

RESEARCH ARTICLE

A Qualitative Narrative on the Practices of Transparency and Accountability at Local Government Institutions: The Case of a Union Parishad in Bangladesh

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Abstract

This study presents the current practices of transparency and accountability of local government institutions in Bangladesh taking a union parishad as a case. The research approach follows the style of a qualitative narrative based on selective interviews, focus group discussion, observation and analysis of archival records and documents. Different secondary sources are also consulted to provide a thick description on the key themes of the study. Research triangulation is reached through analyzing interviews, archival records, and observations. The study found that local government institutions in Bangladesh still suffer from a very weak structure in providing basic services to the citizens, including lack of revenue, low level of human capital in the local government bodies. The study also found that participation in decision making and the budget preparation process is grossly absent, along with a weak monitoring mechanism which lacks accountability and transparency. Continuation of an inherited colonial structure fueled with political instability and a power-playing attitude are collectively responsible for weak local government structure. Though Bangladesh has witnessed significant reform initiatives in organizations responsible for public service delivery, local government institutions have not benefitted enough from these initiatives due to their remote positioning and servicing a large beneficiary population, most of whom are unaware about their public rights. However, the study highlights some visible changes whereby transparency and an accountability framework of local government units is improving. Digitalized technology has been widely used in public service delivery. The use of a database system, sharing information, awareness programs and inclusion of digital centers in local government agencies make the local government units more transparent.

Keywords

Transparency, accountability, local government, Union Parishad, Bangladesh

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Introduction

The Local Government Institution (LGI) was erroneously thought about as an insignificant phase of the central government. However, such perceptions are modified with the event of the industrial countries wherever the number of civil servants at the local level becomes larger than unremarkably believed. This created a distinction between 'local government,' 'local politics' and 'local administration' and, thus, it is incredibly vital to avoid confusion regarding understanding these ideas. Conceptually, 'local politics' is way broader than that of 'local government' which incorporates political parties, factionalism, political competition, etc. (Panday, 2011). On the contrary, 'local administration' denotes the execution of presidency selections not solely by the local government entities, rather conjointly by national government units settled at the local level.

Relating to the government, local government is widely referred to as local self-rule in most South Asian countries (Siddique, 1994; Panday, 2019). There are several changes created to its mode of operation completely underneath during different regimes. Even though local bodies are well located to include a considerable scope of people's participation, the fact is totally different in reality. The practices (e.g., financial administration, service delivery, etc.) of accountability and transparency at local government units (e.g., union parishad) become a core area for research. Various factors are liable to associate monarchical mode of centralized authority, and lack of economic resources, improper policy formulation and implementation, because of the apathy of the individuals and, therefore the government. Where LGIs enjoy the opportunity of ensuring public service delivery at the mass level being very close to their location, they nevertheless fail to make desired services available to the satisfaction of service recipients for various reasons. This study presents the practices of transparency and accountability of a union parishad selected as a case to understand the state of public service delivery in local government units in Bangladesh.

Ensuring responsibility and transparency in operations at the local level are important parts for guaranteeing people's participation in local development. Responsibility could be a relationship between associate actors and a forum, during which the actor has an associated obligation to clarify and to justify his/her conduct, and the forum will cause queries and pass judgment which may lead to consequences for the actor (Willems, 2002). Responsibility entails government in any respective levels to be accountable, by each of its individuals and its electoral bodies. In addition, responsibility requires a strict separation of local budgets and entrepreneurial activities at the local level. However, to hold the government responsible, transparency is essential (Felzmann et al., 2019). Transparency refers to norms and practices for lawful and legitimate centers of powers to disclose data regarding their choices, actions, and states of affairs

to the public. A clear public monetary accounting policy creates the potential to see what the government has done and to check the actual monetary operations with planned activities. Transparency denotes free access to governmental political and economic activities and choices (Broz, 2002). The main objective of this study is to unravel this standing of responsibility and transparency at local government level with an added emphasis on financial operations to seek the challenges that constrain responsibility and transparency.

Transparency as a concept is a precondition for accountability, and both concepts are seen as indistinguishable and inseparable from one another, which Hood (2010) calls “Siamese twins”. Transparency involves “seeing through” the affairs of local government where information on administrative, political and financial decisions of public administrators are known to the electorate. Accountability implies the duty to act in a responsible way and to be accountable to others for one’s actions to maintain effective and logical links between planning, deciding, action and verification (Ricci, 2016). In public administration, the demand for accountability has evolved following changes in institutional structure and functions. Apparently, transparency practices encourage accountability (Gabriel et al., 2019). Henceforth, the level of transparency dictates to a certain extent, accountability practices. In the local context, transparency and accountability is institutionalized by statutory legislations where a person or agency evaluates the action of the government so that it may be held responsible for its actions. Accountability is a measure to make local officials responsible not only to their superior but also to the public in general. To establish “sound government frameworks, local officials are made responsible for their decisions and finances to the central government as well as the public” (Uddin, 2018). Transparency is a critical mechanism to open up government (Castillo and Gabriel, 2020). Transparency and accountability in local governance inform scrutiny and participation. They need to be embedded in the culture of local governance, and it is something which politicians and administrators alike should invest, considering the key role local governments perform towards countryside development (Gabriel, 2017).

Accountability embraces transparency depending on the openness and flow of information between the government and the public (Musa et al., 2015). The interplay between transparency and accountability is real, in that, for an institution to be accountable, it must be transparent and, if an institution is transparent, it is likely that it is accountable as it has nothing to hide (Mallya, 2016). The more transparent the government is, the more accountable the officialdom. Transparency creates expectations among clients leading to “vertical accountability” (Han & Demircioglu, 2016). It is a prerequisite to an open and democratic government. Considering the interplay between accountability and transparency in public service delivery to the satisfaction of service recipients, this study developed a qualitative narrative based

on the practices of a local government unit in Bangladesh to inform the wider public about its functionality. The remaining part of the paper is structured as follows: Section 2 identifies research questions and goals, followed by a description of the research methodology in section 3. The paper presents a unified legal framework in section 4, and discusses findings in section 5. Finally, the paper ends with conclusions and recommendations in section 6.

