

Establishing a Local Government Academy in Albania

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April 2024

“Bashki të Forta” (BtF), a project initiated and funded by the Swiss Agency for Development and Cooperation SDC, implemented by Helvetas.



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This development of this paper was supported by “Bashki të Forta” a project initiated and funded by the Swiss Agency for Development and Cooperation SDC, implemented by Helvetas, and had the cooperation mainly of Agency for Support to Local Self-Government (AMVV), Department of Public Administration (DoPA), Albanian School of Public Administration ASPA, Department of Local Finances at the Ministry of Finance, Albanian Association for Local Autonomy (AALA), Albanian Association of the Regional Councils (AARC), some local government leaders, and the office of Council of Europe in Tirana.

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Executive Summary

The project “Bashki te Forta” (BtF), is funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by Helvetas. BtF objectives contribute to good governance and efficient and effective service delivery, as well as supporting the engagement of citizens both with municipal councils and municipal executives.

The second phase of the current project focuses also on the structural changes of the system for capacity building of the LGU officials, focusing on supporting the establishment of the Academy for LGUs, and the learning activities for the local elected and municipal staff.

This paper is designed to support ongoing policy discussions regarding the establishment of a dedicated training and development body for staff and elected members in LGUs in Albania.

The paper describes the results of consultations with stakeholders, addresses the key issues in establishing a Local Government Academy (including legal status, mandate, governance, services, funding, and staffing), and sets out some key issues in managing the transition phase in establishing the Academy.

Consultation

The key stakeholders were consulted regarding the proposal to establish a new Local Government Academy. The results of the consultation are reported in Part 1.

This indicated that the mandate of the new agency or body should be to support the development and strengthening of local governance in Albania by providing training and other relevant development activities. It should help the staff and elected officials to serve local communities, promote good governance and best practice, and develop the skills and knowledge of staff and locally elected officials to support change and development.

The consultation confirmed that a gap exists for training of elected members and staff in LGUs. The gap that needs to be addressed is for training and development for civil servants and non-civil servants working in local government to address vertical or local-government specific topics, and the need for training and development for mayors and locally elected officials. The emphasis should be on practical training and development and not theory. An Academy can provide opportunities for knowledge sharing and exchange of best practice in local government, research on topics relevant to local government, publication of relevant material, international co-operation, and even engagement with civil society.

The Academy should design and deliver training, and other services such as research, coaching, knowledge management, and networking should also be considered as part of its mandate.

In-person training should be supplemented by eLearning and blended approaches, but it is important that the Academy does not duplicate services from other providers such as ASPA.

There should be a Board of Governance, which would include representatives from the key central ministries and also representation from local government including representation from

the two Local Government Associations. There is also an option for other representation on the Board, but it should not be too large.

Most stakeholders were of the view that funding for the new body should come from several sources, with the primary sources being the central government funding and funding from local government. It was considered that funding from local government was important and necessary as it demonstrated ownership of the new institution and would incentivise participation. The precise allocation and level of funding should be agreed but could be based on 50% from central and 50% from local sources.

The new Academy must have an Executive Director and several other key managerial and training positions. These would be permanent positions. Depending on developments in the future the staffing may have to be expanded. There were different views on whether training experts should be permanent staff or externally contracted trainers, but probably a mix of both. Options for accommodation must be explored, including the option of sharing premises.

Establishing a Local Government Academy

In Part 2, various options and issues to be considered are discussed, and proposals are made.

The key features of a successful Academy to meet the needs of LGUs are set out.

The advantages and disadvantages of an internal or external solution are considered. The internal solution would involve establishing the new training facility for local government within existing institutional structures while an external solution would involve establishing a standalone organization. By assessing each option against key criteria it is proposed that the original decision to establish the Local Government Academy as a standalone agency should be supported.

In terms of institutional and legal status a survey of other public sector training institutions in Albania was conducted which showed a variety of legal forms. A decision must be made on whether to establish the standalone Academy as a state institution (for example like ASPA) or as an NGO. Having considered the advantages and disadvantages of each option it is proposed that establishing the Academy by law as an NGO with a strong legal basis and clear mandate (exclusive competences) may be the best option.

A clear mandate should be set out in the law establishing the Academy, and this will focus on developing and strengthening local governance and local government services in Albania by developing capacity, knowledge, and skills in the local government sector.

The functions, membership and other aspects of board governance are described and details of the membership and operation of the Board should be defined in legislation. There should be no more than 12 board members.

It is proposed that the services of the Academy be developed on a phased basis and this should be reflected in a strategic development plan that should be put in place in the first year of operation of the Academy. The services to be provided are described in detail. A Training Needs Analysis (TNA) of key groups should be carried out and a curriculum developed based on the results of the TNA and based on the competencies set out in the competency framework. In addition to the design and delivery training, the Academy will also have a role in accreditation, and a co-ordination and quality control role in relation to inputs from other



training providers. It will also have a role in managing the new Knowledge Management system.

The funding model and levels of funding for other training providers are considered. In the case of the new Academy, the precise allocation of central and local funding needs to be decided and the allocation could operate on a sliding scale that would allow time for the development of the services of the Academy. The central funding could be allocated as part of the yearly general grant that the central government transfers to the local government. The funding to come from LGUs and regional government needs to be decided but could be based on the categorisation of LGUs. While a full budgetary analysis will be required, the review of other training institutions suggest that it would be expected that the overall level of funding required for the Academy in the first year would be between 350,000 and 450,000 euros. This may then increase over time if staffing and services increase.

The various categories of costs, including set-up and operating costs, are described. Once a decision is made to set up a standalone Academy a detailed budget should be developed.

Regarding staffing, there is general agreement that the initial staffing of the LGA should be small, probably between 7 to 10 people. There will be an Executive Director who should have good understanding and experience of local government and learning and development, as well as other competencies such as strategic management. A small management team of senior managers to manage finance, HR, corporate issues, curriculum development and service delivery will be appointed. They will be supported by a small number of Training Executives who will manage and co-ordinate design and delivery of training, and also some administrative support.

The Academy should develop both in-person and online approaches to delivering services. The Academy should also over time develop webinars and other online resources that will be useful for local government. It will need a website and an online learning platform.

The new Academy will also require accommodation, including facilities for delivering training and workshops, and the option of sharing accommodation with other institutions should be explored. While the main facility will most likely be based in Tirana, the requirement to deliver some training in the regions should also be considered.

Part 3 of the paper sets out some considerations for the transitional phase while the Academy is being fully established. A log of some of the key decisions to be made is included.

One of the risks in transitioning to a new public sector organisation over a period of time is that there will not be a successful exit from the transition stage to the fully planned solution. For this reason, the transition phase should be relatively short, and there should also be a very clear path to, and timeline for, the establishment of the Academy.

It is expected that once the Academy has been established that AMVV can continue to play a key role and various options are described. It is recommended that a Service Level Agreement should be put in place for the new Academy that sets out the target levels of services and activities for the year, including metrics. The service level agreement should be agreed before the start of the year and then completed and returned by the Academy at the end of the year. This is an important method for ensuring accountability and tracking progress.

In conclusion, the gap in capacity for learning, development and related services for local government in Albania has been identified in numerous previous reports and is further confirmed by the consultation for this paper. The gap that now exists is not being addressed by existing training institutions. There is a unique opportunity now to establish an institution dedicated to learning and development in local government to address the needs of staff and elected officials. Based on our consultations there is significant support among all stakeholders for the establishment of a standalone academy or school dedicated to the needs of local government. This opportunity should be taken.

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Overview

The project “Bashki te Forta” (BtF) objectives contribute to good governance and efficient and effective service delivery, as well as supporting the engagement of citizens both with municipal councils and municipal executives.

The second phase of the current project focuses also on the structural changes of the system for capacity building of the LGU officials, focusing on supporting the establishment of the Academy for LGUs, and the learning activities for the local elected and municipal staff.

This paper is designed to support ongoing policy discussions regarding the establishment of a dedicated training and development body for staff and elected members in LGUs in Albania.

The paper is divided into three parts:

Part 1 describes the results of consultations with stakeholders.

Part 2 addresses the key issues in establishing a Local Government Academy, including legal status, mandate, governance, services, funding, and staffing.

Part 3 deals with the transition phase in establishing the Academy.

The Inter-institutional Working Group (IWG) established by the Prime minister’s order to progress the policy dialogue on capacity building in local government, met on 9 April 2024. In advance of the meeting a report describing comparative examples of various training institutions in Albania was circulated to the IWG. This report was prepared by Mr Enea Hoti, Local Expert who presented a summary of the report at the meeting. Relevant excerpts from this report are used in the current paper.

We would like to acknowledge the contribution of all the stakeholders who participated in the consultation process, and the contributions of Mr Enea Hoti and the BtF team, mainly of Norbert Piljs, Valbona Karakaçi and Artan Rroji.

