prepared MTSS in Lagos State; members of the SPTs gained hands-on experience from working with Consultants in developing the MTSS, which is useful for sustainability of the MTSS process which is good for process sustainability;
- MTSS development process was becoming increasingly participatory in Lagos State, with sector personnel/State Partners increasingly taking charge of the process under the guidance of Consultants; which is good for process ownership and sustainability;
- Going by the completion dates on the available MTSS documents, the MTSS were generally completed well in advance of the commencement of the budget preparation process which should facilitate the translation of the MTSS into annual budget; implying that the MTSS process started pretty early in the year as it should;
- The earlier MTSS (i.e. Education, Health and Transport) have been revised severally, which demonstrated the commitment of LASG to making periodic up-dates of the MTSS as it should be; however, some of the revised MTSS documents could not be found (See Appendix 4);
- LASG harmonised its MTSS and budget preparation templates in June 2013 with a view to making MTSS a veritable instrument for budgeting and to facilitate the translation of the various MTSS into 2014 State budget. This is good for optimizing the utilisation for budgeting, which is the primary objective of MTSS development in the first place. However, the extent to which the harmonised templates have been used for budgeting could not be ascertained because even though the 2014 Budget Call Circular (Section 22.0 P.14) stated that: "The prescribed templates for the presentation of Budget proposal are attached as Annexures I-XII", the so called templates could not be found in the course of preparing this report. However, during the presentation of the draft of this report to MEPB, officials made it clear that the templates were provided in hard copies to the MDAs while soft copies of the templates were also provided to MDAs as separate files; i.e. separate from the Budget Call Circular document;

- Offsite and residential workshops for strategy sessions and training on MTSS process, though costly, have proved to be very effective because it was possible to work longer hours and cover more grounds and participants were more focused;
- A well thought out and documented approach was deployed in preparing the Economic Affairs Functional Group's 2014 – 2016 medium term group strategy (MTGS); although the use of the United Nation's COFOG system as against a properly defined sector classification made the task of preparing the MTGS extremely daunting while the utility of the MTGS is also doubtful.

The key weaknesses identified from the review of the MTSS processes and the conclusions reached are as follows:

- Approach to MTSS development in Lagos State was still conventional (or results-lagged) in nature as against the contemporary results-oriented/results-led approach;
- Sector personnel responsible for MTSS development (i.e. the SPTs) and relevant officers of MEPB were not exposed to SPARC's generic strategy process and content standards; it is also doubtful if all the Consultants that facilitated MTSS development and/or revisions in Lagos State were aware of the strategy process and content standards; this partly explains why many of the MTSS performed so poorly on the achievement of the standards;
- Stakeholders and public involvement in the MTSS development has been rather weak; some stakeholders participated at some of the strategy workshops organised by the sectors but that was all; no evidence of what inputs they made and/or how their inputs have influenced the MTSS;
- MTSS documents were not published in Lagos State although they were uploaded unto LASG website; thus limiting the circulation of the MTSS to only those who have access to the Internet; and even then, the MTSS could not be accessed on the website most of the time;
- Implementation or action plans were not developed from the MTSS, perhaps a reflection of the lack of commitment to their implementation; no implementation plan was found for any of the MTSS evaluated in this study;
- MTSS development in Lagos State has not been based on a properly defined sectoral classification; many of the earlier MTSS were developed on the basis of MDAs while the latest attempt uses the United Nation's COFOG system which is not a sectoral classification system. The issues of the sectoral classification for MTSS development in Lagos State is being further complicated by the IPSAS based Chart of Accounts currently being introduced by the Federal Government of Nigeria;
- Indicative budget ceilings were either not issued at all to guide sector strategy development or were issued too late in the process; no guidelines were given to Sector Champions for sharing the ceilings issued to them during 2013 budget preparation; hence, most of the MTSS prepared so far have remained wish lists as against properly thought out expenditure proposals aimed at enhancing budget realism;
- Political support for MTSS development process has been rather weak in Lagos State; for example, Commissioners and Permanent Secretaries rarely participated at MTSS strategy sessions and other MTSS events. However, information has it that the latest 15 MTSS were signed off by the respective Commissioners, which is an indication of some level of political support for the MTSS process; but evidence of the signoff could not be found on any of the 3 latest generation MTSS reviewed (i.e. Commerce & Industry; Planning and Budget; and Waterfront Infrastructure);
- Generally speaking, MTSS were not used for budgeting in Lagos State until perhaps recently and the results frameworks in the various MTSS have not been put to any significant use regarding M&E activities; this lapse puts a question mark on the State Government's commitment to implement the MTSS; information has it that LASG started

reflecting MTSS in its annual budget preparation only with effect from the 2014 budget cycle;