Research Questions and Goals

Bangladesh has witnessed a significant reform initiative in its public administration and management (Chowdhury and Shil, 2022). Local government has also undergone some changes. However, the diffusion of innovative practices in local government is considerably slow. The objectives of such reform initiatives are to strengthen each governmental unit financially, to capacitate them to perform better, to implement decentralized democratic systems, to empower them with the right of decision making, etc. Very aptly, this study considers the principal research question as follows: *Is the financial administration of local government in Bangladesh transparent and accountable?* In line with this research question, this study has the following research goals:

- a) To explore the present system of local level finance in Bangladesh
- b) To identify the transparency and accountability mechanisms of local level finance
- c) To explain the extent of progress in local government performance in Bangladesh
- d) To recommend measures of increasing accountability and transparency in the operation of local government unit, say, Union Parishad.

Research Method

This study is built on the qualitative paradigm of research where empirical data comes from both primary and secondary sources. The primary source of the data contains interview sessions with general people who are the service recipients, people who are service providers, and selective government officials from the unit under study. A total of 21 persons have been interviewed to develop an understanding of the accountability and transparency framework present in the selected local government unit. Out of 21 interviewees, 8 represent selected government officials (3 elected members of the union parishad and 5 employees of the union parishad), 7 represent service recipients (randomly selected from the mass who come to union parishad for different types of services during the study period) and 6 represent service providers. The Chairman (head of the parishad who is elected by the public) acts as the gatekeeper which help us to select and reach to the interviewees (particularly, government officials and service providers) easily and comfortably. The interviews and focus group discussions (FGD) were

undertaken in Sakta Union of Keranigonj Upazila, Bangladesh, a local government unit. The interviews were conducted over a period of roughly six months from May to November 2022. The gatekeeper also helped us to participate and observe the businesses transacted in public hearings (regular event of the parishad) and arranged one FGD. The secondary sources of data comprise a review of various documents and publications of government agencies, non-governmental organizations (NGOs), reports, archival records, and research papers.

To analyze the data, we have applied the method of qualitative narratives to highlight the experiences in the form of storytelling. Researchers use narrative analysis to understand how research participants construct stories and narratives from their own personal experience. Narrative inquiry is a form of qualitative research in which the stories themselves become the raw data (Bleakley, 2005). This approach involves inquiry directed at narratives of human experience or inquiry that produces data in narrative form (Hoshmand, 2005). Defining features of the narrative approach include the collection of narratives (stories) from individuals or small groups. Most often there is collaboration with the researcher as storytelling engages the audience. Narratives are often collected through interviews, but other qualitative forms of data collection, such as observation and documents, may be used. Narratives can be derived from journals, letters, conversations, autobiographies, transcripts of in-depth interviews, FGD, or other types of qualitative research, and then used in narrative research. Analysis of narrative data varies as there is no universal approach. However narrative researchers have published guidelines and processes (Reissman, 2008). There is a dual layer of interpretation in narrative analysis. First the research participants interpret their own lives through narrative. Then the researcher interprets the construction of that narrative supplementing and substantiating the evidence with other data sources. In this study, we found that this research method and data analysis was perfect due to the nature of the study and research objectives. Our research methodology and data analysis are depicted in Figure 1 below.

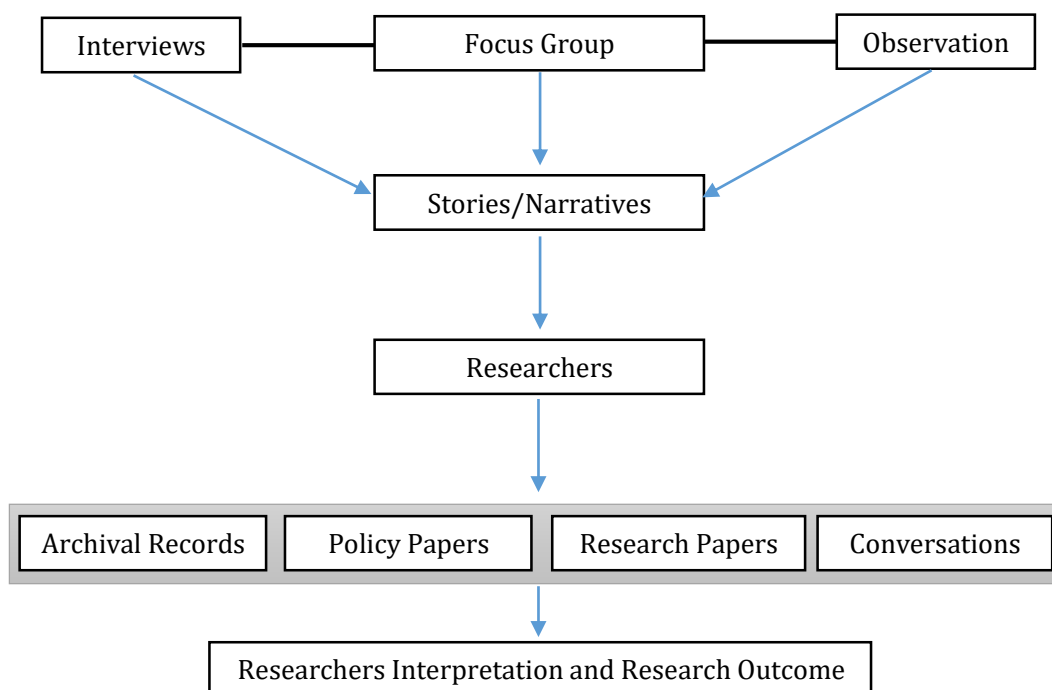


Figure 1: Dual layer data analysis in narrative inquiry (Source: Authors own compilation)

Unified legal Framework of Local Government

Bangladesh inherited a colonial structure which encourages the central government to exert hegemonic control over LGI by integrating all local bodies within a regulated, unified framework (Siddiqui, 1994; Panday, 2011). The local government system in Bangladesh relies on at least five separate laws covering the roles and functioning of Zila parishads, Upazila parishads, Union parishads, Pourashavas, and City Corporations. Other than constitutional provisions dealing with local governance, the system lacks a single legal framework. The main advantage of the piece-meal legislative approach for local governance is that each piece of legislation could more easily be tailored to the relevant political constituency to secure passage by parliament.

One could question whether a parliamentary majority would support comprehensive or unified Local Government Act covering all local government levels (Jamie and Renata, 2015). As such, the evolution of the legislative framework is understandable, and it could be argued that the series of revisions to the local government acts in 2009-10 resulted in some improvements and alignment between the different acts. Conceivably, the most important disadvantage of current fragmentation of the legal framework, with respect to local governance, is that it has contributed to considerable duplication and lack of clarity in the assignment of functional

responsibilities across different LGIs (Ali, 2012). Furthermore, the fragmentation approach has failed to give shape to an appropriate overarching mechanism for coordinating intergovernmental relations and for funding local government institutions. Most local government laws (or closely related local government finance laws) also provide the legal basis for the provision of formula-based intergovernmental fiscal transfers at the local government level.