Part 1: Consultation on Local Government Academy

The key stakeholders were consulted regarding the proposal to establish a new Local Government Academy. A questionnaire was circulated, and this was followed by an online interview with each of the stakeholders. A list of those interviewed is at Appendix 1. The following summarises the main points made by stakeholders during the consultation. They are set out under the headings used in the questionnaire.

1.1. Current Gap in Capacity

The Options Paper presented in June 2023 identified current gaps in training and development for local government and summarised this as follows:

“The overall picture that emerges from the review of previous reports and analysis of training at the local government level in Albania is of limited provision of training for certain significant groups in local government (non-civil servants and elected members), limited training in local government sectoral topics, fragmented and uncoordinated delivery, and a lack of overall strategy and detailed understanding of sectoral training needs.”

This recent consultation confirmed this gap in capacity. While ASPA currently provides training for LGUs, this is mainly in the framework of civil service law, directed towards civil servants, and generally the content of training relates to horizontal or general competencies. The Local Government Associations also provide some development opportunities for locally elected officials, but their resources are limited, and training and development is not their core business.

Therefore, the gap that needs to be addressed is for training and development for civil servants and non-civil servants working in local government to address vertical or local-government specific topics, and most of those consulted also identified the need for training and development for mayors and locally elected officials. The emphasis should be on practical training and development and not theory.

Apart from training, the potential for a new agency or institution to provide opportunities for knowledge sharing and exchange of best practice in local government, research on topics relevant to local government, publication of relevant material, international co-operation, and even engagement with civil society, was noted.

The overall goal is to support development and change in local government and to ensure services are provided to citizens at local level that are effective, efficient, and represent value for money.

1.2. Mandate and Function

Overall, the view of stakeholders was that the mandate of the new agency or body should be to support the development and strengthening of local governance in Albania by providing training and other relevant development activities. It should help the staff and elected officials

to serve local communities, promote good governance and best practice, and develop the skills and knowledge of staff and locally elected officials to support change and development.

The key roles of the new body should be to

- Design and delivery of learning and development programs
- Supporting capacity building in local government
- Providing opportunities for networking and co-operation
- Co-ordination and partnering with other relevant institutions.

Details of specific services are referred to below.

1.3. Services

Training

There was general agreement that a new entity should provide vertical training for local government that is focused on specific aspects of local government. The training should be practical, applied, and address the real challenges. It should address competences as set out in the Law of Local Government and the proposed new competency framework. Some of the specific areas of training that were referred to included:

- Collection of taxes
- Local finance
- Community engagement
- Addressing social problems
- Climate and Green agenda
- Understanding legislation and management of legislation development
- Policy drafting and drafting strategic documents
- Local economic development
- Urban development
- Training to address EU integration process, including accessing EU funding
- Managing projects in local government
- Preparing staff to deal with new functions assigned to municipalities
- Training elected members in understanding local government and its role, legislation, administrative law, role of elected members.

The priority areas will need to be identified through a formal training needs analysis and through engagement with the relevant stakeholders.

Other Potential Services

Several other potential areas of service, in addition to training, were suggested that could be developed in later phases. These included:

- Sharing best practice and facilitating learning between municipalities through events, publications etc.
- Training Needs Analysis
- Research into areas of relevance in local government
- Knowledge management and developing a database of resources
- Developing manuals or guidelines to support greater standardisation in practice



- Workshops to bring practitioners and experts together
- Conferences and webinars
- Community engagement and education
- Promoting and supporting digital services
- Organising study visits
- Providing expert technical advice to staff or elected members
- Developing an accreditation/certification system
- Developing international partnerships and participating in international programs
- Co-ordination of initiatives for training and development in local government from all providers, including donors.

1.4. Target Groups

There was general agreement that the key target groups should be civil servants and non-civil servants in local government (ASPA currently only delivers training in the frame of Civil Service Law), and also locally elected officials including Mayors. The target group may also include some in the central administration who have roles specifically related to local government.

1.5. Delivery Methods

While generally it was considered that there must be a mix of methods, there was an emphasis on the importance of in-person training. There was a view that sometimes training will need to be customised for municipalities and that the services of the proposed new entity should not only be offered from Tirana, but there also needed to be regional and local delivery.

In-person training should be supplemented by eLearning and blended (mix of eLearning and in-person) approaches.

The importance of focusing on learning, and not just training, was emphasised by some. This would include methods such as peer learning networks, self-directed learning, and mentoring programs.

It was considered that the new entity should not duplicate the services provided by other institutions such as ASPA or the Local Government Associations but work in partnership with them.

1.6. Governance

The general view was that there should be a Board of Governance. This Board should be inclusive and reflect the ownership of all the key stakeholders.

The Board would comprise representatives from the key central ministries who have a key role such as the Ministry of Local Government, the Department of Public Administration, and perhaps the Ministry of Interior.

There would also be representation from local government including representation from the two Local Government Associations. The municipalities (including Mayors) would be represented either through nomination of an agreed number through the Associations or be directly nominated by the municipalities. It was considered reasonable to have representation

from both the large and smaller municipalities with some supporting the concept of linking representation to the level of funding to the Academy.

Some considered that ASPA should be represented on the Board, but their position could also potentially be represented by DOPA.

There was less agreement on other representation but several suggestions. These included suggestions that there be a representative from the university sector/academic community, the private sector/business community, civil society, or the international donor community/ NGO sector.

In many countries the Boards of public agencies would also conduct their business through certain sub-committees, also comprised of board members. These sub-committees focus on specific issues such as strategy, finance, administration, or curriculum. It was indicated during the consultation that while this is not common practice in Albania, such sub-committees should be considered.

1.7. Funding

Most stakeholders were of the view that funding for the new body should come from several sources, with the primary sources being the central government funding and funding from local government. It was considered that funding from local government was important and necessary as it demonstrated ownership of the new institution and would incentivise participation.

Views were varied on the appropriate allocation of funding.

Some considered that a 50:50 allocation between **central government and local government** would be appropriate.

Others considered a higher allocation e.g. 70: 30 by central government would be required, particularly at the outset, with the allocation from local government gradually increasing over time.

Others considered that in addition to central and local funding, there could also be funding from **international donors**, particularly at the beginning.

A minority view was that *either all funding* should come from central government (on the basis that local government did not have sufficient financial capacity) *or* that the majority of funding (80-90%) should come from local government (on the basis that all the services were to be directed towards local government).

It was generally agreed that financial resources differ between larger municipalities (such as Tirana) and smaller municipalities. Their ability to support a new local government institution is not equal. Therefore, a formula needs to be agreed to establish a fair annual fee from each municipality. The most frequently suggested approaches were to base the annual fee on revenue levels in each municipality, or on staff numbers (population was also suggested but may not be a reliable indicator). Some suggested that in the early stages the majority of the share of funding from local government could come from the best-resourced municipalities, and that over time other municipalities would also contribute.

1.8. Management and Staffing

There was general agreement that a new entity from the beginning must have an Executive Director and several other key positions. These would be permanent positions. Depending on developments in the future, and other areas of activity that may be part of an Academy e.g. research, publishing, the staffing would have to be expanded.

The **Executive Director** should be someone with leadership and management ability, able to develop and deliver strategy, and with a deep understanding of local government in Albania. The Director should also have skills and experience in learning and development and be able to engage with a wide range of stakeholders. They will provide overall leadership and management for the academy.

Most considered that there would be a need for a **Finance Manager**, to plan and manage budgets, and manage financial performance and the funding model.

There was agreement that there should be a **Program Manager**, to lead and manage the development of the curriculum.

At middle-rank it was proposed that there would be two or more **Program Specialists**. They would manage different areas of the curriculum, act as a key link between clients and the Academy, manage the design and co-ordinate the delivery of training, and organize events. They would need both to have a good understanding of key issues and topics in local government and have strong expertise in learning and development and project management.

The new entity will require **support staff** for administration of programs and support of events. There will also need to be expertise in **ICT, eLearning**, and general management of building and other **infrastructure**.

As regards **training delivery**, there were different views on whether training experts should be permanent staff or externally contracted trainers. Some considered that having permanent staff for training delivery would contribute to achieving a more sustainable organization. In this view, the skills and expertise would be retained within the organization and these staff would also be available to provide advice and expertise to clients, as well as potentially undertake other tasks such as research. Having permanent training staff would help with standardisation of quality and continuity of service.

However, others considered that training delivery should be externally contracted, using experts from the private sector or from the public and local government sector. The main advantage of this approach is cost, as they would only be contracted when needed. Also, there is such a wide range of topics to be covered by training, it was considered that it would not be possible to recruit or retain staff with such a wide range of subject matter expertise.

Some considered that some combination model be used, with some permanent delivery staff and some externally contracted trainers for specialist subjects.

1.9. Shared facilities and processes

Regarding **accommodation** it was suggested by some stakeholders that if ASPA is provided with additional space that the new entity could be co-located with ASPA. It was considered that this could facilitate other synergies such as sharing of technology, eLearning platforms,



or other processes. It was suggested that the curricula developed by the new Academy should be quality assured by ASPA, but others had a different view on this.