- Because MTSS have for so long not been applied to budgeting in Lagos State, the opportunity to learn from and make improvements to MTSS development process and contents based on practical experience was lost;
- The M&E Department of MEPB has not been visibly or significantly involved in MTSS development; accordingly, the inputs required from the department for strengthening the results framework of MTSS were not forthcoming;
- Revised versions of some of the earlier MTSS (particularly Education and Health) were found but there was no sufficient information on the process adopted for their revision; all the information available was that the MTSS revisions were facilitated by in-house consultants with some support from SPARC (See Simon Foot, April 2013, P. 63).

MTSS Contents Evaluation Findings and Conclusions

Each MTSS document in the study sample was reviewed and its contents evaluated and scored based on the scoring criteria developed from SPARC's generic 10 strategy contents standards. Detailed findings and conclusions from the review of the respective MTSS documents were set out below the respective tables. This section only summarises the key and generic findings and conclusions from the reviews. Again, the positive findings are listed first, followed by the weaknesses identified from the evaluation.

The key positive issues identified from the review of the MTSS contents and the conclusions reached are as follows:

- All or most of the reviewed MTSS presented output or outcome based KPIs and targets for the MTSS period which demonstrated familiarity of the planners with the importance of results frameworks for medium term plans; the results frameworks presented in the MTSS should facilitate M&E activities in the course of implementing the respective MTSS;
- Many of the reviewed MTSS also performed well on 2 of the 10 content standards, namely;
 - MTSS covers 3 years with later rollover versions benefiting from performance reviews; demonstrating the rolling plan attribute of MTSS and suggesting commitment to period or annual reviews of the MTSS.
 - Consistency with national and regional policies; demonstrating the familiarity of the planners with the need to base their MTSS on relevant high level government policies.
- Health Sector MTSS was the best of all the MTSS reviewed in terms of contents standards achievement; for example, the overall score of 14 by the 2009 – 2011 and 2012 – 2014 editions of the MTSS represented 70% of the mark obtainable. The reason for this is not clear, but the Health Sector MTSS could serve as a good example to other sectors to emulate.

The key weaknesses identified from the review of the MTSS contents and the conclusions reached are as follows:

- Political support for MTSS looks generally weak in Lagos State; the support was not discernible from most of the MTSS reports as many of the documents were not signed by the Hon Commissioners or any similar political office holders;
- Information has it that all the 15 MTSS developed in 2012 have been signed off by their respective Hon. Commissioners; however, there was no evidence of the sign-off on any of the 3 MTSS documents reviewed; but names of Hon. Commissioners were written below the prefaces to the MTSS documents as the writers;

- The reviewed MTSS were generally weak on their strategy content standards achievements, the only exception was the Health Sector MTSS; a more serious attribute of the evaluated rollover MTSS was that they showed only marginal improvement or deteriorated performance over time judged by the trend of their overall scores; this suggests either lack of internalization of the MTSS development skills by the planners or weakening MTSS supports by relevant parties (e.g. consultants, development partners, and MEPB);
- Many of the reviewed MTSS performed particularly poorly on 3 of the 10 content standards, namely;
 - MTSS not demonstrating their contributions to the achievement of SDP outputs.
 - Lack of public involvement in MTSS development.
 - MTSS not demonstrating their contributions to MDGs achievement and to G&SI targets achievement.
- Results frameworks in many of the MTSS were not properly specified; the outputs, outcomes, KPIs, baselines and targets were not correctly defined in many instances; while many of such metrics specified were not measurable;
- Two of the study sample MTSS developed in 2012 appeared grossly unfinished (namely: MEPB's and Waterfront's MTSS); both MTSS contained several gaps and many of the standard tables were uncompleted; in short, the 2 did not look like MTSS at all and it will be surprising if they have been signed off by their respective Hon Commissioners;
- Surprisingly, MEPB's MTSS came out as the worst of the 3 study sample MTSS developed in 2012. This is highly worrisome in the sense that MEPB is expected to lead the MTSS process in Lagos State; but how can it be expected to perform this role effectively if it cannot develop quality MTSS for itself;
- The 3 study sample MTSS developed in 2012 had overall scores ranging from 5 to 10, with Commerce and Industry Sector's MTSS being the best of the 3 (see Table 2.4); the reason for this wide divergences in the strategy content standards achievement is not clear; since all the SPTs were taken through the same instructions and were provided with the similar templates for analyses and MTSS documentation;
- Considering all the MTSS evaluated as a whole, the wide divergences in their strategy content standards achievement could be due to the fact that different consultants have facilitated the development and/or revisions of the various MTSS; each consultant coming with different approaches and MTSS documentation formats; thus creating problem of reconciliation for the state partners/sector personnel; and leading to differences in the MTSS contents standards achievements;
- It appeared plausible that the Sector Planning Teams (SPTs) were not aware of or exposed to SPARC's strategy contents standards as at the time of developing their MTSS; which could be a reason for the general poor performances of the MTSS on strategy content standards achievement.

