

# Kenya County Budget Training Workshop

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## Facilitator Manual May, 2017



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## Introduction

This is the Facilitator Manual for use in the IBP's Kenya County Budget Training. It is meant to be used along with the Participant Manual and the Annex of Key Documents. Both can be found on the IBP Kenya website at <http://www.internationalbudget.org/publications/kenya-county-budget-workshop-training-materials/>. In addition, you will find an Annex of Key Documents with additional materials that are needed for the various exercises throughout the training. These documents should be printed in advance, or soft copies made available to participants where that is possible.

**It is important to emphasize that the training is designed to use all of these materials, so potential users should be advised that if they try to use only one of the manuals, or only some of the documents in the Annex, they may find themselves unable to conduct certain exercises.**

These materials have been used with CSOs and journalists around the country since February 2013, and have been tested and modified many times over the past few years. They have also been used in tandem with partners, such as Media Council of Kenya, Twaweza Communications, Media Focus on Africa, Uraia and many CSOs around the country.

The materials are designed to increase the capacity of key oversight actors at local level—particularly civil society and media—to play their part in the new governance structure in Kenya, with a focus on the county budget process. This version of the materials has been modified and expanded to make it easier for people who have never worked directly with IBP to simply pick up and use the materials. To this end, we have added more detailed facilitator notes, explanations of objectives of various activities, and tailored questions/notes for civil society versus journalist audiences.

With proper acknowledgement, these materials are for free use by anyone who is committed to improving the capacity of ordinary Kenyans and oversight bodies to engage with county budgets. For questions or clarifications, please contact Dr. Jason Lakin at [jason.lakin@gmail.com](mailto:jason.lakin@gmail.com).



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# Facilitator Guide to the Kenya County Budget Training Workshop Training Manuals

This brief guide is designed to assist facilitators in facilitating the Kenya County Budget Training Workshop. The guide gives pointers that have been developed over the years from the experience of other facilitators using the training manuals. The guide has five parts. It gives the structure of the training manuals (part one); the goals and principles of the workshops (part two); tips on how to start a workshop (part three) and general tips on how to run the workshops (part four). Part five provides guidance in cases where the facilitator undertakes one or more selected tasks, sessions or modules (“shorter version workshop”) independently.

## ***PART ONE: STRUCTURE OF THE WORKSHOP***

- This part describes the structure of both the participant and facilitator manuals. Both Manuals have four modules and two to three sessions as listed below:

<i>Module 1</i>	What are Counties Responsible for?
Introduction	Case Study: Counties Slash Health Care Budgets?
Session 1	Review of the Fourth Schedule of the Constitution
Session 2	County Priorities and County Planning
Session 3	County Revenues
<i>Module 2</i>	County Planning and Budgeting Processes
Session 1	Overview of the Budgeting Process
Session 2	How to Read Key Budget Documents/Understanding Key Budget Documents
Session 3	Responsibilities of Citizens Under the Constitution and Legislation
<i>Module 3</i>	Revenue Sharing
Session 1	Reviewing Revenue Distribution by the National Government
Session 2	Improving How we Distribute Revenues at the National and County Level
<i>Module 4</i>	Implementation and Audit
Session 1	7 Questions about your County Implementation Report
Session 2	Reading and Understanding County Audit Reports

- Each module has specific learning outcomes. The sessions are organised to include various tasks with specific task objectives.
- Each task in every session in the facilitator manual has the following sub-sections:

- Key Takeaways
- Task Objectives
- Resources Needed
- How to Run this Task

- Background Information
- Task
- Further Readings

3. . Each session in the participant manual has the following sub-sections:

- Task Objectives
- Resources Needed
- Task Explanatory Notes
- Task
- Background Information and Extra Readings (Optional)
- Key Takeaways

4. Facilitators should familiarize themselves with the structure of the sessions in advance.
5. It may be useful to explain the structure of the manuals to the participants at the beginning of any workshop.