It was considered that the new online TNA system currently being developed by ASPA and Council of Europe could also be used by the new institution.

There was also a suggestion that some staff, for example administrative staff, could at least in the start-up phase be shared such as ASPA, AMVV or the LGAs. Some training staff could be provided by ASPA.

There are also toolkits and programs available from bodies such as Council of Europe that could be adapted quickly for local government.

Part 2: Establishing a Local Government Academy: Discussion and Proposals

In this part of the paper, we discuss the various options and issues related to establishing a Local Government Academy and put forward proposals. These take account of the consultations as described in Part 1. These issues and proposals will need to be considered and then finalised by the relevant decision-makers. This discussion is supplemented by a decision log (see Appendix 2) that sets out some of the key decisions that now have to be made in order to make progress.

Before that it is useful to summarise, based on consultations and discussions, what are the key features required in a successful new entity for providing training and development for the local government sector in Albania.

Features of a Successful Capacity Building Body for LGUs

Key Features	Support the achievement of long-term vision of LGU Strategy	Inclusive, Ownership (GoA, LGUs, other)	Respects the autonomy of LGUs
	Institutionally sustainable	Strong support from LGUs credibility	Resilient to changes
	Financially sustainable	Strong support from donors credibility	Flexibility and diversity of services
	Capacity to grow and develop strong profile & brand	Is open to the ecosystem of service providers	Responsive to LGU development needs Quality training

2.1. Internal vs Standalone Option

In June 2023, based on the National Strategy for Decentralization and Local Governance (2023-20230), a paper prepared by BtF was presented to the Inter-institutional group of system actors on options for Establishing a Dedicated Training Structure for Local Government in Albania. The paper confirmed the gaps in current capacity for training of local government staff and local elected members. The paper also included a review of the arrangements in place for local government training in 10 other European countries and set out 8 options for consideration to address the current gap in capacity in Albania.

During 2023, the option to establish a standalone Local Government Academy was supported by system actors, which would be proceeded by a transitional phase to help design the structural change and prepare for the establishment of the Academy.

An Inter-institutional Working Group (IWG) to provide guidance on the establishment of the Academy was established by Order nr. Nr. 6, dated 12.01.2024. At its first meeting the IWG confirmed support for Option no. 2 as set out in the June 2023 paper (a standalone institutional structure dedicated to training the LGUs elected and staff- The Academy for LGUs).

As part of this current process BtF was asked to re-assess the advantages and disadvantages of establishing a standalone structure (Option 2) compared to an internal solution. The internal solution would involve establishing the new training facility for local government within existing institutional structures. This could be establishing a training unit or department within the Agency for Support to Local Self-Government- AMVV (Option 5 in the June 2023 paper) or establishing a dedicated local government unit within Albanian School of Public Administration -ASPA (Option 1) or that the Local Government Associations manage the training (Option 6).

As the pros and cons of each of these options was set out in detail in the June 2023 paper and remains valid, we do not intend here to revisit that detailed analysis. However we summarise the situation below.

Based on the details set out in the June 2023 paper and the responses to the current consultation, the following diagram summarises some of the main advantages and disadvantages of each option. (source presentation to IWG, 9 April)

Internal vs Standalone

INTERNAL	STANDALONE
<p>Pros</p> <ul style="list-style-type: none"> ▪ May not require legislation ▪ Easier and faster to establish ▪ May require less funding ▪ May require less staff 	<p>Pros</p> <ul style="list-style-type: none"> ▪ Most likely to attract widespread support from stakeholders and from donors ▪ Can achieve a high profile and brand ▪ More sustainable and less subject to change ▪ Can focus specifically on local government and address the needs of elected and non-elected ▪ Has potential for development and growth
<p>Cons</p> <ul style="list-style-type: none"> ▪ Not supported by most stakeholders ▪ Not likely to attract donor funding or support ▪ Does not have possibility to develop new independent profile and brand ▪ Subject to changes in government structures ▪ Limited possibilities to train local elected 	<p>Cons</p> <ul style="list-style-type: none"> ▪ Will require legislation/DCM ▪ Will take more time to establish ▪ Will require funding and new staff

In comparing the options, the most critical criteria, and the most frequently referenced in consultations, were the following: **Sustainability**: the new structure should be capable of enduring for the long-term, which in turn depends on factors such as its capacity for growth and development, its capacity to meet the needs of the clients in local government and to address current gaps and to develop relevant new services. The new entity should be



responsive to changes in the operating environment, but the structures should not be vulnerable to re-organizations and restructuring in government.

Financial Viability: whatever solution is adopted must be financially viable. Costs must be reasonable, proportionate, and sustainable, and sources of funding must be assured for the short, medium, and long-term.

Ownership and Profile: the new approach should receive support and participation from a wide group of stakeholders, including clients and potential clients in LGUs, government ministries, existing agencies such as ASPA, the donor community, local government associations and elected officials.

Assessing the internal versus standalone options against these three criteria, and taking account of the advantages and disadvantages, establishing a **standalone agency** scores higher on the criteria of Sustainability and Ownership/Profile and ultimately may be more cost-effective.

Proposal 1: Positioning of Academy in Albania Public Administration

Based on this analysis, and the consultation undertaken with stakeholders, it is proposed that the original decision of the IWG to establish the Local Government Academy as a standalone agency should be supported.

2.2. Institutional Form and Legal Status

A decision must be made on the appropriate institutional form and legal status for the new standalone LGA.

It is useful to consider the arrangements currently in place for training institutions in Albania. The comparative study of Albanian training institutions (Paper by E. Hoti) describes four different institutions as set out below.

Table 1: Legal Basis of Training Institutions (source: paper E.Hoti)

Albanian School of Public Administration (ASPA)

The organization and functioning of ASPA are regulated by Law No. 152/2013 "On Civil Service," as amended, as well as by the Decision of the Council of Ministers No. 138, dated 12/03/2014 "On the organization and functioning of the Albanian School of Public Administration and the training of civil servants," also amended.

Regulation under Law 152/2013, a law passed by a majority of votes in Parliament, provides ASPA with a strong legal basis and institutional stability. The functions and main competencies are defined in this law and further detailed in Decision No. 138, dated 12/03/2014 (as above).

Tax and Customs Administration Training Center (TCATC)

TCATC is established as a public legal entity, with its director under the authority of the Ministry of Finance, based on the horizontal law No. 90/2012 "On the organization and functioning of the state administration" and Council of Ministers Decision No. 602, dated 14/09/2022 "On the establishment, organization, and functioning of the Tax and Customs Administration Training Center." The main legal basis for the establishment of TCATC is the subordinate act Council of Ministers Decision No. 602

as mentioned above. This legal basis makes it more vulnerable compared to the legal position of ASPA (which has a specific law for public administration as its main basis).

Security Academy

The Security Academy was established in 1971 as the Police School, focusing on professional training for police officers and basic police personnel. The Security Academy is founded on specific legislation:

Law No. 108/2014 "On the State Police"

Law No. 80/2015 "On Higher Education and Scientific Research"

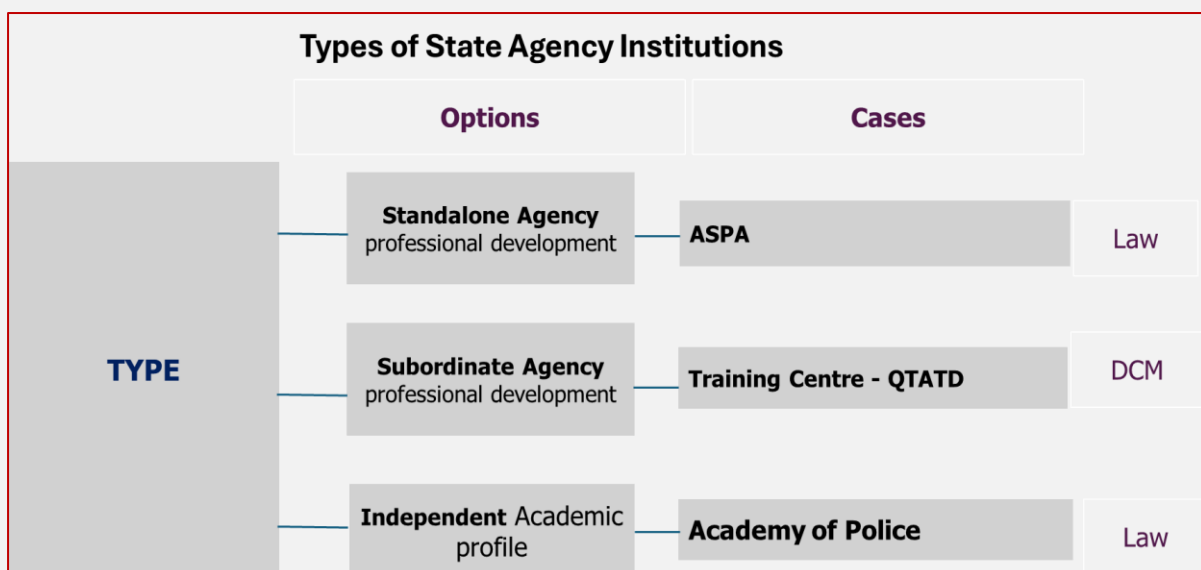
Decision No. 881, dated 28.10.2020, grants it special status as the sole institution of higher education in the field of public order and security.