Summary of Recommendations

The recommendations set out in this section are aimed at enhancing the quality of the process and content standards of future MTSS to be produced in Lagos State based on the observed weaknesses of the historical MTSS. The recommendations are also aimed at enabling future MTSS to be more effective in influencing budget preparation with effect from the Year 2015.

The recommendations have been grouped into two; namely, those requiring policy changes/management decisions and those that are of operational/ technical nature that can be resolved simply through improved MTSS process and practice.

Recommendations Requiring Policy Changes/Management Decisions

- Top political leadership of the budgeting entity (the Executive Council, House of Assembly and Permanent Secretaries) must be committed to the budget reform; they must aspire to understand what the reform entails and must be prepared to provide maximum support for the success of the reform, including the development and application of the MTSS.
- MEPB should fully take charge of the MTSS process to ensure process sustainability; MTSS Core Team members must be well trained to strengthen their confidence in providing support to Sectors; MTSS development and revision should not be conditional on support from Development Partners.
- The Monitoring and Evaluation (M&E) Department of MEPB should be visibly involved in MTSS development, especially to strengthen the results framework of MTSS and facilitate M&E activities.
- Whenever feasible, offsite and residential workshops should be preferred for strategy sessions and training on MTSS process since such have proved to be very effective in the past.
- Having remained within the indicative budget ceilings given to sectors, Government must endeavour to release funds for the implementation of the MTSS as designed.
- Standardise the approach to MTSS development and documentation formats in line with the Lagos MTSS Guide (based on SPARC's generic process and content standards); the contemporary results oriented approach to MTSS development should be adopted; and all those involved with MTSS development must be trained and be mandated to apply the standardized approach and templates.
- MTSS should be made to go through a process of approval; consistency with SPARC's generic strategy process and content standards should be a major criterion for approval.
- The MTSS process must begin early enough (say around February or March) so that the MTSS can be completed before the budgeting cycle/process begins.
- MEPB or individual sectors should publish the MTSS for optimum circulation among stakeholders.
- Sectors must be properly defined for the purpose of MTSS development; it is highly desirable that the MTSS and annual budgets are prepared on the basis of the same sectoral classification (i.e. planners and budget people must agree).
- The COFOG system is not proper for MTSS development and it makes sense to jettison it before too much time is further wasted on it.
- It is necessary to create and approve a budget line for MTSS development either at MEPB or in each of the MTSS sectors; funds shortage is a major constraint to MTSS development.
- Sectors' annual budgets must derive from the MTSS, which is the primary aim of preparing MTSS in the first place; this requires close collaboration between those responsible for preparing the MTSS and those responsible for preparing the sectors' annual budgets; moreover, the various MTSS and budget templates must be well aligned to facilitate the translation of the MTSS into the annual budget.
- All the MTSS so far produced in Lagos State should be revised/updated to 2015 – 2017 in accordance with Lagos MTSS Guide (based on SPARC's generic process and content standards); in this connection, all the unfinished MTSS should be completed.

Operational or Technical Type Recommendations

- All those involved with MTSS development in the State must be trained and be mandated to apply a standardized approach and templates; especially the consultants at Sector/MDA level that will facilitate MTSS development and/or revision.