## ***PART TWO: GOALS AND PRINCIPLES OF THE WORKSHOP***

- As the facilitator, you must highlight the goals and underlying principles of the workshop at the start of any training and refer to these throughout the training. The workshop also has specific goals related to learning about Kenya’s budget process. The **SPECIFIC GOALS OF THE WORKSHOP** are to enable participants:
  1. Review and comment on the role of counties and national government in providing services, financing those services and generally managing public funds under the Constitution of Kenya, 2010 and the Public Finance Management Act, 2012 as well as appreciating the complexities related to distribution and unbundling of county and national government functions.
  2. Enhance their understanding and ability to engage with the Kenya’s budget cycle, including the four stages of the budget process, the key actors at each stage, and the key documents related to each stage of the budget cycle.
  3. Enhance their ability to read, comprehend and analyze budget documents in order to engage meaningfully with the executive and legislature.
  4. Enhance their understanding of principles of public participation and deliberation and be able to advocate for improvements in the conduct of budget participation at county level.
  5. Understand principles and practices around equity in resource sharing and be able to advocate for changes in how resources are distributed at the county level.

- The Workshop has **TWO UNDERLYING PRINCIPLES**. These principles relate to ways of thinking that participants should learn through the training as a whole and that the facilitator should keep in mind at all times during the workshop. They are designed to help people participate more effectively in the budget process after the training is over. The box below highlights the two principles.

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***UNDERLYING PRINCIPLES OF THE WORKSHOP***

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- 1. After the workshop, participants should understand that good budget decisions are based on reasonable justifications and public deliberation about those justifications.** Throughout the workshop, the facilitator should encourage participants to identify the reasons for decisions taken in the budget, whether those reasons are adequately explained in key documents, and whether it is clear that there was (or could be) public deliberation on the basis of what the documents contain. At the same time, participants must hone their own skills of deliberation and practice providing adequate justifications for the inputs they wish to give into the budget process. Participants should leave the workshop with a clear sense of what constitutes a reasonable justification and what to look for in budget documents and participation processes supported by the county.
- 2. After the workshop, participants should understand the importance of relative changes and comparisons in conducting budget analysis especially with regards to prioritization.** Budgets are about choices and choices are about comparisons: between sectors, across years, and so on. While all functions of the county governments are important, not all can be prioritized at the same time given limited resources. In making choices about priorities, it is important to:
  - Compare the current year to previous years when looking at revenue and expenditure; to establish what is reasonable, what is ambitious, and what is improbable;
  - Compare sector/department allocations and expenditure to other departments;
  - Compare targets and actual revenues and expenditure; and
  - Compare across sub-national and sub-county units (such as wards) to look at issues of equity in the budget.

These two principles must guide the facilitator when conducting budget facilitation work.

## ***PART THREE: HOW TO START A WORKSHOP***

The following are instructions on how to effectively start a workshop.

1. Distribute copies of the Participant Manuals to everyone in the group. Explain that it contains almost all of the information participants will need during the course of the training.
2. Distribute the relevant annex of document requires for all the sessions to be undertaken in the workshop
3. Ensure you have all the resources needed (hand-outs, flipchart paper, etc.) before undertaking any module, task or session.
4. Always begin by explaining the underlying principles of the workshop and briefly discussing with participants the goals of the workshop and why they are important.
5. Explain that the workshop while containing substantive or heavy content, is intended to be participatory. The training approach that will be used throughout the course emphasizes active participation, open discussion and debate, mutual respect, and learning by asking and doing
6. To begin, ask the participants to pair up with the person next to them and share the following pieces of information: 1) their name, 2) the work that they do in their organization, 3) their favourite interest, activity, or hobby (outside of work), and 4) why they are attending this workshop and what they hope to learn. After a few minutes, draw participants' attention back to the larger plenary gathering. Invite each participant to introduce his or her partner and to name their partner's expectation for the workshop.
7. Write up each participant's expectation for the workshop on a piece of flipchart paper, so that there is a full list of expectations. Hang this on the wall in the workshop venue.
8. Before starting the workshop, ask participants to name some ground rules for the workshop (e.g., regarding cell phone and laptop use, punctuality, participation, respect for others' ideas, etc.) and write these up on a sheet of flipchart paper.
9. This list of ground rules should also be posted on a wall in the workshop venue as a reminder throughout the workshop. A polite reminder may be made at the beginning of any session or module as necessary.
10. Briefly highlight the structure of the workshop, which appears in the introductory section of the Participant Manual and Facilitator manual.

## ***PART FOUR: TIPS FOR RUNNING AN EFFECTIVE WORKSHOP***

1. In undertaking tasks that require formation of small groups, the following is the recommended number of participants in each group. This depends on the space being utilised for the training and the time available.