In Bangladesh, local government structure makes a clear separation between urban and rural local governments. It may be appropriate to adopt one comprehensive law for the rural local government system and to adopt a separate law for urban local governments. To the extent that it might be preferable to achieve harmonization between urban and rural local governments at each level, it would be appropriate to pursue a single local government Act. In either case, the legal framework should not only limit itself to the functioning and responsibilities of the LGIs themselves, but also deal with the relevant systemic issues such as intergovernmental coordination and intergovernmental finance. The comprehensive legal framework on local governance should also be better positioned to proactively deal with the division of responsibilities between LGIs on one hand and the role and responsibilities of deconcentrated administrative entities at the different levels on the other hand (Royal Government of Colombia, 2010).

The existing structure of local government in Bangladesh is nothing but a result of changes during successive regimes. The constitution of Bangladesh preserves the provision of elected representative bodies at all levels of administrative tiers with powers to prepare budgets, maintain funds, impose taxes, and implement plans for public services and economic development (Government of Bangladesh, 2011). The administration of Bangladesh is divided into nine administrative units called divisions. Each division is split into several districts which are further subdivided into Upazila (sub-districts). Each sub-district is further divided into several unions, except for those in metropolitan areas. At present, there are two distinct types of LGIs in Bangladesh: one for rural areas and the other one for urban areas. The local government in rural areas represents a hierarchical system consisting of three tiers: Union Parishad (UP) at the village level, Upazila Parishad at the sub-district level and Zila Parishad at the district level, while urban local government are the city corporation for large cities and the Paurashava (municipality) for small towns (CPD, 2013). There exist separate laws for each tier of local government. In the three hill districts of Chittagong hill tracts, the system of local government appears iron-fisted and more complicated because of the existence of a dual governing system. Here, traditional local government is functioning under the circle chief along with the general system (Barkat et al., 2015). Figure 2 shows the existing structure of local government in Bangladesh.

Pouroshava/Municipal Corporations areas, excluding the cities with city corporations, have municipal corporations, also known as Paurasabha. Paurasabhas are divided into wards, which are further divided into Mauzas and Mahallas. Direct elections are held for each ward, electing a chairperson and several members. The municipal heads are elected for a span of five years. Bangladesh has 532 urban areas classified into eleven City Corporations and 318 Pourashavas (Municipalities) run by elected Pourashava councils. Pourashavas are further classified as A, B and C categories. Urban areas are categorized as larger city corporations or A, B, and C class Pourashavas based on the minimum of annual revenues collected over last three years. Class A being those with income of more than BDT (BDT refers the currency of Bangladesh, Bangladeshi Taka) 6 million, class B with more than BDT 2.5 million up to BDT 6 million income and class C with more than BDT 1 million up to BDT 2.5 million income. About 60% of the urban population reside in the city corporations, while 40% live in porashavas. Urban areas are contained within only 10,600 Sq km (7%) of the country's 147000 sq km, reflecting a high urban population density in 2011 of 4028 persons per sq km (compared with a much lower rural density of 790 persons).

In Bangladesh, a Union Parishad is the grassroots establishment for desegregation local into the event method. Since independence, all the events have been undertaken and enforced at the grassroots level are through with the management of Union Parishads, that are presupposed to be pass by the people's representatives. Union Parishad is the last tier in the system of Local Government which directly serves the people live in rural areas. It possesses more discretionary authority than the other tiers due to its positioning and urgency of serving the local needs which cannot be generalized. It also contributes to rural development which has gotten more priority in recent years, driven by the concept of inclusive development and, for more than 150 years, it shaped the current rural power structure (Chowdhury and Jabbar, 1979; Rahman, 2019). The Bangladeshi Constitution (Article 11) mandates the existence of such elected Local Government bodies. Articles 59 and 60 of the constitution also mandate the establishment of a representative and decentralized peripheral government (Government of Bangladesh, 1972; Rahaman and Hasan, 2019). In this regard, the Local Government (Union Parishad) Act of 2009 grants UP the financial autonomy to maintain a fund known as the Union Fund in addition to local accountability measures such as Open Budgeting and Wardshava. In recognition of thana-level administration, the decentralization measures implemented during the regime of Hussain Muhammad Ershad, the former president (1983-1990) of Bangladesh, were the most significant attempt in Bangladesh's history to introduce responsible government to Local Governance (Siddiqui, 2005). There are approximately 4,500 UP in Bangladesh which differ in size, population, location, and level of development. Each UP has a parishad and a council, which is mostly

composed in a similar manner throughout the country (Government of Bangladesh, 2012). The different UPs, however, differ in terms of the political orientation of their key elected members (chairman, members, and women members), their technical capacity to undertake functions, and the ways different actors define inter-role relationships and resolve problems of mutual adjustment. Much of what has been described about the Upazila Parishad (UZP) equally applies to UP. Very importantly, UPs are not recognized as self-governing bodies with complete discretion over their income and expenditures. Rather, local fund mobilization is governed by stringent and specific legislation enacted by higher authorities (Panday, 2011). Haque (2009) identified this weakening democratic structures of UPs as the "dark clouds" of Local Government's financial dependence on the central government.