School of Directors

The School of Directors is an entity created as a collaboration between the Ministry of Education and Sports and The Albanian American Development Fund (AADF). "The School of Directors" derives its competence and legal basis for its establishment from Law No. 42/2021 "On the Pre-University Education System in the Republic of Albania," as well as Decision No. 540/2018 on the organization and functioning of the School of Directors and the manner of their treatment and certification. It operates as a non-profit organization of the center type (an institution borrowed from the Law on NGOs 8788/2001).

Its sui generis legal status allows, on the one hand, "The School of Directors" to perform public functions and competencies according to Law No. 42/2021 and Decision No. 540/2018, and on the other hand, to function as a center-type NGO, where financing is entirely from non-public sources and, consequently, is not subject to the rules of public financial management, public procurement legislation, or oversight by state audit. Therefore, from a financial and budgetary perspective, it operates as an NGO.

The following diagram summarises the main categories of state training institution in Albania and their method of establishment (source: Paper by E.Hoti)



The two other institutions described in the report operate as NGOs, namely the School of Directors and the Political Studies Academy. As noted above, the School of Directors was

created as a collaboration between the Ministry of Education and Sports and the Albanian American Development Fund (AADF) and operates as a non-profit organization of the centre type. Its sui generis legal status provides flexibility and allows the School to perform public functions and competencies but also to function as a centre-type NGO, where financing is entirely from non-public sources and, consequently, is not subject to the rules of public financial management, public procurement legislation, or oversight by state audit.

The question then arises as to whether it is better to legally establish the standalone LGA as a state institution (for example like ASPA) or as an NGO.

The following summarises some of the advantages and disadvantages of these two options (source: Paper by E.Hoti).

Type of Legal Entity: State Agency vs NGO

STATE AGENCY <i>Establish by Law 90/2012, or specific law, or DCM</i>	NGO <i>Establish by Law on NGOs</i>
<p>Pros</p> <ul style="list-style-type: none"> ▪ Accountable via Board to the Minister of LGU/AMVV ▪ Sustainable state core funding and LGU funding (to be agreed) ▪ Standardisation and certification of training more controlled ▪ Institutional coordination stronger than NGO ▪ More credible to international organizations ▪ Better access to EU funding for public administration 	<p>Pros</p> <ul style="list-style-type: none"> ▪ Founded by Minister of LGU/AMVV and LGAs (+others?) ▪ Shared funding by GoA, LGUs, and donors ▪ More flexible operation ▪ Easier to access and use donor funds ▪ More directly accountable to LGUs ▪ NGO more transparent financing and easy for donors to oversee the accounts ▪ Donors more willing to fund NGO ▪ More stable in context of the political cycle change
<p>Cons</p> <ul style="list-style-type: none"> ▪ Less flexibility to use donor funds ▪ More vulnerable to the political cycle ▪ More rigid state rules apply e.g. financial management 	<p>Cons</p> <ul style="list-style-type: none"> ▪ Dependent to donor funds ▪ Donor has greater influence on policy and development

The decision on whether to establish the LGA as an NGO or as a State Agency must be considered but will be influenced by the extent to which it is envisaged that donor support and involvement will be required in the medium to long-term. In order to have an Academy that is sustainable and long-term, it is preferable that it be established by law. The mandate and competencies of the new Academy will be specified in law (the strong legal basis and mandate of the School of Directors is useful as a guide) as well as its key functions, governing structures, financing and funding, and the appointment of the Executive Director.

Another issue to consider is whether the title ‘Academy’ is appropriate for the new institution. The new body will focus on professional development rather than academic courses, although some programs may be accredited. An alternative title could be the “Albanian School of Local Government”.

Proposal 2: Legal Status

Based on this analysis, and the discussions with stakeholders, it is proposed that establishing the LGA by law as an NGO with a strong legal basis and clear mandate (exclusive competences) may be the best option.

The correct title for the new institution needs to be considered.

2.3. Mandate

The overall mandate of the new agency or body should be to support the development and strengthening of local governance in Albania by providing training and other relevant development activities. It should help the staff and elected officials to serve local communities, promote good governance and best practice, and develop the skills and knowledge of staff and locally elected officials to support change and development.

The key roles of the new body will be

- Design and delivery of learning and development programs
- Support capacity building in local government
- Provide opportunities for networking and co-operation
- Co-ordinate services and develop partnerships with other relevant institutions, including donors.

The training services will focus on specific training for the local government sector and will be customised as needed to meet the needs of specific municipalities or groups of municipalities. The services will be directed at both civil servants and non-civil servants working in local government and at local elected officials (mayors and councillors).

These training services will complement the horizontal training services provided by ASPA. ASPA provides continuous training to civil servants within the public administration. ASPA's training programs are mainly horizontal rather than sector specific.

Proposal 3: Mandate

A clear mandate should be set out in the law establishing the LGA, and this will focus on developing and strengthening local governance and local government services in Albania by developing capacity, knowledge, and skills in the local government sector.

2.4. Governance

The new institution should have a Board that will be responsible for oversight and direction of activities.

Several of the other public training institutions in Albania have Boards of Governance, as described below.

Table 2: Governance arrangements in Training Institutions (Source: paper by E.Hoti)

ASPA

The Board of Directors is a collegiate body consisting of 12 members with a mixed composition from different sectors representing central government, local government, universities, civil society, and business.

The Board meets no less than four times a year and is responsible for the prior approval of the annual budget project, the project structure, as well as key strategic documents and ASPA's operating policies. The decisions of the Board are executed by the Director of ASPA and its administrative staff. Ministry representatives on the Board serve without remuneration, while other members receive a symbolic fee for each participant in meetings.

TCATC

This institution has an advisory board consisting of 5 members: a) The Deputy Minister responsible for finances, appointed by the minister, serves as chairman; b) The General Director of Taxes, a member; c) The General Director of Customs, a member; ç) The Director of the department responsible for fiscal and macroeconomic policies in the ministry responsible for finances, a member; d) The General Director of the Center, a member.

The School of Directors

The School has a board of directors consisting of 5 members:

1. Chairman of the Board, representative of MoES (Director of ASKAP)
2. Vice Chairman - co-director of AADF
3. Member - representative of MoES
4. Member - co-director of AADF
5. Member - Independent international expert

Although the Chairman of the Board is represented by the Ministry of Education (public representative), the majority of members are from the AADF Foundation (private representatives). This composition of the board is due to the fact that over 60% of the funding for the School and its activities is covered by the foundation's budget, and the remaining portion is covered by training fees. The Ministry makes no contribution from public funding, but it has delegated public legal competencies, and for this reason, it chairs the board and oversees the School's activities.

Below we set out some key aspects of board governance that should be defined as part of the legal establishment process for the new training institution.

Functions of the Board

The main functions of the Board of the new institution should include:

- to consider and determine strategy in relation to the services of the Academy
- to approve annual or multi-annual strategic plans setting out the key objectives of the Academy and annual targets
- to oversee the implementation of those strategies and achievement of targets by the Executive Director and management team
- to approve the annual curriculum
- to approve the annual budget and oversee financial performance
- to oversee governance and risk management.

Membership of the Board

To establish a sustainable institution that attracts the widespread support and active engagement of the key stakeholders, this needs to be reflected in the membership of the Board. The consultation described in Part 1 confirmed this.

According to good practice the optimal board size is between 8 and 12 members, and should ensure representation of all the key stakeholders, the correct skills mix, and diversity and independence. While the board should represent all of the key interests it should not be so large that it is difficult to undertake the business and fulfil the functions of the board.

While the precise membership will depend on the legal form of the new institution (see above) the following provides guidelines.

The primary stakeholders from central and local government should be represented:

- Ministry of Local Government/AMVV: 1 representative and Chair
- Department of Public Administration: 1 representative
- Ministry of Finance: 1 representative
- Association for Local Autonomy: 1 representative
- Association of Regional Councils: 1 representative
- Representative of Mayors: 1 representative (nominated through associations)
- The Executive Director of the Local Government Academy

Other options for representation on the Board include:

- Further representation from the municipalities e.g. Tirana
- Donors/NGO sector – this representation depends on the legal status. If established as an NGO with donor funding, then this will have to be reflected in board representation
- Ministry of the Interior
- ASPA
- Universities
- Private Sector

Meetings of the Board

The Board should meet quarterly, or more often if required, to deal with the business of the Board. Standing Orders should be agreed.