Total Number of Participants	Groups of Two	Groups of Three	Groups of Five
2-12	√ (Maximum 6 groups)	√ (Maximum 4 groups)	×
12-30	×	√ (Maximum 10 groups)	√ (Maximum 6 groups)
30-52	×	√ (Maximum 13 groups)	√ (Maximum 11 groups)

× - It is not advisable to form these groups.

√ - It is advisable to form these groups.

2. Ensure that where there are group tasks each group appoints someone to present the group's findings.
3. Ensure you as a facilitator are familiar with the further readings over and above the background information if the subject of the task/session is completely new to you. This is to ensure that you are more knowledgeable about the content than the participants.
4. Ensure the participants are aware of the learning outcomes for each module and the objectives for each session and task before beginning any activity.
5. Always ensure you have understood the key takeaways from a session before undertaking it.
6. Where a discussion naturally leads into the next task or next question, it is best to allow this to flow and not force the next task or question simply to follow the structure. Encourage discussion as long as it is focused on the matters at hand.
7. Where tasks involve scrutinising entire budget documents, direct the participants to one or two sectors of heavily devolved (county) functions, for example: health or agriculture.
8. Encourage participants to come with laptops to the training or organise for computers to minimise on printing long budget documents. Where a projector is available set it up for ease of reference.
9. Where the background information is from legislation or pending legislation ensure you update the same to the current status quo. For example, where a bill has been passed or where an act has been repealed by Parliament or county assemblies.

## **PART FIVE: TIPS FOR FACILITATING SHORTER VERSION WORKSHOPS**

The training manuals have been designed in such a way that the sessions build on one another. However, it is possible to use individual sessions independently to accommodate time constraints or learner interests. For example, participants may request you to take them through the County Fiscal Strategy Paper (CFSP) task only, especially in the months leading to its approval. In such cases, it will be important to provide additional background at the start of the session so that the participants can effectively engage with the chosen session. For example, with the CFSP task, participants may need to understand the connection between the sector ceilings provided in the County Budget Review and Outlook Paper (CBROP) and how these ceilings ultimately affect the budget estimates.

Below is a session with a task that may assist you in providing this background information. While this background information is not built into each session to avoid repetition, this task offers some guidance on how to introduce basic budget concepts to the participants whenever a session/sessions are used independently in shorter version workshops rather than as part of a full workshop.

1. Take note of the underlying principles, goals and tips in part one to four of this guide.
2. At the beginning of the shorter version workshop, ensure you highlight the budget cycle, key budget documents and timelines as provided for in the IBP Kenya's budget calendar infographic. Available at:

[http://www.internationalbudget.org/wp-content/uploads/ibp\\_kenya\\_budget\\_calendar\\_2015.pdf](http://www.internationalbudget.org/wp-content/uploads/ibp_kenya_budget_calendar_2015.pdf)

Here is a brief task to assist you in going through the budget cycle.

### **TASK 0.1: ABRIDGED VERSION OF THE BUDGET CYCLE SESSION (30 MINUTES)**

**STEP 1:** Hand out copies of the budget calendar (Annex I) and ask the participants in groups of two or three to go through the budget cycle and notes that follow, noting down any unclear issues.(15 minutes)

**STEP 2:** In plenary go through the budget cycle with the participants answering any questions and elaborating on any issues raised on the budget calendar.(15 minutes)

**NOTE:** refer to Module 2 Session 1 for further details.

3. Place each session/task you plan to undertake in the proper stage of the budget cycle, highlighting the key actors and the relevance of other key budget documents to the current session.
4. Ensure you are familiar with the entire manual in order to address any relevant queries arising from the participants pertaining to other sessions not included in the selected shorter version workshop.
5. Refer participants to relevant sessions where further information on a particular issue is available.

