



SOCIAL AUDITS IN KENYA: BUDGET TRANSPARENCY AND ACCOUNTABILITY

The activities of Muslims for Human Rights (MUHURI), a civil society organization (CSO) based in Mombasa, Kenya, demonstrate the significant role budget transparency plays in improving accountability. MUHURI's work also shows how public engagement in the budget process can strengthen oversight and lead to improved public service delivery. At the same time, MUHURI's impact has been restricted by the lack of a Freedom of Information (FOI) law in Kenya, along with other broad transparency challenges in the country. (Kenya scores 57 out of 100 on the Open Budget Index 2008 (www.openbudgetindex.org), indicating that the government provides the public with some, albeit incomplete information on the central government's budget and financial activities during the course of the budget year.)

Social Audits Demonstrate Significance of Budget Information

Since 2005 MUHURI has been monitoring expenditures made under the Constituency Development Fund (CDF). This fund provides every Member of Parliament (MP) in Kenya with approximately \$1 million a year to support development projects in his or her constituency. The CDF has widely been seen as more effective in delivering development aid than the traditional line ministries and has been welcomed by previously marginalized local communities. However, the fund also has been plagued by allegations of corruption, fraud, nepotism, poor planning in the selection of projects, and problems in monitoring and oversight.

In general, the CDF suffers from a lack of accountability, as there is no regulatory framework governing the allocation of these funds, nor are there standardized criteria for financial or performance reporting on their use. Furthermore, the CDF blurs traditional lines of oversight by reversing the constitutional separation of powers between the executive and Parliament, since the legislature ends up executing the program while the executive oversees it.

MUHURI has been working to bridge the CDF's accountability gap by conducting "social audits"—a participatory process in which CSOs and communities evaluate the use of public resources and identify how best to improve outcomes of public programs and policies. In addition to analyzing financial information, a social audit looks at the quality of community participation in decision making and how well the projects being assessed serve the needs of local residents. In order to conduct a social audit of the CDF, access to detailed records on CDF projects is critical. Unfortunately, though Kenyan MPs provide lists of CDF projects through a website, this general information has proven insufficient for monitoring purposes.

MUHURI's Successes Show Impact of Public Engagement in Budget Process

During the first two years of their monitoring efforts, MUHURI struggled to obtain access to CDF records. As a result, the group's activities were limited to generating awareness about the CDF scheme among local communities. Then in 2007, MUHURI succeeded in obtaining CDF records from two parliamentary constituencies and subsequently used the records to conduct two social audits—one in August 2007 in Changamwe and the other in July 2008 in Bahari.

Describing the audit as a “training” event, rather than a public discussion, MUHURI convinced the MP of Changamwe that the social audit would be a groundbreaking event, as he would be the first MP ever to open his accounts to civil society. In addition, they convinced the MP that the audit would help boost his public image—a particularly persuasive argument during an election year.

MUHURI obtained a partial set of CDF records for 14 projects for the social audit—projects the Changamwe CDF Committee (CDC) considered the best. Some of the documents they were given included the Second Schedule, listing the projects selected by the CDC; Bills of Quantities, describing work specifications; minutes of CDC meetings; and Completion Certificates, which verify that projects were completed.

With these documents, MUHURI and the social audit team conducted site visits of all 14 projects, which included interviews with local residents. They discovered a number of problems in the implementation of the projects that would have been impossible to identify without the detailed project records. For example, when auditing a market construction project, local residents described how material from the old market had been used in the construction of the new market, even though the Bill of Quantities showed that all new materials were to be purchased.

A day-long public hearing was then held to announce the findings, with approximately 1,500 attendees, including residents, local CDF officials, and media. The Changamwe MP joined the hearing after the CDF officials were faced with a barrage of questions from constituents about the audit's findings. Toward the end of the hearing, the MP signed a petition demanding that greater accountability and transparency measures be incorporated into the CDF Act and calling for a comprehensive Freedom of Information law, which he had previously opposed.

At the end of 2007 the MP succeeded in getting re-elected, when the majority of sitting MPs lost their seats. During his campaign, he spoke on numerous occasions about opening his books to MUHURI, claiming that he was the most transparent MP. At the vote-counting hall on election day, where MUHURI staff members were serving as election monitors, the CDC secretary told them that “at least 40%” of the votes the MP received resulted from the social audit; the MP himself also acknowledged this. Though the audit revealed many problems with the CDF projects, the mere fact that the MP opened his books helped him gain the support he needed to win the election.

Following on this successful social audit, MUHURI approached the Bahari constituency. When requesting the Bahari CDF records, MUHURI emphasized the success of their work in Changamwe. The Bahari MP granted MUHURI's request, expressing confidence in Bahari's CDF records. According to government audit reports Bahari had the “best-managed” CDF in the country.

MUHURI was given records on 13 CDF projects on the condition that they allow CDC members to observe the social audit. MUHURI agreed to this condition, despite feeling that the presence of the CDC members would disrupt the audit process.

During the Bahari social audit, MUHURI and partners used documents such as Bills of Quantities to uncover problems with a number of CDF projects. For example, when conducting a physical verification of the chief's office toilet in Matsangoni village, the community auditors discovered that the project was incomplete, not built according to specifications, and virtually unusable. Meanwhile, the project documents indicated that the project had been completed and all of the money allocated had been spent.

In another case, the physical verification of a road project revealed that there was no gravel on the road. Furthermore, through interviews with local residents, the audit team learned that laborers who worked on the road had not been paid but had been given food instead.

When the Bahari CDC declared that they had “nothing to fear” from the social audit, they did not realize that MUHURI was looking at more than just numbers. As they observed the social audit, however, the CDC officials soon realized that the information being collected was not favorable and attempted to interfere with the process. Ultimately, a public hearing with over 1,000 attendees did take place, though its proceedings were delayed and the CDC members did not attend

MUHURI's impact restricted by lack of Freedom of Information law

On a broader level, the obstacles MUHURI faced in accessing CDF documents and conducting social audits demonstrate the critical need for an FOI law in Kenya, requiring government officials, including CDF officials, to share information with the public. Making information public should not be left to officials' good will.

After the post-election violence in Kenya subsided in early 2008, MUHURI believed that new MPs looking to discredit their predecessors would be more willing to make CDF records available. MUHURI also felt confident that their successful audit in Changamwe the year before would convince other MPs that they could be trusted with CDF records.

However, MUHURI made several unsuccessful attempts to get CDF documents, first from Kisauni constituency and then from Likoni constituency. Both constituencies had new MPs who would not be implicated in any mismanagement of the CDFs that the social audits might uncover, and yet both refused to provide the CDF records to MUHURI. Kisauni's CDF was particularly controversial. The media had earlier raised a number of issues about it, including mismanagement of funds and corruption, which had led to a public demonstration. Still the new MP refused to cooperate.

This lack of transparency prevents the people from knowing what the government is doing with public resources and demanding change. Making access to information a legal obligation will begin to create an institutional framework that will allow for the scaling up of involving the public in monitoring the use of public funds. Ultimately, this will help to improve overall budget transparency and accountability.

Budget transparency—making available comprehensive, timely, accessible and useful information on how the government plans to use the public's resources—and opportunities for public participation in the budget process is vital for holding governments accountable and strengthening policy choices. Open budgets that empower civil society and members of the public to play an effective oversight role also reduce the opportunities for wasteful and corrupt spending, thereby increasing the likelihood that resources will be used to meet the needs of the people.