Terms of Reference of the Board

Terms of reference should be developed for the operation of the Board. The terms of reference may include the following:

- Functions of the Board.
- Membership of the Board.
- Role of the Chair.
- Meetings and conduct of meetings.
- Minutes of meetings.
- Duties of the Board.
- Confidentiality.
- Evaluation of Board performance.
- Committees of the Board.
- Training.
- Authority to retain external legal or other expertise, as necessary.

Committees of the Board

The legislation may make provision for the Board to establish Committees of the Board to support it in carrying out its functions. The Committees of the Board, each of which may include non-Board members with specialist expertise, would consider and address discrete areas of interest such as Strategy, Finance, Staffing, or Audit. The committees would report to the Board. Terms of reference should be drawn up for these committees.

Secretary to the Board

The Board should be provided with appropriate administrative support including the appointment of a Secretary to the Board. The Secretary should compile the minutes of meetings of the Board and should circulate notices, agenda, documentation, and reports in advance of meetings to allow full consideration by the Board.

Proposal 4

Details of the membership and operation of the Board should be defined in legislation. Membership should include all of the key stakeholders from central and local government, and depending on the legal status of the LGA, may also include some other stakeholders. There should be no more than 12 members.

2.5. Services

The services to be provided by the new institution may include the following categories:

- Design and delivery of learning and development programs
- Organising conferences and webinars
- Accreditation and Quality Management
- Knowledge Management
- Providing opportunities for networking and co-operation
- Co-ordination and partnering with other relevant institutions.

It is proposed that these services be developed on a phased basis (over 5 years) and this should be reflected in a **strategic development plan** that should be put in place in the first year of operation of the Academy. The different categories of services are described below.

Design and Delivery of Learning and Development Programs

The Academy will provide training and development that is focused specifically on the needs of local government. Areas such as local government legislation, local development, economic development, local government finance and other vertical training focused on the needs of local government will complement the general competency training already provided by ASPA.

The Academy should undertake a **Training Needs Analysis** (TNA) for key priority groups of staff and local elected officials (senior managers, newly recruited local authority staff, recently elected councillors, mayors). This should be undertaken in consultation with ASPA and CoE using the recently developed methodology and automated tools for conducting a TNA. The needs of different categories of staff could be analysed in later years. This TNA, together with the competency framework for local government and other strategic documents, will provide the basis for developing the curriculum.

It is also proposed that in the first year the Academy should develop a core training program, to be delivered as a blended program (online and in-person), that addresses the key functions of local government in Albania, key relevant legislation, the roles of officials and elected members, and other core aspects of the operation of local government. If possible, this could be developed as an accredited Certificate in Local Government. By delivering such a program the new Academy could reach a wide audience very quickly and develop a high-profile.

Other specific areas of training were referred to during the consultation process (see above) and these, together with the results of the TNA, should be used to build the training curriculum.

As part of its development strategy, the Academy should investigate options relating to accreditation, including how the training provided could lead to qualifications.

Over time different approaches to learning and development can be developed. These could include coaching and mentoring programs, or placements and study tours.

Conferences and Webinars

The LGA should organise conferences and learning events for the sector. These could focus on recent developments such as new legislation, new services to be delivered by local government, specialist areas such as urban planning, and good practice events that highlight examples of good practice in local government in Albania and internationally.

Online events should also be hosted.

One of the key objectives will be to enable managers, practitioners, and locally elected officials to meet, learn, and discuss issues of importance.

Networking and Co-operation

The Academy should seek to establish and facilitate local government networks to support learning and development. These could include networks to exchange good practices in certain areas but could also include networks that bring together different categories of management and staff e.g. finance officers. Peer learning could be supported by experts in certain municipalities sharing experience with others who can learn from this experience.

There will also be an opportunity to develop a network at international level that would facilitate the exchange of knowledge and experience in local government between Albania and other countries in the region.

The Academy should over time seek to develop co-operative agreements with other institutions both inside and outside Albania.

Accreditation and Quality

There is a role for the new Local Government Academy in the area of accreditations.

For example, the Academy can have a co-ordination role with regard to certification provided by other state agencies, such as for civil servants working in certain municipal positions in such areas as internal audit, procurement, finance, and human resource management. This would help to ensure that there is an overall co-ordination and management of the certification process for staff in local government.

Potentially the Academy could also award certificates for certain programs delivered by the Academy. These could either be certificates to show that the person has completed the

program or could be based on some type of assessment. This would have to be explored further and the award of qualifications based on assessment may need to be co-ordinated with partner organisations e.g. in the university sector.

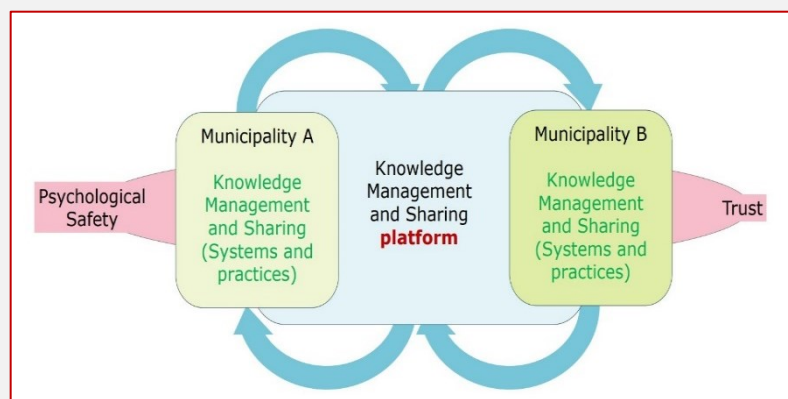
The Academy should have a role in co-ordinating training inputs to local government from non-state bodies, such as NGOs and this will help to align these inputs with the training needs assessment of local government (see above). The Academy should have a role in reviewing the curriculum of programs from these external agencies to ensure that they meet the requirements of local government and do not cause duplication with other planned initiatives.

Knowledge management

This chapter was compiled based on the Paper "Platform for the Management and Sharing of Knowledge for Local Government in Albania" April 2024, prepared by HSLU (University of Lucerne) experts and national expert, within the project "Municipalities of Forta"/Helvetas, in order to support a key service of the Academy for Local Government in Albania.

The Knowledge Management & Sharing Platform (KM&SH) is seen as one of the key services within the wider concept and framework of the Academy of Local Government. The main purpose of establishing a KM&SH frame is to enable the use of various learning tools and enhance the generation and sharing of knowledge in various forms, to support the capacity-development of the local government officials. Alongside these key functions, KM&SH will also serve as a common virtual space for interaction, exchange and communication among systemic actors working in the local governance domain. The entire KM&SH frame will function as a combination of interaction between actors, processes, and products, facilitated also by an electronic platform with advanced features and in line with technical standards. Artificial Intelligence will need to be integrated to enable innovative learning services.

The KM&SH will focus on knowledge creation, sharing, collaboration and learning. It will enable the capturing, organizing, and disseminating organizational knowledge, best practice and other learning products, and the expertise at local government level. KM&SH will support a wide range of content products, including documents, articles, videos, presentations, forums, and expert profiles, suitable for capturing tacit and explicit knowledge. User engagement and knowledge sharing will be promoted through features such as discussion forums, social networking, wikis, peer-to-peer learning, and knowledge communities. Serving as a virtual common space for interaction among various actors at local and national government level, KM&SH should inspire the users, mainly of local governments, to interact and exchange safely with peers and among different levels and positions, freely express their opinions and stand, be able to openly offer and accept know-how.



Psychological Safety and Trust are important elements that need to be embedded in the concept of the KM&SH platform and its functioning (working culture).

Content and Services

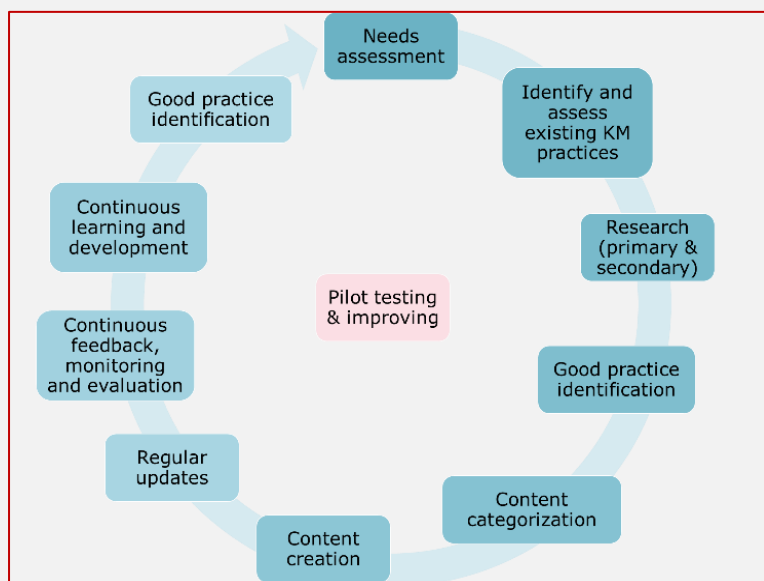
The KM&SH platform should respond primarily to the needs of local government officials in terms of capacity development. Certainly, it should serve as well to establish an effective communication, both vertically between local governments and central institutions and horizontally among local governments themselves. In this regard, the main guiding principle of KM&SH should be around the sectorial functions and other general and administrative functions exercised by the municipalities, which should be reflected in the platform's structure itself. The platform should feature a front office (extranet outline) and a back office (intranet outline), interacting among them, and a range of services (some more feasible in a first stage - platform development, and a more expanded list to be developed at a later stage - platform consolidation) including: local elected and employee training and development; Online courses; Success stories; Experts Directory; Discussion Forums; various documents including publications, forms, templates; Procedures, Policies; Updates; Events; Chat Boxes; Feedback and suggestions; etc.