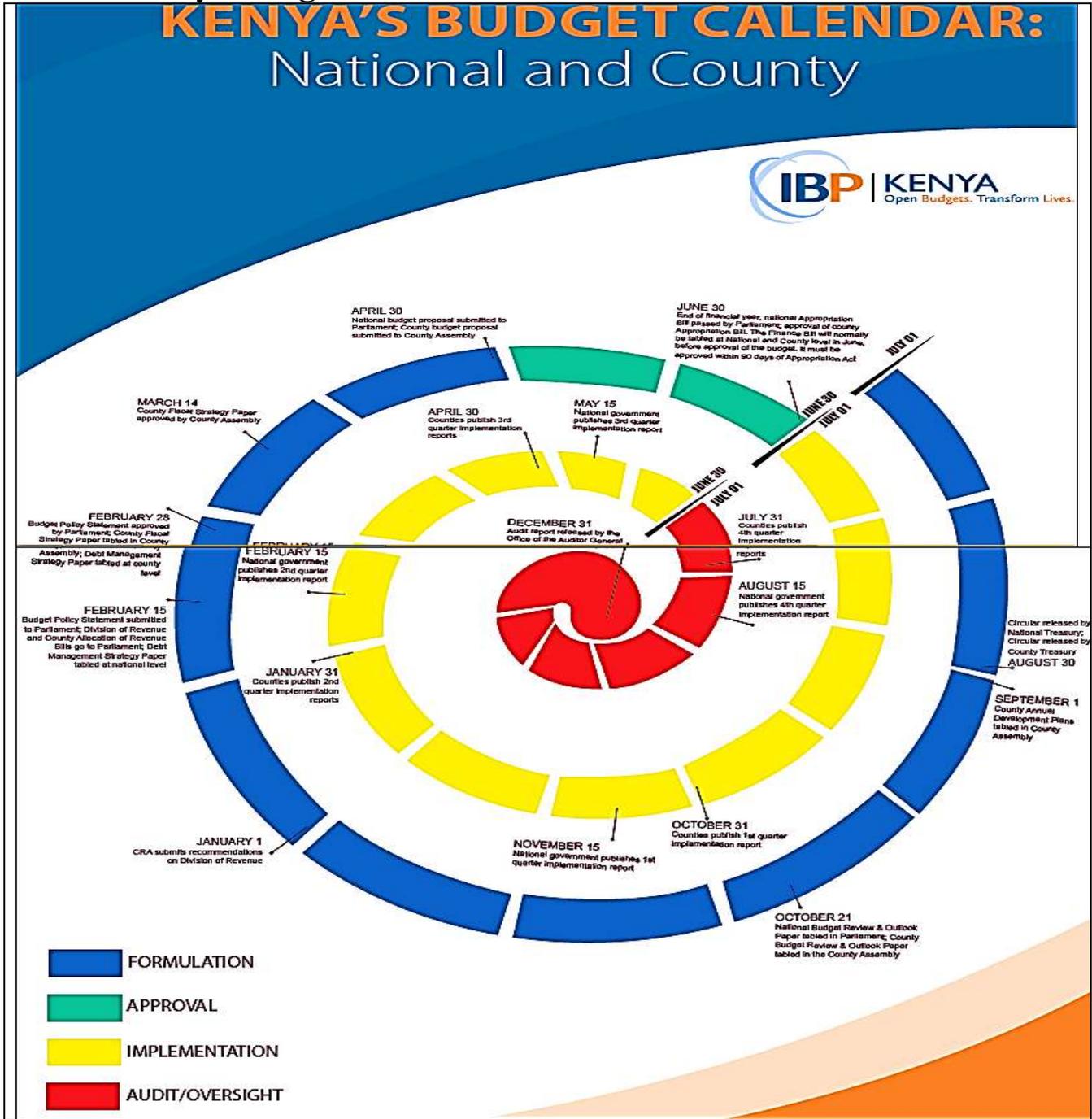
## Structure of Modules

Module 1	What are Counties Responsible for?		5 Hours 30 Minutes
Introduction	Case Study: Counties Slash Health Care Budgets?		45 Minutes
Session 1	Review of the Fourth Schedule of the Constitution		2 Hours 30 Minutes
	Task 1.1	Responsibilities Of National Government and Counties	45 Minutes
	Task 1.2	A Closer Look at Functions According to the Fourth Schedule	1 Hour
	Task 1.3	The August 2013 Gazette Notice on Transfer of Functions	30 Minutes
	Task 1.4	4 <sup>th</sup> April, 2016 Gazette Notice on Clarification of Function	15 minutes
	Task 1.5	Interlude: An Application to Nyeri	15 Minutes
Session 2	County Priorities and County Planning		2 Hours
	Task 1.5	A Look at your County's Data	1 Hour
	Task 1.6	Reflecting on your County's Plan	45 Minutes
	Task 1.7	Interlude: An Application: Embu Story	15 Minutes
Session 3	County Revenues		30 Minutes
	Task 1.8	Reviewing County Revenue Sources	30 Minutes
Module 2	County Planning and Budgeting Processes		7 Hours
Session 1	Overview of the Budgeting Process		30 Minutes
	Task 2.1	Mapping the County Budget Process and Key Kenyan Budget Documents	45 Minutes
Session 2	How to Read Key Budget Documents/Understanding Key Budget Documents		3 Hours 45 Minutes
	Task 2.2A	Understanding County Fiscal Strategy Papers.	1Hour 30 Minutes
	Task 2.2B	Understanding the County Budget Review and Outlook Paper	1Hour 30 Minutes
	Task 2.3	Understanding County Budgets: Twenty Questions about your County Budget	2 Hours 15 Minute
Session 3	Responsibilities of Citizens Under the Constitution and Legislation		2 Hours
	Task 2.4	Recommendations for Effective Public Participation	2 Hours
Module 3	Revenue Sharing		2 Hours 30 Minutes
Session 1	Task 3.1	Reviewing Revenue Distribution by the National Government	1 Hour

Session 2	Task 3.2	Improving How we Distribute Revenues at the National and County Level	1 Hour 30 Minutes
Module 4	Implementation and Audit		2 Hours 45 Minutes
Session 3	Task 4.1	7 Questions about your County Implementation Report	1 Hour 35 Minutes
Session 4	Task 4.2	Reading and Understanding County Audit Reports	1 Hour 15 Minutes

# Annexes

## Annex I: Kenya Budget Calendar



## KENYA'S BUDGET CALENDAR: NATIONAL AND COUNTY

**AUGUST 30.** This is the first major event in the budget calendar. The Cabinet Secretary and the County Executive Member for Finance at the national and county levels respectively must issue a circular to all government departments advising them on how to prepare their budget requests for the year. The circular should also contain the budget formulation calendar for the year, including opportunities for public participation.

**SEPTEMBER 1.