

# Uasin Gishu Program Based Budget: Comments and questions

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**1. The UG “Budget Programs” document does not meet the minimum requirements to qualify as a Program-Based Budget, because there are no allocations at Program level in that or any other available document.**

- a) A PBB is fundamentally geared toward explaining allocation choices at the Program and Sub-Program level. If there are no allocations at that level, it is not a PBB.
- b) This can be seen clearly if we look at the health department. In the Budget Programs 2015/16 document, there are four Programs in the health department. However, there is no information on allocations.
- c) Turning to the Annual Estimates 2015/16 line-item budget, the health budget is broken into recurrent and development allocations, but none of the four Programs are mentioned.
- d) This cannot qualify as a PBB.

**2. While there are some departments/sectors in the line-item budget that appear to have Programs, these are also not properly conceived.**

- a) Consider the budget for Trade, Tourism and Cooperative Development. The development budget for this vote does mention several Programs. However, these Programs are not consistent across the two documents (Budget Programs and Annual Estimates) and are not mentioned at all in the recurrent budget.
- b) PBB is not only for development budgets, however. Programs should combine the recurrent and development spending needed to achieve Program objectives. There cannot be Programs for only one type of spending.
- c) Moreover, the 3 Programs mentioned in the development line budget do NOT match the five Programs in Trade mentioned in the Budget Programs document. This again means that the Programs that are described in the Budget Programs document do not actually have any budget allocations, and this cannot qualify as a PBB.

**3. While the budget narrative in the Budget Programs document does provide some information about what ministries do and have achieved over time, it does NOT provide any explanation of priorities at the Program or Sub-Program level.**

- a) For example, the Trade narrative discusses only performance in 2013/14 and 2014/15 but nothing about priorities in 2015/16.

- b) In health, the situation is similar, although there is mention of one major initiative going forward, which is working with donors to establish a “Children and Trauma Centre.” However, there is no information about donor funding or activities in the line-item budget, nor any mention of this activity. There is also no mention of what Program this falls under in the Budget Programs document.

**4. Indicators and targets must be meaningful and measurable in order to facilitate a clear link between spending and achievement of service objectives.**

- a) A look at some of the indicators and targets suggests that they are neither meaningful nor measurable.
- b) Consider health first. We have indicators like “amount of drugs” and “amount of food” for patients, but the targets for these indicators are “at least adequate to respond to clinical services” in all years. This is also the baseline, which suggests that this has already been achieved in 2014/15, which is doubtful.
- c) Another indicator for “specialized materials” has a target of “at least enough to address public health services (sic) needs” and again, this is the baseline and the target in all years.
- d) Health infrastructure has a target of 6 for number of sub-county facilities constructed in 2015/16. There are no targets in 2016/17 or 2017/18. However, if we look at the line item budget, there is an item called “construction of sub county hospitals” which has a budget that is growing in those future years beyond the 212 million in 2016/17. Why are the allocations increasing if there is no targeted construction for future years and everything will be done in 2015/16?
- e) Finally, not all indicators have targets: “number of community health units established” has no target.

**5. Targets and indicators actually introduce confusion into the line-item budget rather than revealing what the spending priorities are.**

- a) For example, consider the roads department. It has a budget of 65 million for “construction of roads to Bitumen standards.” There is no breakdown of spending, but there are three roads mentioned (each with very small distances of 30 meters, 25 meters and 10 meters).
- b) If we look at the Budget Programs, there is an indicator for construction of new roads to bitumen standards, and the target for the year is 2 kilometers. Clearly, the 55 meters in the budget estimates do not equal the 2 kilometers in the targets and indicators.

- c) The target for 2014/15, which is the baseline, was 1.5km at a cost of KES 28 million. The target for 2015/16 is 2km at a cost of 65 million. Do we really need an increase of Ksh 37 million in this budget for an additional half kilometer of construction?
6. **The use of Programs and sub-Programs provides information about what objectives the ministries/departments are pursuing, but only if there are multiple Programs and multiple Sub-Programs.**
- a) A ministry with one Program adds no value. And a Program with one Sub-Program also adds no value. Yet there are examples of Programs with a single Sub-Program, such as “clinical services” Program, with a single “clinical services” Sub-Program.

### **Recommendations**

1. The minimum standard for a PBB is that every Program has a budget allocation. It is recommended that the county revisit the budget in order to clarify what the Programs are and to assign an allocation to each Program.
2. The narrative for every ministry should at least explain which Programs or Sub-Programs are a priority in 2015/16 and why.
3. All indicators and targets should relate to the Program objectives as defined in the PBB and all targets must be measurable.
4. All indicators should have targets for all years (unless the indicator will no longer be relevant after the current year).
5. All ministries should have multiple programs and all programs should have multiple Sub-Programs (i.e., more than one).