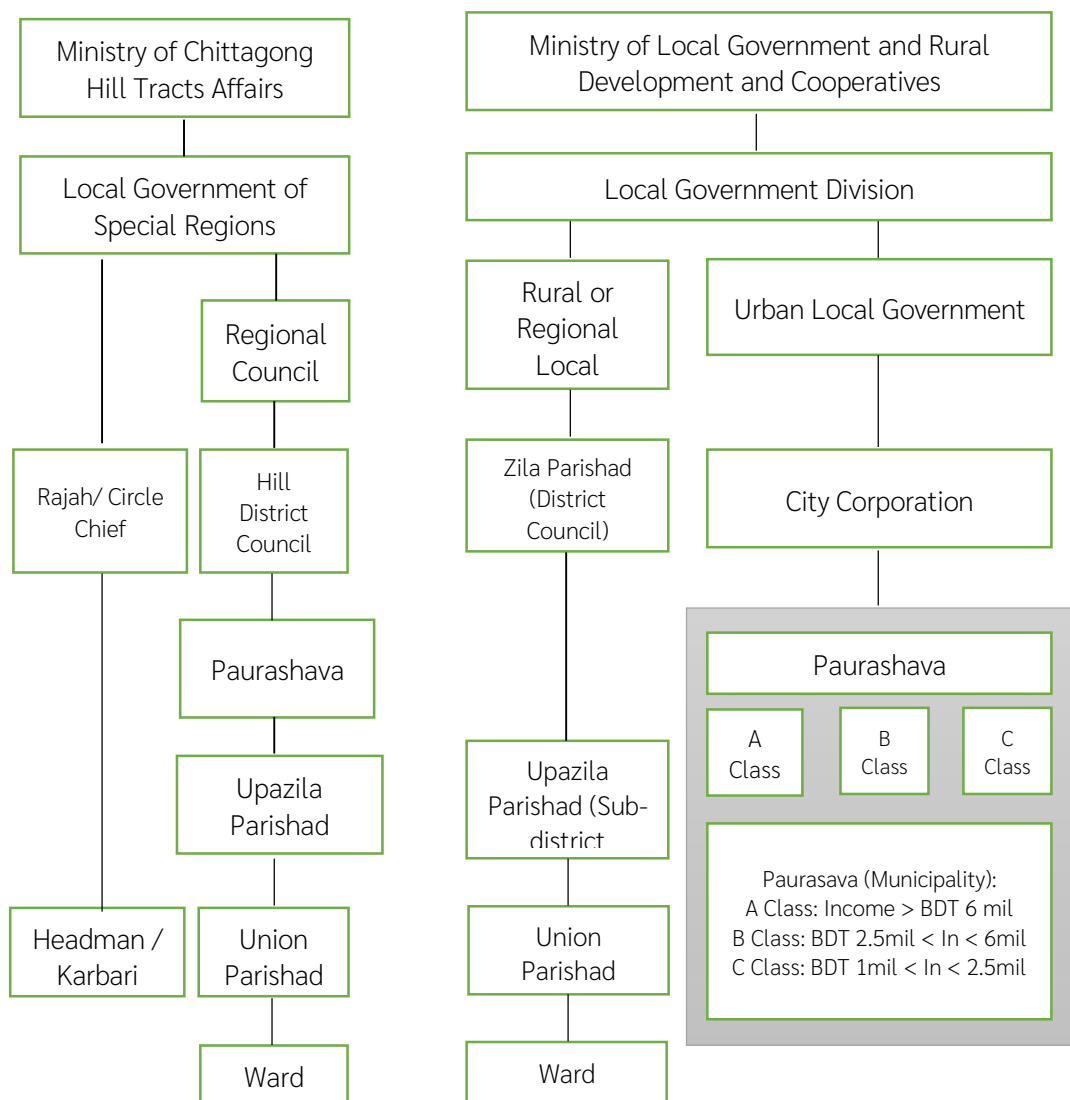


Figure 2: The Hierarchy of Local Government System in Bangladesh

(Source: Adapted from Barkat et al., 2015)

Findings of Union Parishad Mechanism

In Bangladesh, most fiscal decisions are controlled at the national level through parliamentary provisions. The portion of revenues and expenditure of local government in the total public budget is very insignificant. During the last few decades, the share of all UPs total revenues amounted to about one to three percent of the Central Government's total revenue. This section reviews some of the major findings from the interviews and focus group discussions about local finance budgets and accounting, funding sources, standing committees, monitoring mechanisms of Sakta Union under Keraniganj Upazila of Dhaka District, Bangladesh. This study found that the accountability of public service delivery is demonstrated through the accounting and budgeting system of the country and transparency mechanism is strengthened through using digitization in providing various services to public. Keeping the central theme of the study in focus, we have presented our findings in this section based on our interview transcripts, observation notes and archival records.

Funding Sources

Revenue assortment is one of the most critical functions of LGI. Local government collects funds from a spread of revenue sources, together with fines, fees, taxes, licenses, permits, and special assessments. Revenues area unit received in a timely manner, attributed to the right fund, and deposited into the right checking account as quickly as possible. Additionally, governments try for prime rates for all revenues owed and keep the payment-making method easy and simple for voters. A UP's financial gain comes from tax collections on housing, land, agriculture, license fees, financial gain from the property, hat-bazars, business and occupation fees, registration and charges, the payment received for services provided by the union. Furthermore, there are some contributions from individuals and institutions, government grants, profits from investments, and receipts accruing from the trusts placed with local bodies, loans raised by unions and proceeds.

In summary, funding sources of UPs may be identified as - central government and its own sources. Central government transfers revenues to the Local Government Division (LGD), which allocates resources as grants to the UZP and finally the UZP allocates the designated revenues through block allocation, special grant, land tax transfer (1%), and resources for development projects to UPs through their 17 transferred departments. On the other hand, some grants are allocated directly to UP accounts for development projects – for instance, the Local

Government Support Program (LGSP). A separate source of revenue received by UPs from UZPs comprises a proportion of lease money, salary, allowance and benefits of employees. The salary and allowance of UP representatives and employees are received from central government. Another source of revenue for UPs is the contribution of NGOs/INGOs that work with UP either directly or through Partner NGO (PNGO). Holding and non-holding taxes are the two main sources of revenue of UP which come mainly from its local level resources.

Union Parishads (UP) collect following types of taxes:

The union rate (which is a certain percentage of the annual valuation of households living quarters, buildings and lands),

Lighting rate,

Drainage rate,

Conservancy rates,

Rates for provision of water supply,

Rates for the remuneration of village police.

According to the Secretary of Sakta UP:

The UP first prepares the list of all buildings located in the union with the help of Gram Police (police force maintained by UP) of the UP with previous approval of the relevant authority. Such as the assessment provider may either be a ward member or any other suitable high-profile person in a particular area.

Finally, specific grants are given to the UP underneath three separate, however, similar varieties of programs. These areas are Rural Works Program (RWP), the Food for Works Program (FFWP) and the Test Relief Program (TRP). To get these funds, the UPs submit schemes to the Deputy Commissioner each year with complete specifications and project estimates within the prescribed direction. There are still unexplored areas whereby UPs can improve its financial health.