- Regular reviews/evaluation should be part of MTSS process in Lagos State so as to provide opportunity for learning from and making continuous improvements on the process and contents of the MTSS.
- Relevant State political office holders should be actively involved in MTSS development (i.e. Commissioners, relevant members of the State House of Assembly, Permanent Secretaries, and relevant Directors); without which MTSS will either not be prepared at all or will not be implemented even if prepared.
- Expose planners to the Lagos MTSS Guide (based on SPARC's generic process and content standards) at the start of the MTSS preparation and to instruct SPTs to structure their MTSS in compliance with the standards.
- Results frameworks in the MTSS need to be strengthened; relevant concepts (outputs, outcomes, KPIs, baselines and targets) should be correctly defined and be measurably specified; this calls for proper training of the SPTs as well as the use of quality consultants for MTSS development facilitation.
- Indicative budget ceilings must be issued by MEPB to all sectors developing MTSS on time; MEPB must enforce discipline by not accepting or approving any MTSS that is not within the issued indicative budget ceiling; an annual planning and budget calendar that accommodates all processes should be adopted and respected.
- MTSS must be well costed and total costs (personnel + overhead + capital) must fall within the indicative budget ceilings given to the sector as part of the Government's medium term fiscal/budget framework.
- MTSS must derive from high level policies of the Government; indeed, MTSS must foster the attainment of the policy goals in those high level policy documents; especially the attainment of the LSDP¹¹.
- Stakeholders and public involvement in MTSS development should be institutionalized and well funded; extent of public involvement should be a criterion for approval or rejection of a MTSS by MEPB.

Next Steps

The foregoing recommendations set out the key actions to be taken in order to improve the quality and application of future MTSS in Lagos State. The bulk of the actions revolve round MEPB, which is the central planning and budgeting agency of Lagos State.

Key steps to be taken by MEPB will include the following:

- Carefully study the recommendations and seek necessary clarifications to ensure good understanding of the actions required;
- Arrange the required actions in a sequential order and develop implementation action plan for the recommendations;
- Diligently implement the action plan as designed;
- Monitor and evaluate the implementation of the action plan and make necessary changes to the plan based on the results of the M&E.

¹¹ The LSDP was only recently approved by the Executive Council of Lagos State; the plan was not available as at the time of developing all the MTSS reviewed in this study; accordingly, the MTSS derived largely from the LSDP implementation plan.

References

1. MEPB, Lagos State Government Medium Term Sector Strategy (MTSS) Plan 2009 – 2011, Health sector, Draft final report; May 2008.
2. MEPB, Lagos State Health Sector 2012 -2014 MTSS Technical Report; March 2012.
3. MEPB, Ministry Of Waterfront Infrastructure Development 2013 – 2015 Medium-Term Sector Strategy (MTSS); February 2012.
4. MEPB/SPARC; Lagos State Ministries, Departments And Agencies (MDAs) Medium Term Strategies Consolidation By Sectors: Concept Paper; March 2013.
5. MEPB; Lagos State 2010-2012 Education Sector Medium Term Sector Strategy (MTSS) Report; October 2009.
6. MEPB; Lagos State 2012-2014 Medium Term Sector Strategy (MTSS) Report; January 2012.
7. MEPB; Lagos State Education Sector 2011-2013 Medium Term Sector Strategy (MTSS) Report; November 2010.
8. MEPB; Lagos State Government Ministry of Economic Planning and Budget 2013-2015 Medium-Term Sector Strategy (MTSS); February 2012.
9. MEPB; Lagos State Government Ministry of Education 2013 – 2015 Medium-Term Sector Strategy (MTSS) Report; January 2013.
10. MEPB; Lagos State Government Ministry of Health 2013-2015 Medium – Term Sector Strategy (MTSS) Zero Draft Report; June 2012.
11. MEPB; Lagos State Ministry of Transport 2013 – 2015 Medium-Term Sector Strategy (MTSS); July 212.
12. MEPB; Ministry of Commerce and Industry 2013 – 2015 Medium-Term Sector Strategy (MTSS).
13. MEPB; Year 2014 Budget Call Circular Ref . No. MEPB/ B.2006/S.20A/192/...; (Undated).
14. Ministry of Economic Planning and Budget (MEPB); Guidelines for the Preparation of Medium-Term Sector Strategies for the Period 2008 – 2011 for Lagos State Government; Prepared by PricewaterhouseCoopers; 26 October 2007.
15. Nigeria: State and Local Government Programme (SLGP); Agreement For Sub-Contract Services; Facilitation of Lagos State Government MTSS - Health, Education and Environment; Tuesday 29th January 2008.
16. Simon Foot/SPARC; Medium Term Sector Strategy Development, Their Content Standards and their Influence on State Budgets; April 2013.
17. SPARC; Working Papers, DRAFT Logframe RAG Criteria; October 2012; 17-10-2012 Version.

