



EXPLAINING BUDGET DEVIATION

A BUDGET CREDIBILITY SNAPSHOT

April 2019

The study of budget credibility examines the extent, nature, causes and consequences of deviations from approved budgets. In this series, part of the International Budget Partnership's Assessing Budget Credibility Project, 24 civil society partners in 23 countries probed a specific area in which execution of the national budget repeatedly diverged from the approved plan to learn whether adequate reasons were provided for the deviation. The broader synthesis report on these findings can be found [here](#).

ZIMBABWE: BASIC EDUCATION

In 2001, the Government of Zimbabwe launched the Basic Education Assistance Module (BEAM) program with the aim of assisting orphans and vulnerable children to access basic education at primary and secondary level. However, in recent years, BEAM has served far less children than the number who are eligible. According to a report released in 2014, 380,000 of 976,000 primary and secondary school students who needed the program's support in 2012, did not receive it.

BUDGET CREDIBILITY CHALLENGE

From 2012 – 2014, BEAM was under-executed by more than 30 percent, impacting the number of children who could be served by the program. From 2012 to 2015, enrollment in primary education fell and dropout rates for primary and secondary schools increased; the percentage of children who dropped out of secondary school during this period rose from about 1 to 4 percent. When the budget execution rate increased in 2015, the 2016 enrollment figures increased as well, and the dropout rate stabilized, suggesting a possible relationship between budget execution and enrollment.

EXECUTION OF BASIC EDUCATION ASSISTANCE MODULE (BEAM) PROGRAM, 2012-2016

Year	Approved budget (USD)	Final expenditure (USD)	Execution Rate
2012	15,000,000	6,800,000	45%
2013	1,500,000	1,000,000	67%
2014	15,000,000	7,000,000	47%
2015	7,000,000	8,200,000	117%
2016	15,255,000	15,388,000	101%

Source: Audit General, World Bank, and National Budget Statements

WERE EXPLANATIONS FOR THE DEVIATIONS FOUND IN GOVERNMENT REPORTS?

Yes. Reasons were found in the following reports:

- National Budget Statement: this document provides general reasons for why the aggregate national budget was over-spent. For example, the 2013 and 2016 statements explained that the budget was over-spent to pay for unplanned food aid following droughts.
- Audit General Report: the 2015 audit report indicated that funds meant for BEAM's administrative costs were diverted to buy food hampers for the Ministry of Public Service, Labour and Social Welfare's staff.
- Special Audit Report for the management of BEAM (2014): found that poor execution was caused by delays at the school and community level with meeting program requirements, as well as the fact that communities were notified too late about the funds available.
- In addition to the above, legislative oversight reports, independent evaluation reports, and sector policy documents were consulted, but contained no reasons to explain the budget deviations.

DID THE GOVERNMENT AGREE TO BE INTERVIEWED TO EXPLAIN FURTHER?

Yes. Interviews were conducted with the following ministries:

- Ministry of Finance and Economic Development: indicated that the under-execution in the overall budget in 2012-2014 was due to diversion of funds to cover food aid costs following the 2012-2013 drought and payments for increased salaries and bonuses for civil servants. The 2013 referendum and 2015 elections also reduced the amount of revenue available for certain government programs, including those like BEAM, during 2013 to 2015.
- The Ministry of Labour and Social Welfare: faulted the Ministry of Finance for delays and reductions in the disbursement of funds.

WERE THE REASONS PROVIDED BY GOVERNMENT ADEQUATE?

The reasons provided by the documents do not adequately explain the budget deviations in BEAM during 2012 to 2016. The National Budget Statements contain general explanations for why the aggregate budget was over-spent, and it is unclear whether these reasons affected BEAM's execution. The Audit General Reports do not consistently provide explanations and the reason found in the 2015 report is only partial. The fact that funds were shifted to purchase hampers does not explain why BEAM's budget was over-spent by 17 percent. The 2014 special audit report does not specify a mechanism that explains why there were delays at the local level or why the communities were notified late. As with the National Budget Statement, the reasons provided via interviews were general in nature and did not necessarily fully explain what was at play.