Financial Process

To ensure transparency and accountability, a standardized system needs to prevail in total financial process (Figure 3) which includes three important but interconnected areas: budgeting, accounting, and auditing. Financial autonomy is a very important precursor leading to a transparent and accountable system. Financial autonomy refers to the ability of managing funds of spending unit independently (EUA, 2021). For the LGI, financial autonomy refers to the freedom to impose local tax, generate revenue within its assigned sources, allocate its financial and material resources, determine, and authorize its annual budget without external interference

(Okafor, 2010). In Bangladesh, the UP receives the power of revenue collection and obligation of providing public services through the Local Government (UPs) Ordinance, 1983. Still, resource mobilization in rural Bangladesh remains challenging due to a lack of real commitment from both the national and local governments (Ahmad, 2021). Furthermore, due to a lack of administrative and budgetary authority and institutional capacities, LGI struggle to provide expected public services to the public at the grassroots level (Mahfuz, 2015). To ensure transparency and accountability, public sector of Bangladesh has brought reforms by bringing different private sector tools driven by the concept of new public management (Chowdhury and Shil, 2023).



Figure 3: Entire financial process in local government

Budgeting

The existing budgeting system of the UPs follows the Local Government (UP) Act 2009. The government ratified the Act following the successful implementation of the Local Government Support Project (LGSP), partly funded by the World Bank (Chowdhury & Panday, 2018). The Act has emphasized the involvement of NGOs and civil society members in the planning process by creating a new arrangement of budgeting systems for the UPs that promotes transparency, accountability, and people's participation (Chowdhury, 2018; Lewis & Hossain, 2022). The Local Government (UP) Act, 2009 and the UP Operation Manual, 2018 provide the legal framework and necessary guidelines for preparing the annual budget of the UPs in Bangladesh. According to the regulations, the UP planning and budgeting will be formulated bypassing through four committees, namely, Ward Committee (WC), Planning Committee (PC), Standing Committee (SC) and Union Development Coordination Committee (UDCC) (Chowdhury & Panday, 2018). Moreover, the existing budgeting system has ensured people's participation by arranging two Public Meetings (Ward Shava) organized by WC and an Open Budget Meeting (OBM) held by the UP annually. Moreover, the Upazila Nirbahi Officer (UNO), the chief executive

officer at the subdistrict level, holds the approval authority role of the UP budget (UP Operational Manual, 2018).

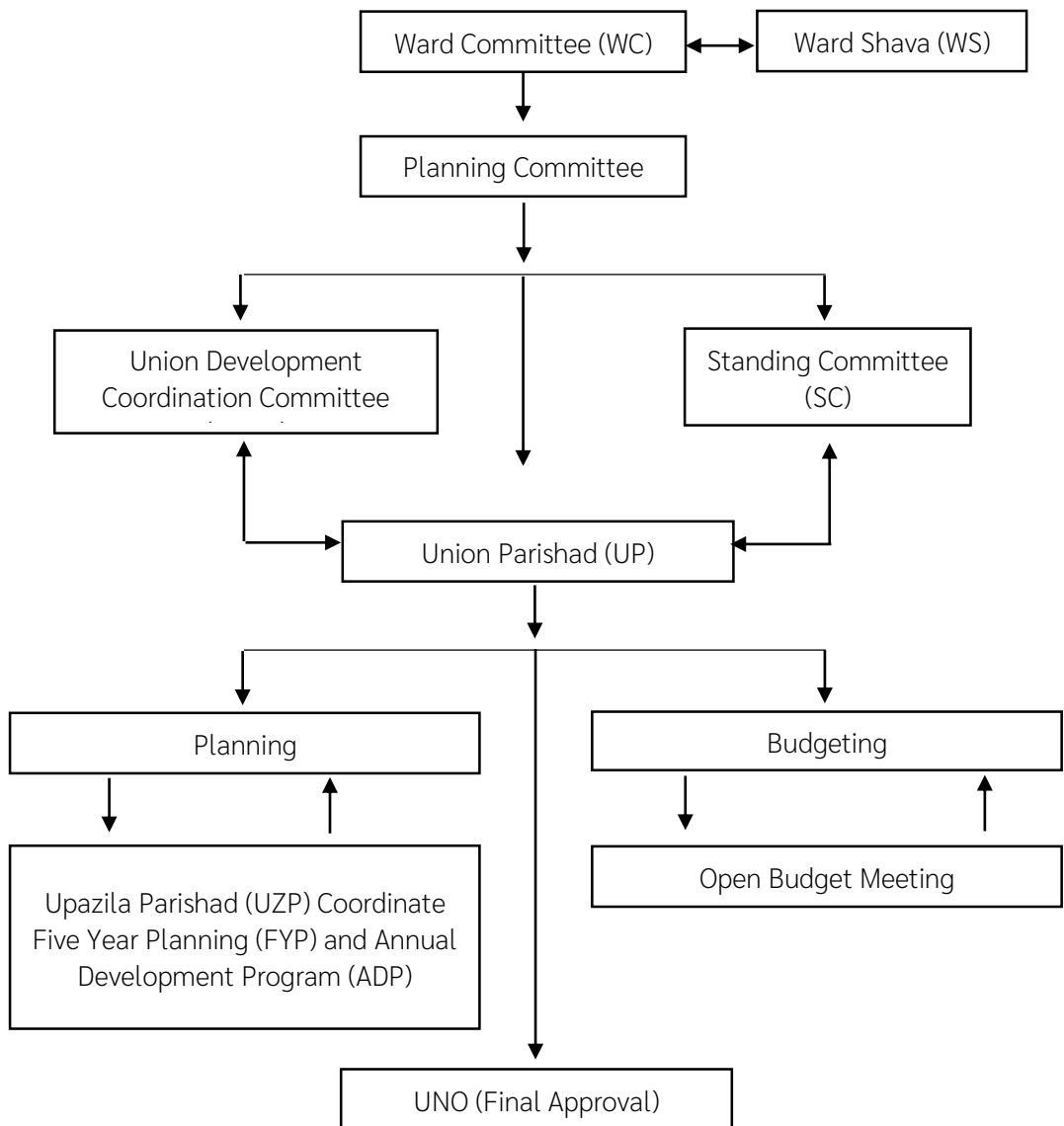


Figure 4: Planning and Budgeting Process at UP (Based on UP Operational Manual 2018)

Budgets tend to be specialized in the one-year approach of UP. The annual request embodies another common feature of budgets. The request for the approaching year is even in terms of marginal changes from the previous year's budget. The essence of this feature of budgeting isn't that budgets should increase, however, that budgets square measure even by marginal changes from previous years. The process of local government budget will be participatory, and demand of the general people and the vision is to finance the development projects for the people. The pre-budget meeting is a mandatory part of every UP where the ward representative, reputative experience and educated local citizens should be present to express their demand regarding the development and needs. The project was given on a priority basis, what they need most and give to higher authority. Following the budget approved by the government, and based on the allocation, the projects are implemented on a priority basis. But now the system is created like that the representatives are highly influenced by a powerful politician of Government group along with the local leaders. The political group of government presents chairman group that influence the process a lot. However, the people's participation in the budget process of UP is extremely low.