A schematic representation of services to be offered (yet non-exhaustive) is provided below.



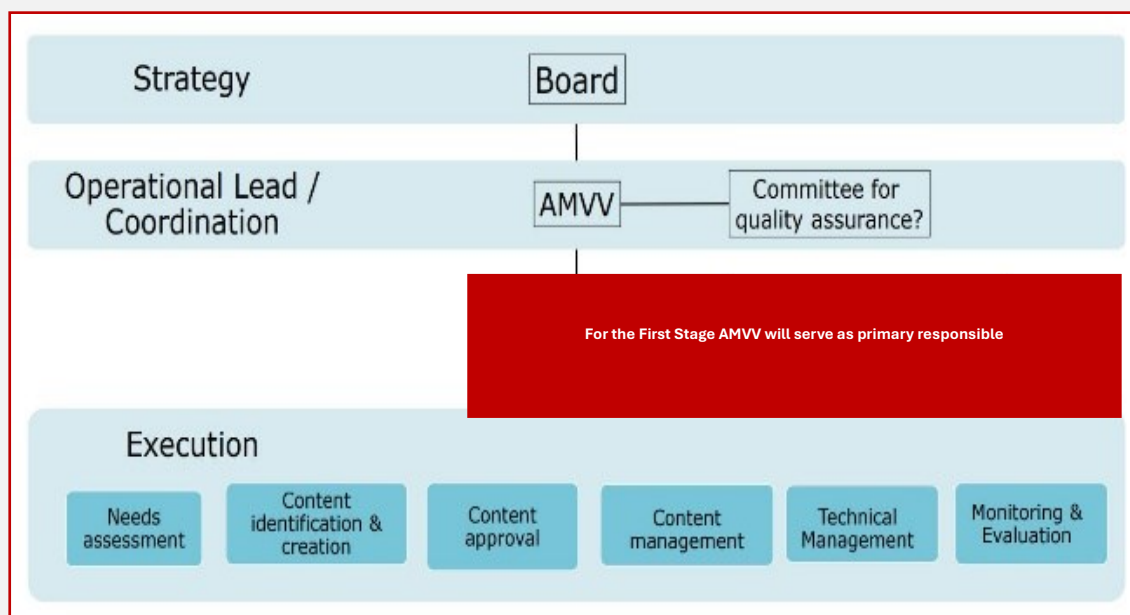
Processes and Procedures

The well-functioning of the KM&SH Platform will depend on the successful implementation of the processes and procedures that regulate the various flows within the Platform. Business processes should be conceptualized and established/ approved to ensure services are provided adequately and qualitatively for the users/beneficiaries. All processes and procedures should be goal-oriented and responding to, more or less the following steps of the diagram.



Methodology and Business Process for identification and collection of KM products (Source: Oliver Kessler / HSLU)

The above-mentioned features are responded as well with an organizational scheme, which may have these structuring:



Technical Standards and Artificial Intelligence (AI)

KM&SH Platform will be built based on coherent standards, which offer a user-friendly experience, ensure integration with other platforms, and security features. Such standards should provide for: Simple but safe registration & authentication; Security & Privacy; Integration Capabilities with third parties tools and services; Mobile Compatibility to ensure accessibility on different devices and platforms, Accessibility features to accommodate users with disabilities, etc. On the other hand, KM&SH Platform should be in line with AKSHI obligatory standards. AI tools should be part of the KM&SH Platform (perhaps not in the initial stage), as it provides relevance, effectiveness and opens opportunities for new user experiences of the platform, including AI coach, AI creator, AI Simulator, AI translator, AI procurement manager.

Co-ordination and partnering with other relevant institutions

The Academy can have a co-ordination role, particularly regarding co-ordinating learning and development inputs to municipalities. As noted earlier, collaboration with ASPA will be particularly important to ensure that the services of both institutions are complementary and that the risk of overlap and duplication is avoided. In the meantime, collaboration and coordination with AMVV is also of particular importance to ensure coordination of training provided for LGUs from all service providers, being them donor-funded projects, state agencies, Universities, NPOs, and other providers.

It was also suggested, during the consultation, that in time the Academy could co-ordinate the learning and development inputs of NGOs and donors in the sector, to help ensure that services are delivered in a structured and planned way so as to optimise the benefits.

Proposal 5: Services

A new strategy should set out the development of services over a 5-year period. A Training Needs Analysis of key groups should be carried out and a curriculum developed based on the results of the TNA, and the competencies set out in the competency framework. It is proposed that a core Local Government Studies Program be developed in the first year and aimed at a wide target audience in local government. Other training and development services including webinars, coaching, knowledge management, and networks should be gradually implemented over the period of the strategy.

The Academy will also have a role in accreditation, and the precise role needs to be considered and addressed as necessary in legislation.

The Academy will have a co-ordination and quality control role in relation to inputs from other training providers. It will also have a role in managing the new Knowledge Management system.

2.6. Funding

Funding Model

Establishing a strong and clear funding model is essential if the Local Government Academy is to be successful. The funding arrangements should be set out in the legislation.

The fundings arrangements in place in the other training institutions reviewed is summarised below.

Table 3: Funding mechanisms in Training Institutions (source: Paper by E.Hoti)

ASPA is a public institution, and its main source of funding comes from the state budget. ASPA's budget is a separate item in the state budget approved annually by Parliament for public administration. This provides it with stability and visibility as a public institution in financial management. ASPA may have other sources of funding, such as from offering fee-based training or from projects funded by the EU or various donors. In 2024, ASPA has begun a more proactive approach to offering fee-based training for individuals outside the civil service or from public commercial companies.

TCATC is a public institution and is managed financially in the same way as ASPA and other public institutions.

The Security Academy annual budget is allocated from the budget of the Ministry of Interior through the financial program for the General Directorate of the State Police, which also includes the budget of the Security Academy.

The School of Directors is financed entirely by non-public funds, with over 60% coming from the AADF Foundation and the rest from training fees.

The Academy of Political Studies budget is covered 98% by various projects and donors, with the remaining portion from participant fees.

In the consultation with stakeholders there were a variety of views on this issue, but the majority considered that the primary sources of funding should be from central government and local government. **Central funding** is necessary because local government would not have sufficient financial resources to support the LGA. However, some level of **local government funding** is necessary because the services of the Academy are exclusively directed at local government. This could be provided by LGUs and Regional Governments.

The other main potential source of funding is from the **donor community**. The feasibility of donor funding would depend on the legal status of the new institution. For example, and as described at x above. If the body is established as an NGO this makes the possibility of donor funding greater. The level and duration of donor funding would have to be discussed with the relevant donor organisations.

The precise **allocation** of central and local funding needs to be decided and the allocation could operate on a sliding scale that would allow time for the development of the services of the Academy. For example, in Year 1 it could be based on an allocation of 70% from central government and 30% from local government, but over a period of years this could progressively move towards a 50:50 allocation from both.

The **central funding** could be allocated as part of the yearly general grant that the central government transfers to the local government. It could be expressed as a % of the total grant or of the total administrative/personnel cost of the LGU, or it could be calculated as a fixed training sum per capita.

The **level of payment required from each municipality** needs to be considered but could be based on the allocation in the annual grant, as described above. In the consultation it was also suggested that the annual fee per municipality could be based on revenue levels in each municipality, or on staff numbers.

Some categorization of the municipalities is based on the Decision of Council of Ministers No. 165, dated 02.03.2016 “For the grouping of LGUs, for salary effects, and for setting the salary limits of elected and appointed officials, civil employees and administrative employees of local self-government units”: Tirana municipality, LGUs over 200 001, LGUs with 100 001–200 000 inhabitants; LGUs with 50 001–100 000; LGUs with 20 001–50 000 inhabitants; LGUs up to 20 000 inhabitants. Using this categorization to determine annual fees, LGUs could contribute up to 50% of the total annual operating costs of the Academy.

There is also the possibility that the LGA could **charge fees** for some or all its services. This would have to be addressed in legislation. The benefit of this approach is that even a modest, reduced fee level for services would introduce an activity-based element to funding. In other words, those municipalities that consume more services would pay more.