Appendix 1: MTSS Process Standards Scoring Criteria

Standard	Score Red	Score Amber	Score Green
1. Politicians and the Central Planning Ministry are providing timely annual policy guidance and envelopes, based upon the SDP, within which sector strategy can be developed (SEAT 1A).	Annual policy guidance and budget envelopes are not provided by politicians and/or Ministry of Economic Planning and Budget (MEPB) to guide the development of sector strategy.	Annual policy guidance and budget envelopes are provided by politicians and/or Ministry of Economic Planning and Budget (MEPB) to guide the development of sector strategy but the provision is not timely and/or not based on the State Development Plan (SDP).	Annual policy guidance and budget envelopes are provided timely by politicians and/or Ministry of Economic Planning and Budget (MEPB) to guide the development of sector strategy and the provision is based on the SDP.
2. Approaches to achieving public involvement in strategy making are understood and utilised (SEAT 7).	Approaches to achieving public involvement in strategy making are neither understood nor utilised.	Approaches to achieving public involvement in strategy making are understood but not utilised or utilised but not understood.	Approaches to achieving public involvement in strategy making are understood and utilised.
3. Strategies are published, and a political commitment to implement them is being made – attached to service charters where appropriate (SEAT 8).	Strategies are not published and political commitment to implement them is not being made.	Strategies are published but political commitment to implement them is not being made or political commitment to implement strategies is being made but strategies are not published.	Strategies are published and a political commitment to implement them is being made – attached to service charters where appropriate
4. MTSS teams (or committees or focus groups) in each “sector” have been established, and receive support on how to develop MTSS according to all the contents standards listed adjacent from the central planning	MTSS teams (or committees or focus groups) have neither been established in each “sector” nor received support from MEPB on how to develop MTSS.	MTSS teams (or committees or focus groups) have been established in each “sector” but have not received support from MEPB on how to develop MTSS.	MTSS teams (or committees or focus groups) have been established in each “sector”, and they have received support from MEPB on how to develop MTSS according to all SPARC’s MTSS process and contents standards.

Standard	Score Red	Score Amber	Score Green
Ministry (SEAT 2).			
5. Sector strategies are developed into (or iteratively on the basis of) sector implementation or action plans.	Sector strategies are not developed into (or iteratively on the basis of) sector implementation or action plans	Sector strategies are developed into (or iteratively on the basis of) sector implementation or action plans.	Sector strategies are developed into (or iteratively on the basis of) sector implementation or action plans and the plans are actually being utilised.

Source: Scoring criteria developed by the Author from SPARC's generic MTSS process standards.

Appendix 2: MTSS Content Standards Scoring Criteria

Standard	Score Red	Score Amber	Score Green
1. Objectives are output and outcome based, and the sector strategy includes Key Performance Indicators (KPIs) (SEAT 2);	There are no output based objectives indicators or milestones.	There are some output or outcome based objectives, maybe expressed as KPIs, but there are no milestones.	Output or outcome based KPIs are accompanied by milestones.
2. Sector Strategies cover three years, and rolling versions demonstrate changes made on the basis of performance reviews;	The MTSS only provides one year of estimates, or provides no estimates at all.	Although the MTSS may provide three years of estimates, it is the first in a generation, and as yet does not demonstrate commitment to making annual or periodic up-dates.	Three years of estimates are included and the MTSS is clearly a rolled over and up-dated version on a previous effort.
3. Sector Strategy demonstrates specific means of achieving or contributing to the achievement of relevant Policy Statements in the State Development Plan;	Passing reference may be made to state policy goals such as an agenda, but there is no clear means of determining how the MTSS results will contribute to their achievement.	There may be clear and even extended reference to a state development plan and its goals, and the goals for the sector may be reflected there, but there is no attempt to demonstrate HOW the MTSS has been modified or changed in order to ensure that it makes this broader contribution.	There is clear reference to the relevant goals in an SDP, AND it is clear how the details of the sector strategy have been moulded in order to ensure their achievement, and contribution to broader goals of the State Plan.
4. It is possible to discern in the Sector Strategy consistency with National and Regional Policy Guidelines (SEAT 4);	National or international standards may be briefly referred to, or not even referred to at all.	Some extensive mention of national policy guides may be made, and even though the MTSS may by inference contribute to their achievement there is no means of telling how it has been designed in order to ensure this result.	Reviews of national and international policy are clear, and it is also demonstrated how the strategy has been designed in order to ensure that these are complied with, or else reasons for divergence are explained.