A businessman of Sakta Union observed the following:

General people didn't participate in the UP budget. People do not know when a budget is declared. The whole budget is totally unknown to the general people. The Chairman and members call only local elites and some politicians of the UP. The Chairman and members of UP decide what will be next year's budget. They ignore general people's opinions related to the budget. People have less knowledge about the budget and accountability and its importance.

Studies (Hasan & Ara, 2022) highlighted various problems with the local government budgeting process as explained above. In selecting committee members, UP Chairperson takes dominating role. Ward Shava is less effective, and the members of various committees are unaware of their roles and responsibilities. The role of UDCC is limited and there is a lack of coordination among various committees. The study (Hasan & Ara, 2022) revealed that the existing budgeting procedure established the dominance of politically and economically empowered groups, e.g., UP Chairpersons and their allies, ruling party members, local elites, and bureaucrats, which hinders socioeconomic development at the grassroots level in Bangladesh. The UP could play a catalytic role in local level development if it could overcome the existing organizational and financial limitations by accelerating the decentralization process (Khan, 2008).

Accounting

In local level finance, cash-based accounting solely emphasizes accounting for transactions. They use a single-entry method to record the transaction and make payments and classifications are made by classes like wage payments, running expenses, individual transactions etc. However, what matters are the individual records of every group action. These records are summarized weekly, monthly, and annual receipts and company tax receipts to check them against budgets. The tax collection slips are preserved with the holding number in Tally Book. The registrations of trade license are online, and it is recorded in the iBAS++ database directly and the fees are deposited regularly in the account of UP and the records are also kept in Tally Books. They still use Tally Papers to record the transactions because of their lack of digital knowledge. However, the recent inclusion of iBAS++ integrates the accounting and finance system wherever all the transactions are recorded with the help of digital entrepreneurs. The important transactions are inputted in the government database by the Secretary who are solely responsible to handle the administrative task, spending hard time because of working pressure and lack of manpower. As a result, there are risks of lost or damaged record. Also, because of failing to give entry of transaction on regular basis, this creates many errors and mismatch with the actual affairs resulting misleading accounting records.

Auditing

The audit system in local government is very poor. There is very little or no internal audit happening at the very root level and it is the opposite scenario as compared to Upazilas and City Corporations. The activity is monitored by the UNO regarding the expense with whatever the budget is given to the UP for the expense. The budget of the UP usually comes for the specific project of development or construction or services through the District Parishad and the Upazila Parishad. The project committee set by the chairman implements the project and the records of expenses are given to the higher authorities and that's how the internal audit works. They emphasize accounting that supports verification, fact-based verifiable transactions. A very important part of this verification is the reconciliation of accounting with the local government's bank accounts. The external audit is done for two or three years together without any specific audit calendar. Due to this irregularity, it develops an uneven gap between the two audits. While observing the Sakta UP, we find the audit report of the 2017-18 fiscal year and 2018-19, 2019-2020 is under audit process. The audit process is found as usual, the auditors visit the office, verify income source earning accounts with proper documents that they preserve through the Tally Paper, and match the balance on a sample basis.

The LGD of the Ministry of LGRD and Cooperatives has initiated the implementation of Local Governance Support Project-3 with financial support from the World Bank in January 2017. One of the objectives of the LGSP-3 is to institutionalize the UP fiscal transfer system, and UPs' audit & performance assessment. The key feature of the Project is to ensure UPs have an external audit of their latest annual financial statements along with the performance assessment and fiduciary & safeguard compliance assessment. Under the project, funds are available for appointing Audit Review Firms for reviewing the reports of UP Financial Audits of different districts under different packages. The project also arranges Training of Trainers for conducting audit of UP. Presently, the samples are inputted through the Document Verification System (DVS) database and preserved, verified with bank accounts and documents of collection and expenses accounts, and documented and gave reasonable assurance.

The statement from Digital Entrepreneur of Sakta Union is as follows:

UPs have a lot of imbalances in the auditing system. Auditing is not held regularly. General people are not involved in auditing and testing systems and the auditing and inspection reports are typically not published publicly. As auditing and inspection are not held in due time, it loses relevance by the time the report comes out. One year 's audit is held in another year. There are serious questions about ensuring accountability and transparency. There is a huge inconsistency between the income and expenditure of the UP budget.

To ensure transparency and accountability, financial process plays a significant role. As per the discussions made above across accounting, budgeting, and auditing, the practices of UP have undergone through various reform actions. This will collectively bring financial strength and autonomy with better opportunity of public service delivery in the days ahead.

Standing Committees

The idea of UP Standing Committees comes from the target of creating the UP active and economically transparent and accountable. The UPs Ordinance (1983) states that the UP may form any kind of committee with prior approval of the authority if it deems necessary. The Sakta UP constitutes 13 standing committees comprising civil participation to ensure accountability and transparency in its management and service delivery:

- Finance and establishment
- Education and mass education
- Health, family planning and epidemic control
- Audit and accounts

- Agriculture and other development works
- Social welfare and community centers
- Cottage industries and cooperatives
- Law and order
- Welfare of women and children, sports and culture
- Fisheries and livestock
- Conservation of the environment and tree plantation
- Union public works

Rural water supply and sanitation.

The purpose of a UP standing committee is to help with the activities of the UP. Some matters don't seem to be doable to resolve within the UP workplace without verification. In those cases, the UP standing committees conduct the spot review, take people's opinions, analyze the data gathered and submit them to the UP. Once such a matter is placed before the UP with the analysis and suggestions from the committee, then it becomes easier to implement. The UP decides the operating space of a committee. Any call proposed by the committee should be approved by the UP. There are some serious structural and procedural flaws of the standing committees of UPs. Conferences of standing committees don't seem to be organized often, members of the standing committees don't have a transparent conception regarding the functions of the UP, and weaknesses in coordination and relation among the various UP standing committees generate additional obstacles in performance of the committees. It has conjointly been criticized that a lot of members of standing committees keep busy with their personal work and are thus unable to contribute enough time to the UP activities. It had been argued that standing committees are fashioned formally, they're not active owing to the dearth of sincerity of the Chairman.