It is recommended that a variety of financial scenarios should now be developed which will use different methods and levels of allocation, including a fee-based approach, and this will assist in finding a balanced approach that will ensure sustainability.

Level of Funding

While it is not the purpose of this paper to propose the precise levels of funding that will be required to establish and operate the LGA (this will need to be calculated after decisions are made on staff levels, premises etc), it is possible to estimate the general funding requirement based on the size and funding of other training institutions. These are summarised below.

Table 4: Funding levels in Training Institutions (source: Paper by E.Hoti)

ASPA's annual budget for 2022 and 2023 was approximately 550,000 euros per year, of which approximately 110,000 euros were dedicated solely to training programs (trainer fees and online platforms), or about 20-25% of the total budget. The remaining 75-80% was on administrative fees and salaries. ASPA has a staff of 21 employees.

TCATC has an annual budget of approximately 310,000 euros, of which 10% is spent on training programs. TCATC has 9 employees.

The School of Directors has an annual budget of approximately 3-3.5 million USD. Staff costs range from 5-10% of the total budget. The rest of the budget is spent on training and other activities. The School of Directors does not pay for office space and fixed office costs (water, electricity) as these are covered by the Ministry of Education and are part of the cooperation agreement with the AADF Foundation.

Using ASPA as the comparator, and assuming that the Local Government Academy is established initially with between 7 and 10 employees, including an Executive Director, it would be expected that the overall level of funding required in the first year would be between 350,000 and 450,000 euros. This may then increase over time if staffing and services increase.

Costs

The costs of setting up and operating the Academy will need to be calculated in detail but the following sets out the general categories of costs that will arise:

Set-up costs

Certain costs will arise in the set-up phase. These will include:

- **CEO and Staff Recruitment:** Recruitment costs will be associated with putting in place the CEO and other initial staffing
- **Building/Office:** There will be some costs associated with getting suitable accommodation. The level of cost will depend on whether new premises have to be found, or whether existing premises e.g. the new premises proposed for ASPA, can be shared. There will also be some furnishing/fit out costs.
- **Technology Infrastructure:** The technology required to operate a training institution will need to be put in place. This will include hardware including a local area network, web facilities, software including an online learning platform.
- **Training Equipment:** Equipment such as projectors, whiteboards and other basic training technology
- **Branding.** The Academy will need to develop a brand and logo, and invest in communicating its establishment and role to the relevant sectors and groups
- **Establishment of Board :** There may be some relatively small costs associated with selecting and appointing members to the Board and putting in place necessary supports.

Operating Costs

The following would be some of the main operating costs:

- Maintaining Infrastructure: buildings maintenance including light, heat and furniture and fittings; network, software and hardware maintenance and licenses, website.
- Staffing Costs: including CEO and other staff salaries and related staff and travel costs
- Service Delivery Costs: trainer fees, materials, venue costs, travel, and quality assurance
- Board fees and support costs
- Corporate: consultancy, membership fees, branding and stationery, depreciation, banking, audit, insurance, legal.

Once decisions have been made on the establishment of the LGA and its legal form, a detailed budget for the major areas of costs can be developed.

Proposal 6: Funding

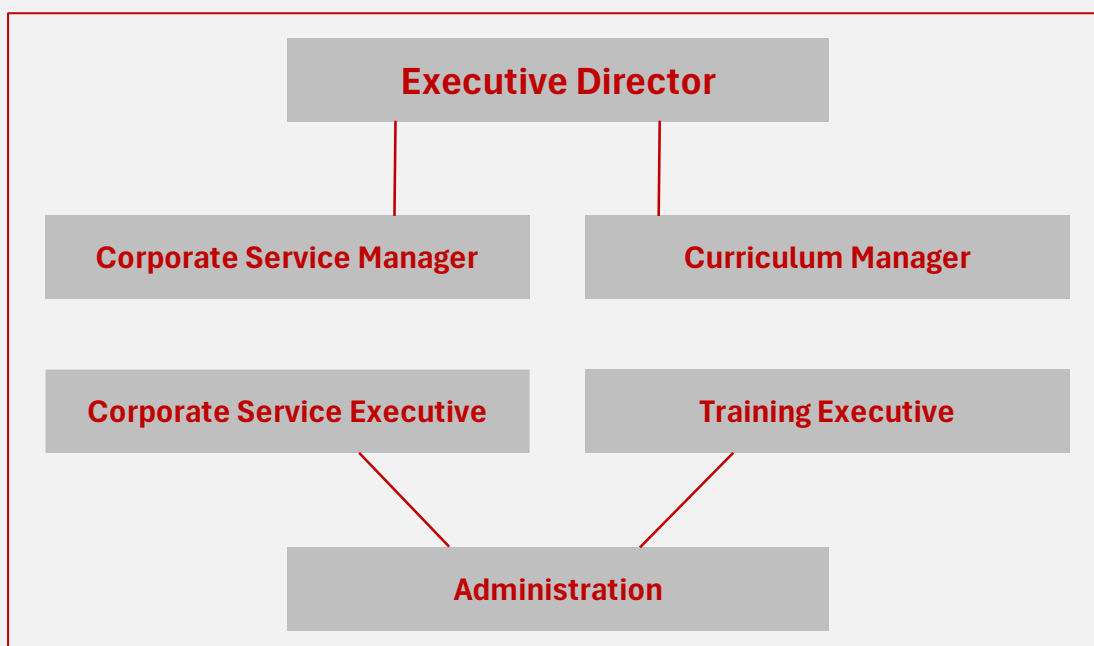
Funding Model: The method of funding should be defined in legislation. This should include external centra exchequer funding and funding from LGUs, the precise allocation to be decided. Funding from donors to be considered in the context of the decision on legal status. Different scenarios should be developed to inform a decision on the level of funding to be provided from the various sectors and the issue of charging fees should be considered.

Budgets: Once a decision has been made to set up a standalone academy, then detailed budgets, to include overall operating costs, salary costs, and set-up costs, should be developed.

2.7. Management and Staffing

There is general agreement that the initial staffing of the LGA should be small, probably between 7 to 10 people.

An outline organization structure for the new academy is set out below:



Executive Director

The role of the Executive Director is critical to the success of any new public institution, and so the first appointment of the Executive Director of the LGA should be managed carefully. The Executive Director should be appointed by the board through a competitive process, perhaps using a professional Executive Search agency. The initial contract would be for five-years and could be renewed. The Executive Director would report periodically to the Board of Directors.

Critical competencies for the Executive Director are:

- Strategic Competency: to develop and implement a new strategy
- Leadership and Management: Ability to lead the Academy in its development phase, to oversee recruitment of staff and to manage and develop staff
- Local Government: understanding and experience of the policies, structures, people, and challenges in LGUs
- Learning and Development: understanding and experience of training and development
- Governance: understand the principles of good governance and the ability to work with a Board
- Relationship Management: Ability to develop relationships at a senior level.

Senior Managers

At least two senior managers should be appointed. One should be a **Corporate Services Manager** who would manage finance, HR, and infrastructure. The other would be the **Curriculum Services Manager**, who would be responsible for all aspects of the curriculum, including the development and marketing of services, and development of key relationships.

Other Staff

The Corporate Services Manager would be supported by an administrative executive. The Curriculum Services Manager would be supported by three **Training Executives**, who would be responsible for designing and developing programs, materials, and services in consultation with clients; identifying external trainers and communicating with them about program delivery; delivering some services; liaising with clients; and co-ordinating delivery and conducting program evaluation. Ideally these training executives should have experience of developing and designing training and development programs and also a knowledge of local government.

There would be two or three administrative staff to support the Training Executives.

Over time the staffing may be expanded in line with the development of services. However, it is recommended that the staffing should relatively small (no more than 15 -20 total) to maintain a cost-effective approach.

Proposal 7: Staffing

An Executive Director should be appointed by competition, and when appointed should oversee the appointment of the other staff, namely a Director of Corporate Services, a Director of Curriculum, a Corporate Executive, Training Executives, and Administrative Support staff.

2.8. Delivery and Facilities

The Academy should develop both in-person and online approaches to delivering services. The approach to be adopted will depend on the nature of the service e.g. some training is best delivered in-person. Some training can be delivered by a combination of in-person and online learning (a blended approach).

The Academy should also over time develop webinars and other online resources that will be useful for local government. It will need a website and an online learning platform. The option of sharing an online learning platform with ASPA should be explored.

The new Academy will also require accommodation, including facilities for delivering training and workshops. The option of sharing accommodation with ASPA in a new facility in Tirana has been proposed and should be explored. While the main facility will most likely be based in Tirana, the requirement to deliver some training in the regions should be considered and there may be an opportunity for agreements with some LGUs or other regional public service bodies to share facilities.

The Academy will also need to produce branding material, including a logo. The services will need to be marketed to make stakeholders aware of services and to profile the role of the Academy.

