FORUM: Understanding, Using and Improving Budget Estimates 2015/16

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Difference in Information Available in Kenya's 2013/14, 2014/15 and 2015/16 Programme Based Budgets (using Ministry of Health example)

	2013/14 (Program Based Budget)	2014/15 (Program Based Budget)	2015/16 (Program Based Budget)
Narrative information Narrative should: 1. Explain overall mission and objectives 2. Be clearly linked to priorities and program allocations 3. Explain changes over time in allocations/expenditure 4. Relate challenges and objectives in the sector to budget allocations and how the challenges would be addressed	1. Some narrative available on the mandate of the health ministry, programs and objectives. 2. Not clearly linked to program priorities and allocations. 3. N/A 4. Does not relate challenges and objectives in the sector to changes in budget allocation. No information on how past challenges will be	1. Narrative information available on mandate of health ministry, programs and objectives. 2. Some allocations mentioned, but most are not described. No clear link to program priorities or allocations 3. Some information provided on allocation trends as well as achievements in the last financial year, but not expenditure. 4. Does not relate challenges and objectives in the sector to changes in budget allocation. No information on how past challenges will be addressed in the current financial year.	1. Narrative information available on mandate of health ministry, programs, performance and achievements in the last financial year. 2. Not clearly linked to program priorities or allocations. 3. Some information on allocation trends and reasons for changes in allocation at ministry but not program level. 4. Does not relate challenges and objectives in the sector to changes in budget allocation. No information on

	addressed in the current financial year.		how past challenges will be addressed in the current financial year.
Programs with Clear Objectives Budget should have programs that: 1. Are clear and with clear objectives that do not overlap	1. Program objectives are vague and overlapping, making it hard to know how each program uses its funds to advance a distinct objective.	1. Program objectives are still vague and overlapping, but the addition of sub-program information helps to clarify what each program actually does.	1. Program objectives no longer overlap. For example, curative services and promotive services do not overlap, because one provides preventive and the other specialized services. Sub-programs also help to clarify distinct program activities.
2. Have objectives that look at outputs and outcomes	2. Curative program's objectives are focused only on outcomes (improved health status) while preventive program objectives are focused only on outputs (access to services). This leads to lack of clarity about differences between two programs.	2. Programs objectives are mostly focused only on outcomes. For instance, "reduce incidences of preventable disease and ill health". However, lack of outputs make it difficult to understand what programs actually do.	2. Objectives are now focused more at output than outcome level. They no longer overlap but it is less clear what the ultimate purposes of the programs are.
Indicators, targets, and timelines Each program or sub-program should have: 1. A set of sensible indicators with baselines and targets that relate to program objectives	1. Indicators are not in line with ministry objectives and have no baselines and lack targets.	1. Indicators improved from last budget as targets were introduced. Although, some targets are incoherent and do not have baselines. For example, there is an indicator for "% of facility based maternal deaths" which has a	1. Improved clarity of indicators with targets to some extent but still no baselines. Some indicators that were not clear in the last budget were dropped, leading to reduced number

		target of 100%, which is both unclear and does not align with Health Sector Working Group target from 2015/16.[1]	but more focused. For instance, "% of facility based maternal deaths"
2. Consistent over time	2. N/A	2. Many new indicators with new targets. There was also a huge dropout of indicators that were used in the 2013/14 budget that did not appear in the 2014/15 budget. For instance, in the health sector, there was an indicator "% of pregnant women receiving LLITN in endemic districts" which is no longer in the budget.	2. Many indicators and targets have been dropped, with some being replaced without any explanation. For instance, in the health promotion subprogram, under the delivery unit – environmental health services, the indicator used in 2014/15 was % of HH with latrines and with a target of 70% by the year 2015/16. The same unit now has a new indicator – National Aflatoxin Management with no target for the year 2015/16.
3. Updated to reflect changes in baseline over time	3. N/A	3. Most indicators did not have baselines. Many from previous year lacked targets.	3. No updated information about changes in the baseline or whether targets for previous year achieved.
Subprograms and further disaggregation Subprograms should:			
1. Be about 2-5	1. N/A	1. Two to five subprograms.	1. Between 3 and 9 subprograms under each program
2. Have clear objectives and be related to the program under which they fall	2. N/A	2. The subprograms do not have objectives but have indicators and targets	2. The subprograms do not have objectives but have indicators and targets (though not fully consistent with last year)

[1] Republic of Kenya, "Health Sector Working Group Report, MTEF for the period 2015/16-17/18"

3. Be consistent over time	3. N/A	3. N/A (new item)	3. There is a drop in the number of subprograms, with some being replaced. For instance, in 2014/15, the preventive and promotive subprogram had 5 subprograms, now there are only three subprograms. Curative health program had 3 subprograms – national referral hospital, mental and spinal injury which has now been combined into only one program National referral services.
4. Have clear indicators and targets	4. N/A	4. Have somewhat clear targets and indicators, but as above, not entirely consistent and coherent	4. Have somewhat clear targets and indicators, but as above, not entirely consistent or coherent.
5. Broken down by economic classification that is clear	5. Generic economic classification with vague categories of "other recurrent" and "other development" at program level	5. Subprograms have been broken down into an economic classification. However, the economic is generic with use of vague categories such as "other recurrent" and "other development".	5. Broken down by economic classification. However, there is still use of vague classification which takes major share of allocations.
Personnel and costs There should be information:			
1. Beyond "compensation to employees" at program or subprogram level	1. No information beyond single figure for "compensation" at program level, with only 3 programs.	1. No information beyond single figure for "compensation for employees" but now this information is at program and subprogram level (increase in detail due to increase in programs from 3 to 5, plus 19 subprograms, but still less than 2012/13.)	1. No information beyond single figure for "compensation for employees" at subprogram level.

2. On number of staff, job group, emoluments and costs	2. No information on number of staff, job group, emoluments and cost, unlike in 2012/13.	2. No information on number of staff, job group, emoluments and cost.	2. No information on number of staff, job group, emoluments and cost.
Appropriation in Aid (AiA) Information should be broken down to			
1. Type of donor, the amount and type of grant	1. No information on the type of donor and type of grant, only the total amount of AIA	1. None	1. None
2. Where the money is coming from i.e. donor or user fees	2. No information	2. None	2. None
3. Where the money is going to, which ministry, department etc.	3. Information at vote and programme level	3. None	3. None

Link between program-based budget and line-item budget	The 2013/14 budget eliminated former administrative units and no information was provided that would allow for a link to the old classification to be established.	The 2014/15 PBB has some link with the old administrative units in the 2012/13 budget. It now has "delivery units" which can be linked back to the old line item budget, and the line-item classification was released along with the PBB. For example, "control of malaria and communicable disease control" delivery units appear under the sub-program "communicable disease control," with codes 108008900 and 108011800 respectively. These are the same as the codes in the line-item budget for the same units.	Same as 2014/15, with delivery unit codes allowing comparison between line-item and PBB budgets.