The Chairman of Sakta UP, however, observed the following:

The government offers many packages and aid for the general public to revive their economic condition and for the people who earn their daily livelihood. Most of the people in our union earn their daily livelihood but the amount of aid that comes from the government is very low. We distribute the aid among people who need it. We set up committees in each of the ward consisting of some young voluntaries, ward member, Mosque Imam etc. to identify the list of general people who are in need because of corona pandemic and other reasons and distribute accordingly. In addition, we advertise our mobile number for the people who feel shy to seek help. Through these phone calls, we identify them and make

the necessary help available to the people at night who desperately need support without disclosing their identity.

Monitoring Mechanisms

The monitoring system of the local-level finance assesses the internal management systems to confirm the quality of accounting data and transparency. Timely and accurate examination and auditing is a very important part of the local level finance. The accuracy of the income forecast is highly dependent on the ability of the secretary to effectively coordinate and communicate with local representatives. Any errors or inaccuracies in the information provided by local representatives could result in incorrect income forecasts and potentially impact on the overall financial management of the UP. It is therefore important for the secretary to have strong communication and coordination skills, as well as an understanding of local-level finances to produce accurate income forecasts. The UP coordinating meeting holds monthly with the presence of the Chairman and different members. Within the UP meeting, the overall quantity of the union rates to be realized from the inhabitants of the UP members of the various areas are created chargeable for levying the union rates on the individual households of the villages in consultation with local leaders.

It is claimed that, in fixing the number of union rates to be paid by individual households, their economic conditions are taken into consideration. Local money accounts are monitored by personnel understanding the systems, however on condition that the records and systems are maintained accurately and effectively; policies, timetables, and targets are met; areas of weakness are known for action; and errors and fraud are deterred and detected. The Upazila accounts officer is meant to keep up accounts of receipts and expenditures of the UP. Anyway, based on our interviews and focus cluster discussions, we find that the observation and auditing mechanisms are very weak which needs serious improvements.

Implementation of Alternative Dispute Resolution (ADS)

The ADR indicates the process and technique that solves the problem between or among the parties in a disputed issue and short litigation. It helps to solve the disputed problem within a shorter time alongside the court system. The ADR is very popular in developed countries (e.g., Europe, America, Canada). Even in subcontinent counties like Pakistan and India, it has been implemented way long ago. In countries like ours with a large population, it has been very effective with less costs than formal litigation. The cases like land distribution problem, land ownership, conflict among the people, thefts generally resolved by using ADR. Any party of the dispute can start the process. Generally, the Chairman with the ward members, local popular

faces and local political leaders are the main arbitrators. However, a party can challenge the arbitrator on the grounds of lack of qualification and agreement of fairness.

The focus of this Gram Adalat (village court) lies in compromise and making a decision that might be better for both the parties. The village court consists of five members headed by the UP chairman. Each conflicting party nominates two representatives; of the two representatives, one must be a UP member. If the chairman is unable to perform his/her duty or any question arises about his neutrality, then the UNO nominates another UP member as chairman of the village court. If the compromise (outcome of the village court) has been successfully made and accepted, there will be a written dispute resolution given and that cannot be appealed in court. From the Sakta Union, one case example is mentioned below that was solved by Gram Adalat:

Plaintiff asked for the solution of a piece of land in MODDERCHOR that was purchased by Plaintiff. When he identified his land and erected a signboard of his name, the defendant and his accomplices removed the signboard and hung a Mosque signboard in its place. The claim was that this piece of land is for the Mosque, as directed by the District Court. Accordingly, the Gram Adalat, consisting of Chairman with the ward member and well-known persons, investigated the claims and sued the person who falsely sold the land to the Plaintiff. They were ordered to pay the full cost and damages. The case is already solved and the land is under administration of the Mosque. Thus, there was no result announced, and the written copy of the results with the signature of the Chairman was given.

Eksheba

E-Governance is the public sector's use of information and communication technologies with the aim of improving information and service delivery and making government more accountable, transparent, and effective. Traditional system development approach for e-governance solution will create chaotic situation when different vendor uses different choices of technology, platform, framework and it becomes difficult to maintain interoperability. EkSheba works as a mediator of different systems. It is a government project under myGov (Amar Sarker) to deliver all the government services to the doorstep. Under this project, in every local government center Union office, the digital center is established.

There are more than 45,000 union digital centers across the country. Through the digital center with the help of digital entrepreneurs, general people can enjoy all the government

services online. The services people get from the digital centers are issuances of birth certificate, character certificate, death certificate, land ledgers, duplicate copy of land registration, pension money, all kind of licenses, visa application, passport application, E-ticketing, National Identity Card online service, government grant and helps, online GD, E-loan, Remittance, Agent Banking facilities in respect of commission etc. This system reduces the suffering of the citizens, reduces the information gap, and allows the people to enjoy all the government services in a single center. The revenue is directly deposited into the government account and the digital entrepreneurs receive the commission on a daily basis of work. During the Covid-19 crisis, the Center played a very important role to continue the services. People maintaining proper safety measures visited nearby Digital Center to avail themselves of all government services. There was no work-from-home opportunity available at Digital Centers. This service was not available only during lockdown periods. This service represents a breakthrough in public service delivery of UPs with added transparency and accountability.

Performance Evaluation

Bangladesh made considerable progress in strengthening the role and capacity of LGIs. UPs have been transformed from traditional and largely unresponsive LGIs to increasingly participatory and proactive institutions. The government has undertaken many investments and technical assistance projects to enhance good governance at the local level. Initiatives were taken to increase transparency and accountability of LGIs, Union Digital Centers, Access to Information (a2i), training for LGIs' elected representatives and staffs, technical assistance programmers, and so on. In addition, LGIs are required by law to prepare their development plans. Every UP, Upazila Parishad, Zila Parishad, Municipality and City Corporation is required to prepare Five Year Plans and Annual Plans. Despite the impressive progress in the sector, LGIs in Bangladesh have been burdened with many issues and challenges to improve public services delivery and ensure good governance. Based on our observation and discussion regarding certain services, we identified few areas which require significant attention to ensure service delivery to the satisfaction of service recipients.