Proposal 8: Delivery and Facilities

Delivery: *The method of delivery should be a combination of in-person delivery, workshops, seminars, online webinars and online training. Online resources for local government should also be developed. The development or sharing of an online learning platform will be necessary.*

Facilities: *The accommodation for the Academy, including training facilities, should be explored including the options for sharing accommodation, and regional facilities. The Academy will need to develop a brand and profile, as well as marketing services.*

Part 3: Transition to a Local Government Academy

It has been proposed that there will be a transition period in 2024 and 2025 when the Academy is being fully established.

We briefly set out here some considerations for the transitional phase. Transitional tasks were also described in the short paper on transition delivered in 2023.

3.1. Managing the Transition

Managing a successful transition to the full operation of the Local Government Academy needs to be planned carefully. It is recommended that a detailed transitional plan is developed including the overall timeline, key decisions, tasks, and stages, and also the person or group responsible for each task. The plan should also include the risks that have to be managed in the transition phase.

One of the risks in transitioning to a new public sector organisation over a period of time is that there will not be a successful exit from the transition stage to the planned solution. The interim solution becomes the solution, and the structures that were planned are never implemented. This can happen for a variety of reasons including:

- New or different priorities arising during the transition phase
- Lack of funding
- Challenge of re-engaging with the change process
- Loss of engagement by stakeholders

The difficulty is that the solution originally planned is never implemented and the interim solutions do not bring the expected benefits. Over time, the gaps in learning and development services that were originally identified in LGUs would emerge once again.

For this reason, if there is to be a transition phase it should be relatively short (ideally no longer than 6 months), and there should also be a very clear path to, and timeline for, the establishment of the Academy.

3.2. Role of AMVV

At its meeting of 9 April 2024, the Inter-institutional Working Group decided that for the remainder of 2024 AMVV will be the institution responsible for coordinating and providing training at the local level.

The recently approved DCM no. 227 of 09 April 2024 made some amendments to the functions of AMVV including that AMVV “shall coordinate the work processes, take measures, and coordinate national initiatives with other institutions on the development of the human resources capacities of the local self-government units.”

It is expected that once the Academy has been established that AMVV can continue to play a key role. Depending upon the type of legal status of the Academy this ongoing involvement could include:

- Chairing the Board of the Academy
- Oversight of performance
- Contributions to training and other services e.g. inputs on new legislation
- Contributing staff

Regarding oversight of performance, it is recommended that a **Service Level Agreement** should be put in place for the new Academy that sets out the target levels of services and activities for the year, including metrics such as cost of training delivery per trainee. The service agreement should be agreed before the start of the year and then completed and returned by the Academy at the end of the year. This is an important method for ensuring accountability and tracking progress.

Regarding **staffing**, as AMVV will have responsibility for co-ordinating training to LGUs in 2024, it may be possible to transfer some of the staff involved in these tasks to the new Academy. This could save costs if the staff are not replaced. However, a mechanism would have to be found to transfer staff to the Academy so that they retain their years of service and conditions of employment. While it was suggested that sharing of staff may be possible, with staff in AMVV supporting the operations in the Academy, this is not recommended as the Executive Director and other managers in the Academy would not have control of these staff, which would make management extremely difficult.

3.3. Decisions to be made

Several key decisions will have to be made during the transition phase. These have been references throughout the text above. For ease of reference, a summary of key decisions is set out in the form of a Decision Log at Appendix 2. The IWG or others managing the transition could use this or a similar format to record decisions and to ensure that all of the major areas are addressed in discussions.

Conclusion

The gap in capacity for learning, development and related services for local government in Albania has been identified in numerous reports, most recently in the paper prepared by the BtF project in June 2023, and further confirmed by the consultation for this paper. Previous attempts were made to establish some institution to address this gap but failed. It is clear that the gap that now exists is not being addressed by existing training institutions.

There is a unique opportunity now to establish an institution dedicated to learning and development in local government to address the needs of staff and elected officials. While there are certain decisions that have to be made such as relating to the precise legal status of the institution, governance arrangements, staffing, and funding, which have been discussed in this paper, if there is a will to come up with the solution then any of these issues can be addressed. Based on our consultations there is significant support among all stakeholders for the establishment of a standalone academy or school dedicated to the needs of local government.

If this opportunity is missed it is unlikely another opportunity to address the gap in capacity will arise for many years. Therefore, the time is now for action and for the speedy establishment of the institution, which can develop a significant profile of success within the first five years.

Appendix 1. List of Stakeholders Interviewed during March 2024

1. Mr. Ermal Elezi, General Director, AMVV
2. Ms. Enkela Dudushi, Director Department of Public Administration (DoPA)
3. Ms. Arlinda Hoti, Acting Director, ASPA
4. Mr. Fran Brahim, Ministry of Finance
5. Ms. Adelina Farrici, ALA (LGA)
6. Mr. Ervis Moçka, Chair of the Regional Council of Vlora and Deputy Chair of the Association of the Regional Councils - AARC, (LGA)
7. Mr. Rudin Ylviu, Chairperson of the Municipal Council of Kavaja
8. Ms. Juliana Memaj, Mayor of Dimal
9. Mr. Albert Melyshi, Mayor of Mirdita
10. Ms. Keti Luarasi, Deputy mayor of Tirana Municipality
11. Mr Olsi Dekovi and Ms. Arvena Deda, Council of Europe

Appendix 2. Key Decisions' Log

No.	Category	Decision to be made	Priority Level	Decision	Comment
1	Legal Status	1. What will be the institutional form e.g. government agency or independent agency, NGO? What type of NGO (Centre, Foundation, Membership organisation)			
		2. Is Legislation or DCM required? If legislation, what type of legislation and what needs to be included?			
2	Governance	3. Who will chair the Board and what will be the accountability relationship? What will be the role of board (decision-making, advisory, supervisory)			
		4. What organizations/bodies will be represented on the Board? What will be the number of representatives?			
		5. How will representation be decided e.g. from the municipalities?			
		6. Will there be subcommittees of the Board, and if so, what will they be?			
3	Funding	7. What is the estimated overall annual budgetary requirement?			
		8. What will be the funding model, sources of funding and in what proportions? (Government, LGUs/ associations, other). The formula that will be used (funds from the current budget of LGUs and/or a new conditional annual transfer to the LGUs dedicated to the Academy).			
		9. How will funding be collected and at what intervals			
4	Services	10. What will be the key services of the Academy? What services should be first developed? (modules, trainings, KM platform, other), sharing of training between the Academy and ASPA, Min. Finance etc.)			
		11. What will be the process for managing accreditation of programs?			
5	Staffing	12. What will be the staffing and structure of the Academy?			
		13. How will the Executive Director be recruited? What will be the role of the Board in recruitment process?			
		14. What will be the salary scales and terms of employment of staff of the Academy?			
6	Delivery and Facilities	15. Where will the Academy be based, training facilities etc?			
		16. What e-learning platform will be used?			
		17. What other infrastructure will need to be put in place?			
7	Change Management	18. What is the timescale for transition to the full launch of the Academy?			
		19. Who will be responsible for developing and managing a Transition plan to the full launch of the Academy?			
		20. What will be the roles of key actors such as AMVV, ASPA during and after transition?			

KEY BACKGROUND DOCUMENTS

1. Law no. 139/2015 “On Local Self-governance”.
2. Law no. 68/2017 “On Local Finances”.
3. National Strategy for Decentralization and Local Governance (2023-20230).
4. Council of Ministers Decision no. 227, dated 9.4.2024 “On the organization and functioning of the agency for the support of local self-government”, (ASLG/AMVV).
5. Council of Ministers Decision no. 138, dated 12.03.2014 “On Rules of the Organization and Functioning of the Albanian School of Public Administration and Training of Civil Servants”, (ASPA).
6. Paper 1 “A Dedicated Training Structure for Local Government in Albania- Background, Needs and Options”, Dr. Brian Cowley, June 2023; *(supported by project Bashki të Forta-Helvetas, funded by SDC).*
7. Paper 2 “Reforming the Capacity Building System for Local Government Unit Human Resources and Establish a Dedicated Training Structure for LG in Albania - Transition to a Local Government Academy”, Dr. Brian Cowley, July 2023; *(supported by project Bashki të Forta-Helvetas, funded by SDC).*
8. Report “Cases of Training Agencies in Albania”, April 2024, Mr. Enea Hoti; *(supported by project Bashki të Forta-Helvetas, funded by SDC).*
9. Knowledge Management and Sharing Platform for LGUs in Albania - Cases, concept, framework and standards”; Presentation for IWG, 09 April 2024 (Prof. Oliver Kessler, Prof. Stefan Bruni and Mrs. Zorica Dragic-HSLU, and Sokol Muça); *(supported by project Bashki të Forta-Helvetas, funded by SDC).*
10. Report “Mapping the Training Modules and Delivery to LGUs” March 2024, Mrs. Alda Dekovi; *(supported by project Bashki të Forta-Helvetas, funded by SDC).*