<p>5. Sector Strategies incorporate reference to cross government and cross-stakeholders workings (SEAT 5);</p>	<p>There is no reference to other sectors.</p>	<p>Some reference is made to other sectors and the importance of cross-sector working.</p>	<p>The MTSS demonstrates how it will contribute to the achievement of specific goals in other sectors. These goals must be mentioned and the means of cross-sector working described.</p>
<p>6. Sector Strategies are financially feasible (SEAT 1B) (this implies that they are within the ceilings provided in call budget circulars, and that these ceilings have been determined within the bounds of realistic financial projections);</p>	<p>There is no real programme or activity or even project costing basis across the years of the MTSS, no ceilings are measured and no effort has been made to keep within them, or ceilings are provided but no recurrent costs are included in the MTSS calculation.</p>	<p>Costing are provided, but they may be partial (not including recurrent costs) or incomplete, or it is unclear what the real totals are, ceilings have been mentioned but not necessarily complied with, or the ceilings may have been distorted from the originals in a CBC, or priorities are shown but are included above the ceiling within the applicable year.</p>	<p>Costing for all elements of the MTSS are provided – including capital and recurrent – even if these are not fully integrated across programmes – and it is clear that published ceilings have been treated seriously, with secondary priorities included in later years.</p>
<p>7. Evidence including research findings are used in the development of strategies (SEAT 3);</p>	<p>Little or no evidence about the sector and the service delivered is presented. (This may not be the fault of MTSS planners.)</p>	<p>Evidence is included in the MTSS, but it is not obvious, or not made clear, how the strategy presented has been formulated in response to it.</p>	<p>Evidence presentation is good and it well argued that the strategy developed is based upon that evidence – for example that evidence makes it clear that one approach to delivery is likely to yield better results than another.</p>
<p>8. Sector strategies demonstrate that there is the human resource and organisational capacity to implement them (SEAT 6);</p>	<p>Plans appear complex and include a very large number of targets and activities, without any mention of the need to ensure that MDAs have the human and systems capacity to implement them.</p>	<p>Either the number of activities and targets appear manageable, or some mention is made of the need to be concerned about implementation capacity, and that some measures are expressly being</p>	<p>Explicit evidence is provided demonstrating how the plan has been curtailed in order to bring it into line with current capacity, or reviews of previous years' performances demonstrate that</p>

		taken to raise it to the appropriate level.	implementation records are already good.
9. Sector strategies demonstrate that public views have been taken into account (SEAT 7); and	There is little or no mention of public views or of the need to take them into account.	The public has been involved in some way <i>in developing the strategy</i> , either through membership of a MTSS committee, or through attendance at a consultative forum or workshop mentioned in the MTSS, but it is not made clear what their views were nor how these influenced the development of strategy.	It is clear that public views were sought through some mechanism, and their views are reported, and evidence is presented which show how these views were considered and taken into account when formulating strategy.
10. Sector strategies demonstrate their contributions to MDG achievement and to G&SI targets.	This question is about demonstration. Most sectors will impact on MDGs, but it is not demonstrated how this will be achieved. There is almost no mention of G&SI issues or concerns.	MDGs and/or G&SI issues are mentioned as being important, and there may be some programmes or targets included that are specific to them, but it is not demonstrated how these considerations have influenced the development of strategies.	The MTSS clearly demonstrates how MDG AND G&SI issues are taken into account and how the strategy has been developed in such a way as to ensure positive results in both these areas.