Tax Collection Process: The UP collects household taxes by physically visiting each of the registered holdings numbered houses on yearly basis. A copy of the tax slip preserved by UP and the other is given to the householders that copy is needed to enjoy further services of UP including citizenship certificate, Death Certificate, NID card registration or avail other services. The collection process is very time-consuming, and Gram Police have to spend lots of time in the year to collect the taxes; many UPs have inefficient manpower to collect taxes.

One-Stop Services: In the past, it required considerable time to avail services from UP, e.g., obtaining a birth certificate or renewal of license, or even for the distribution of funds and allowances for destitute women, widow allowances, and other welfare. Now, however, the services have become simplified and digitalized. Allowances holders have been given a card and whenever the allowances and relief come, they have been informed and distribute accordingly. Inclusion of Digital Entrepreneurs has ensured the one-stop services because all the necessary information is already given on the website and in the UP notice board with attractive banners and with those paper one can avail the services with digital way quickly of withdrawing birth certificates, character certificates, trade licenses, withdraw ledgers and copy documents of lands. The cost and time have been saved to ensure the economy, effectiveness, and efficiency (3M) of their performance. But the availability of Digital Entrepreneurs is not sufficient as compared to its demand of the service holders and sometimes it takes a long time to avail the services. Besides, the government A2i and LGED servers are not very much efficient because of technical difficulties and down of server, people are suffering a lot from availing the services. A housewife described the services of UP as follows:

I have been going to UP for the last 15 days to obtain my child's Birth Certificate. However, every time they told me that it was not possible because the server is down. This troubled me a lot because, without a birth certificate, I cannot enroll my child in school and it's already time for the academic term to begin.

The UP services have admittedly improved a lot as compared to earlier years, however, it still has a long way to go to ensure the efficiency and effectiveness as compared to other developing countries. The introduction of digital entrepreneur at UP is a part of e-governance system of improving public service delivery. Its goal is to serve citizens better and being transparent and accountable to them. Failure to provided committed services on time result agitation among the citizens which run against the accountability and transparency mechanism of e-governance system.

Training and Development Programs: UP implements different initiatives of the government to train and develop entrepreneurial mindset. Digital training program initiatives by a2i are implemented through UP to give training to young people on trending topics like web development, digital marketing, YouTube Content creator and ad sense of google to create freelancers. These digital trainings are offered free of cost to the rural youth which helps them to become freelancers enabling them to earn foreign currencies for themselves and for the country. Mr. Ali, a freelancer who trained from the government training project, observed the following:

After passing Hon ' s degree, I received graphic designing training in the UP premises under a2i digital training program. That training helped me to grow as a graphic designer. Now I work in Upwork, Fiverr to construct logos, digital banners, and posters. This gives me income security and peace of mind. Importantly, I attended this course for free; if I had done this training at another institute, it would have costed me a lot which, at that time, I could not afford.

In addition, UP also implements the government projects of woman empowerment through training the housewives and uneducated women about knitting and cutting of cloths to make them skilled manpower. It helps them to be self-reliant and after successful training, they are also given Sewing Machines. So, UP performs a great role to implement government projects and socially interact with the general people to grow them as manpower for the betterment of society and economy. But there is a question of the transparency and accountability of those projects and the use of funds. More training is required for digital registration which may be supplemented by simple online examination. It will support preserving databases of training recipients, increase their seriousness on the training and ensure transparency.

Conclusion and Recommendations

The most standardized and widely accepted strategy for ensuring citizen participation in local government processes is decentralization. There are probably no other establishments like government bodies to be able to afford a good scope of public participation. In Bangladesh, ever since monetary decentralization has become a serious policy concern, the political masters have exploited it as a way of gaining their political goals in UP. As a result, despite varied reform initiatives undertaken in this field by the governments at different regimes, government establishments haven't nonetheless emerged as autonomous. This, in turn, restricted the scope of citizen participation within the native decision-making process, leaving scope for improvements in local-level finance of UPs.

This study examined current practices of transparency and accountability at UP based on in-depth interviews, FGD, observation and analysis of archival records. The researcher reviewed various legal documents like ordinance and acts. Finally, this research employed qualitative narratives as a method of data analysis and reporting the findings.

Our interviews and FGD empirically conclude that the UPs suffer from the monetary crisis which is a major reason behind the poor or under performance. In addition, the dominance of government officials within the local councils, lack of information, and lack of experience in technical matters are collectively responsible for non-participation in UP functionalities, let's leave financing apart. Accounting records are full of discrepancies, characterized by improper and

untimely recorded transactions, unsubstantial changes resulting in misleading monetary statements, authorizations without proper subordination, culture of unrecorded tips, unattended complaints. The study also found other irregularities, e.g., conflicting or missing documentation; unexplained things on reconciliation forms; inconsistent, vague, or implausible responses to questions; variations from confirmations of balances; tough or uncommon relationships between auditor and auditee like a denial of access to information or disposition to work, undue pressure on time, delays in providing requested information, disposition to deal with known weaknesses in control of local-level finance.

At present, reform in local-level finance is in good shape. Among a variety of improvements, tax collection has improved; corruption has declined due to digitalization; project monitoring, implementation, and evaluation has become easier. Yet there is inadequate participation in the funding processes, and that has contributed to the deterioration of economic solvency at the local level. A lack of democratic modality is still observed for making certain answerability and transparency at local level finance.

It is important to note that the interviews and FGD in this study were only conducted in a single UP. Thus, the findings cannot be generalized. A baseline study covering more UPs may be made to develop a profile of transparency and accountability practices at UPs in Bangladesh.

To enhance the current state of affairs in local UPs in Bangladesh, this study offers some recommendations to achieve a balanced and more evenhanded native financial system:

The LGIs need financial autonomy to come up with innovative sources of revenue generation with a transparent accountability system. This conjointly implies that the grants from the government ought to be rational.

Each workspace ought to be regularly audited and supervised by the central government. Central government must have standard operating procedures to manage and audit local finance with the involvement of civil society. The central government ought to even have policies in situation to confirm citizen participation in the selection of local-level finance. The iBAS++ database training should be done extensively at the local level so that all the financial information passes through the iBAS++ system in real time.

The dissemination of local monetary budgets needs to be done properly, ensuring massive participation. The full local financial set-up ought to be digitalized and provided online. This will conjointly facilitate confirming that only the legitimate activities are performed by the responsible officers of the UP.

The Digital Center should be equipped with all required infrastructure, and it needs to be a focal point for all government services. Currently, the full array of services is not always available in all the centers, and the digitalization pace is not up-to-date.

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