



Budget Brief No.20

Toward Public Participation in the County Budget Process in Kenya: Principles and Lessons from the Former Local Authority Service Delivery Action Program (LASDAP)

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Introduction: Home Schooling

Counties across Kenya are required by the 2010 Constitution and the Public Finance Management Act 2012 to create mechanisms for public participation in the county budget process. Every county must set up a County Budget and Economic Forum (CBEF) to facilitate consultation on county plans and budgets. In a joint statement issued last year with other Kenyan civil society organizations, we described the legal requirements for setting up the CBEFs, advocated for a set of 10 principles to inform their creation, and made specific suggestions on how the CBEFs should function. We update these suggestions in a forthcoming options paper that looks at what international experience tells us about how Kenyan counties could set up their CBEFs to be as participatory and effective as possible.

In this short piece, we draw exclusively on Kenya's experience with participatory budgeting under the former local authority system. The former local authorities received a substantial share of their resources through the Local Authority Transfer Fund. In exchange for these transfers from central government, the local authorities were required to set aside a portion of their funds for a participatory process known as the Local Authority Service Delivery Action Plan (LASDAP). While LASDAP was an imperfect system, imperfectly implemented, it was based around a set of ideas that envisioned fairly substantial public participation in local budgeting.

One of the ironies of Kenya's otherwise progressive devolution reforms is that as local authorities have been replaced by counties, LASDAP has been eliminated. Thus a very detailed set of principles and procedures for local budget participation has been cast aside and replaced with rather vague participation requirements. It is in an effort to rescue the spirit of LASDAP and encourage counties to embrace its essence that we present this paper.

Our argument is simple: LASDAP guidelines were essentially good, but were not implemented. As counties think about how to implement participation requirements, they should look again at these guidelines, developed so close to home, and borrow from them. To this end, we describe the key principles below, and a couple of additional insights gained from the experience of implementing LASDAP.

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Core Principles of LASDAP

By looking at the LASDAP guidelines, we can see that they were built on a number of ideas about how public participation happens that are rooted in principles of democracy and experiences from around the world. We describe these ideas further below.

1. *Citizen participation and consultation must be given adequate time.* The consultative process with citizens took about two months, beginning in September and ending in November. Because consultations were required at ward level and then at local authority level, and because advance notification was required, substantial time was to be used each year to ensure an effective participatory process.
2. *Participatory budgeting always starts with planning.* LASDAP guidelines required the local authority to develop a background paper to guide the budgeting process. This stage was known as “Information Gathering.” According to the guidelines, local officials (LASDAP Desk Officers and Community Development Officers) were responsible for gathering the following types of information, among others:
 - baseline socioeconomic data by community;
 - stakeholder analysis;
 - lessons learned from the previous year’s LASDAP process;
 - status of the previous year’s projects; and
 - analysis of strategic plan and linkages to the upcoming LASDAP process.
3. *Proper consultation starts with advance public notice about funds available, status of past projects, and core decisions to be made.* The LASDAP guidelines required that the public be notified two weeks prior to the consultation. This notice must include information about the budget available for projects:

The Public Notice provides information on the resource envelope, list of projects identified and implemented in the previous years, consultation timetable and venues. It also asks for the public’s view on their needs for consideration. The Notice must be posted in public areas at least two weeks before the first consultation meeting. It is important to circulate this information as widely as possible to encourage participation. Public areas include the market place, bus stops, health centres, churches, mosques, temples, the district/ chief’s offices and educational institutions.²
4. *Consultation starts at a level closer to the community and moves upward.* LASDAP started with ward level “consultation meetings” and proceeded to local authority level “consensus meetings.” This allowed citizens to select projects at a level that is closer to their communities and for these priorities to then flow up to the larger area. Ward views were represented at the local authority level through two representatives (one male, one female) nominated by each ward.
5. *Participation must also be linked to technical analysis of project feasibility.* In LASDAP, as projects moved from the “consultation” stage to the “consensus” stage, they were to be reviewed by a technical team that would look at their feasibility. This is an important complement to citizen preferences.
6. *Participatory mechanisms must be coordinated with parallel approaches to funding to avoid duplication of projects.* When there are multiple approaches to identifying and funding projects in a single

² Republic of Kenya, “Guidelines for the Preparation, Implementation and Monitoring of the Local Authority Service Delivery Action Plan,” revised May 2009.

geographic area, it is imperative that there be a way to coordinate these efforts. The LASDAP guidelines were quite clear on this:

*Representatives from other funding sources (incl. CDF) should present their list of projects in implementation or planned. This information sharing will support the effort to harmonise the roles and project list of the development actors in the area, and ensure that maximum synergy and synchronisation between LASDAP projects and projects from other funding sources will occur, and overlap avoided.*³

7. *Similarly, citizen preferences must form an integral part of the official budget process.* Decisions from the LASDAP meetings were fed into the overall budget process as carried out through local elected bodies and were voted on with the rest of the budget. If the council wished to make changes to the agreements reached through the LASDAP process, these had to be referred back to the citizen “Consensus” meeting to be agreed upon. Citizen preferences could not be ignored by elected officers.
8. *Citizen participation does not stop with proposing but continues into implementation of projects.* LASDAP required the formation of Monitoring Groups that were charged with monitoring the implementation of agreed projects in the LASDAP over the course of the year. This body was composed of seven people, including non-state actors and elected councilors. It was to meet quarterly and provide oversight of procurement and other processes of project implementation.

LASDAP Lessons from Implementation

As already noted, LASDAP often did not work as intended, and citizen participation in many parts of Kenya was minimal. Nevertheless, there were some cases where the process was more successful. For example, Malindi has been cited as a case of effective implementation of LASDAP.

There were at least two key features of the more successful approach in Malindi:

1. *Formation of a resident’s forum to lead sensitization.* The Malindi Residents Forum was created in order to reform the LASDAP process. It began to organize workshops in the two months prior to the first LASDAP consultation meetings in order to prepare citizens to participate. Over time, citizens took more ownership of the Forum as well, giving it greater legitimacy.
2. *Further devolution below the ward level.* To ensure adequate and effective participation of citizens, it was necessary to begin consultation at a lower level than the ward. Consultation was moved down to the sub-location level. Even here, it was found difficult to engage with all citizens, so consultation was moved down further to the school catchment level. This ensured participation by all citizens.⁴ The further down one moves, the more expensive and complex participation becomes. However, it is possible to incorporate lower levels through nominated representatives, as was done in LASDAP as one moved from the ward to the local authority level. Counties are also responsible for establishing offices down to the village level anyway, so these can help to mitigate the administrative complexity of reaching down to the grassroots.

The Malindi example suggests that effective implementation of a participatory process for budgeting demands further sensitization and a deeper reach to the local level than what is generally contained in

³ Ibid.

⁴ Annette Omolo, “Policy proposals on citizen participation in devolved governance in Kenya,” The Institute for Social Accountability, 2011.

the law. Counties are encouraged to think creatively about how to build further structures around the legal minimums.

Conclusion

As counties move to establish County Budget and Economic Forums and to meet their public participation requirements in the county budget process, it is an opportune moment to reflect on what we already know about how to enhance public participation in Kenya. LASDAP may be no more, but we should not throw out the baby with the bathwater.

LASDAP is dead. Long live LASDAP!