

# Are Kenya's Counties Making Budget Formulation Documents Available to the Public? A Review of County Websites | September 2017

## BACKGROUND

Over the past two years, the International Budget Partnership Kenya (IBPK) has assessed the public availability of key documents that counties should publish while formulating and implementing their budgets. This analysis, which looks specifically at the online availability of documents relating to budget formulation, builds on these previous assessments of county budget transparency.

It is not clear when counties were meant to table their 2017/18 Budget Estimates in their respective assemblies. However, this analysis assumes that they were to table them no later than April 30, as in previous years. The Public Finance Management (PFM) regulations mandates that budget estimates should be made available to the public within seven days after tabling in the county assemblies. While there is no firm deadline for this, the spirit of the PFM Act is that estimates should be published enough in advance of enactment to provide citizens with adequate time to review the estimates and provide their views to the budget committee in the county assemblies. The PFM Act regulations also require the assemblies to hold public hearings before tabling any amendments to the budget. Given that assemblies must hold these hearings prior to approving the budget by June 30, they have traditionally been held in May. However, even if counties hold the hearings in June, any that are not making budget estimates available to the public within a month of the tabling (by end of May) would arguably be failing to meet the spirit of the PFM Act, and not giving citizens enough time to review these documents and provide their views. This year, it would be reasonable to expect these documents to have been tabled even earlier.

We assessed the online availability of budget documents necessary for formulation of the 2017/18 budget during the first week of August 2017. We searched for five documents: The Annual Development Plan (ADP) 2016 (for the year 2017/18), the County Fiscal Strategy Paper (CFSP) 2017, the Quarterly Budget Implementation Report for the third quarter of 2016/17, the Budget Estimates 2017/18, and the Citizen Budget 2017/18.

# PURPOSE OF THE FIVE KEY BUDGET FORMULATION DOCUMENTS

## ANNUAL DEVELOPMENT PLANS

As per the County Governments Act, all budgets must be based on plans. The PFM Act sets the Annual Development Plan as the main plan to anchor the budget. The ADP should be published within one week of its tabling in the county assembly (within one week of September 1).

## COUNTY FISCAL STRATEGY PAPERS

The most important budget formulation document, the County Fiscal Strategy Paper (CFSP) sets out the total size of the budget, the sector ceilings (e.g., how much for education versus health), and identifies key priorities. It should be published within one week of its tabling in the county assembly (within one week of February 28).

## QUARTERLY IMPLEMENTATION REPORTS (THIRD QUARTER)

This is a key document as it informs us how well the counties have done in implementing the current budget so far during the year. When considering which areas should get more money, it is essential to know which sectors have been able to spend and which have not. The report should be published within one month of the end of the quarter (within one month of March 30).

## BUDGET ESTIMATES (PROPOSED BUDGETS)

The budget proposal from the county executive is the culmination of all the other documents and is the place where program- and item-level decisions are taken that must be reviewed by the public and assembly before approval. It should be published as soon as possible after tabling.

## CITIZEN BUDGET

The budget estimates are published in a format that may be difficult for ordinary citizens to read and understand. Counties should summarize their budget proposals into shorter, less technical versions that give the public a general view of each county's revenue and spending priorities. The Citizen Budget document is a key input for effective public hearings, and should be published at the same time as the budget proposal.

## WHAT DID WE FIND?

The budget calendar for the national government for 2017/18 was adjusted because of the election timetable. However, it was not clear whether counties were also supposed to follow the revised calendar put out by the National Treasury. In carrying out this study, we made the conservative assumption that counties followed the normal budget calendar. In reality, though, they would have all been expected to release these documents earlier due to the election cycle.

### 2017/18 ANNUAL DEVELOPMENT PLANS

As of the second week of August, just 22 counties had published their 2017/18 Annual Development Plans online, this is less than one quarter of the 47 counties. This is an improvement from 11 ADPs found to have been published during our analysis last year.

### 2017/18 COUNTY FISCAL STRATEGY PAPERS

At the same time, only 21 counties had published their 2017/18 County Fiscal Strategy Papers online, which is equal to the number of CFSPs that we found last year.

### 2016/17 QUARTERLY IMPLEMENTATION REPORTS

As of mid-September, only Baringo county had published its Budget Implementation Report for the third quarter of 2016/17. This shows that challenges in accessing implementation documents from counties across the country continue, with the notable exception of Baringo.

### 2017/18 BUDGET ESTIMATES (PROPOSED BUDGETS)

As of June 30, only 15 counties had made their proposed Budget Estimates available online. A couple of these counties had published only line-item budgets, though counties are now required by law to produce program-based budgets. Our findings show a decrease in the number of budget estimates available from 22 in 2016/17.

### CITIZEN BUDGET

No county had published a summarized citizen-friendly budget on its website.

# CONCLUSION

Counties are still not making key documents available to the public online in a timely fashion. While we see improvements in the publishing of some documents, counties are legally required to publish all of these documents — and there are clear deadlines for publishing each, with the exception of the Budget Estimates. However, the PFM Act regulations require all budget documents, including Budget Estimates, to be published within a week of tabling in county assemblies. Even when our survey finds that counties release information, they are frequently not meeting the legal deadlines. Unless this changes, citizens will not be able to participate effectively in the budget process as intended under the constitution and the PFM Act.

In the six studies carried out over the past three years only about 20 percent of key budget documents that were supposed to be online were available. This shows a consistent pattern of low transparency across many counties. In addition, four counties (Garissa, Mandera, Migori, and Turkana) have had been found to not have published any document in each of the six studies. However, Baringo county has consistently been the best performer across all the studies.

**TABLE 1. BUDGET DOCUMENTS AVAILABLE DURING EACH STUDY BETWEEN JANUARY 2015 AND SEPTEMBER 2017**

Period of Study	County Budget Documents Found Online	Total Number of Documents	% Total of Documents Available Online
Jan-15	50	329	15%
Jun-15	38	188	20%
Jan-16	22	141	16%
Jun-16	55	235	23%
Mar-17	15	141	11%
Sep-17	59	235	25%
Total	239	1,269	19%

Source: County websites (County executive and county assemblies)