Source: SPARC, April 2013

Appendix 3: MTSS Evaluation Interview Checklist

1. How would you assess MTSS development process in Lagos State to date; what have been the enabling factors and what have been the major challenges?
2. What specific supports has MEPB provided to Sector Planning Teams (SPTs) on how to develop MTSS to meet SPARC's MTSS process and contents standards? Are the MTSS process and contents standards known and well understood?
3. Are MTSS published in Lagos State and would you say there is sufficient political commitment to implement them? If not, why?
4. Indicative budget ceilings were either not issued or not issued timely to guide the preparation of sector strategies; why is this and what will be done to expedite the issuance of budget ceilings in future?
5. Does Lagos State prepare realistic financial projections and do the indicative budget ceilings issued to sectors derive from such projections? If yes, why have releases not been in line with approved budgets, especially for capital budgets?
6. Public and stakeholders' involvement in strategy making (i.e. MTSS development) in Lagos State has been weak. Why is this and what will be done to strengthen public and stakeholders' involvement in future MTSS development?
7. Were implementation plans (or action or operational plans) developed from the MTSS so far produced in Lagos State and if yes, are such plans being implemented? If not, why?
8. Political support for MTSS in Lagos State appears to be weak in recent times; why is this and what can be done to strengthen the commitment of politicians? (Lagos State Government funded the second generation of MTSS – 7 of them; which suggests some commitment to budget reform but this is not all that is required!).
9. Was the preparation of the 2014 budget influenced by the MTSS and how if yes? Why has MTSS not significantly influenced annual budget preparation in Lagos State before now? When does the State plan to start to apply MTSS to budgeting frontally? What specific things are required to make this happen?
10. What process was followed in reviewing MTSS in Lagos State? Were the MTSS so far reviewed (e.g. Education and Health) based on the results of any annual performance reviews (APRs)? Have any APR been conducted; if yes, when, for which sectors and what were the results used for?
11. Would you say that the MTSS so far produced were sufficiently linked to the State Development Plan (SDP)? If not, why and how would this be improved upon in future MTSS development?
12. What are your suggestions for improving the MTSS experience in Lagos State generally (i.e. with respect to MTSS process, MTSS contents and the application of MTSS)?
13. What do you see as next steps in MTSS development programme in Lagos State?

Source: Study Consultant's output

Appendix 4: Sample LASG's MTSS Collected for Evaluation Study

Sample Sector	2009 – 2011	2010 – 2012	2011 – 2013	2012 – 2014	2013 – 2015
Education	X	✓	✓	✓	✓
Health	✓	?	?	✓	✓
Transport			X	?	✓
Commerce & Industry					✓
Economic Planning & Budget					✓
Waterfront Infrastructure					✓

Source: Study Consultant's Analysis

Notes:

- The periods for which the MTSS were produced are shown in Table 1.
- ✓ = Collected
- X = Outstanding
- ? = Not sure if it exists

Appendix 5: List of MTSS Produced in Lagos State Since 2008

2009 – 2011	2010 – 2012	2011 – 2013	2012 – 2014	2013 – 2015	2014 – 2016
Newly Prepared MTSS (Education MTSS not yet found)					
1. Education 2. Health 3. Environment		1. Justice 2. Women's Affairs and Poverty Alleviation 3. Housing 4. Physical Planning and Urban Development 5. Transportation 6. Youth, Sport and Social Development 7. Works and Infrastructure		1. Finance, Economic Planning and Budget, 2. Commerce and Industry, 3. Agriculture and Co-operatives, 4. Waterfront Infrastructure, 5. Office of Head of Service/Public Service Office, 6. Information, Lands Bureau, 7. Home Affairs and Culture, 8. Science and Technology, 9. Tourism and Inter-governmental Relations, 10. Rural Development, 11. Special Duties, 12. Local Government and Chieftaincy Affairs and 13. Establishment, Training and Pensions	1. Energy and Mineral Resources 2. Teachers' Establishment and Pensions Office (TEPO) 3. Etc. 4. Etc. (These are yet uncompleted as at the time of this report)
Revised MTSS Found					
	1. Health	2. Education	1. Education 2. Health	1. Education 2. Health 3. Transport	

Source: Study Consultant's analysis

Note: This Appendix summarises the sectors that have produced MTSS in Lagos State and the years for which the MTSS were produced. The table did not show history of the revision of the earlier MTSS as little was known about such revisions.



www.lasg.gov.org