** Counties must prepare and table the Annual Development Plan in the County Assembly by this date. The plan must be made public within 7 days. The ADP is meant to be the key planning document that guides the budget-making process for the next year. It is a one-year extract of the five year County Integrated Development Plan, which every county must also produce.

**OCTOBER 21.** After cabinet approval, the national and county Budget Review and Outlook Papers must be tabled in the national and county assemblies. These documents serve three purposes: they review the previous year's budget performance (year-end review), they update current year economic expectations (for inflation, growth, etc.), and they propose a distribution of the coming year's budget across key sectors like health and education (this distribution is known as the "provisional ceilings" for each sector).

**JANUARY 1.** This is the latest date by which the Commission on Revenue Allocation submits its recommendations for how much should be distributed to each level of government (national and county) through the annual division of revenue process. These recommendations are meant to inform the Division of Revenue and County Allocation of Revenue Bills tabled annually in Parliament by February 15.

**FEBRUARY 15/28.** After the BROP provides the provisional ceilings for each sector, both levels of government are expected to organize sector hearings. These hearings give sectors an opportunity to discuss and decide on their priorities for the coming year, and to bid for additional resources from the budget. The public is expected to participate in these discussions and give its views on which sectors should receive more funding and for what. The final decision about the total size of the budget and the distribution of funds across each sector is set in the national Budget Policy Statement (tabled in the National Assembly by February 15, to be approved within two weeks) and the County Fiscal Strategy Paper (tabled in the county assemblies by February 28, to be approved within two weeks). These papers are meant to be accompanied by the Debt Management Strategy Papers at both levels, because setting the total size of the budget means setting the deficit and has implications for debt management. As noted above, the National Assembly also receives the Division of Revenue Bill by February 15.

**APRIL 30.** The national and county budget estimates are tabled on this date in the respective assemblies. This is the detailed budget at program level (which is below the level of ministries). At this stage, the total budget and sector distribution should not be changed, but funds may be moved around between programs. At both levels of government, assemblies have two months to make these changes.

**MAY.** This is likely when the national and county assembly budget committees will begin to hold public hearings on the budget estimates, a legal requirement.

**JUNE 30.** End of the financial year. By this date, the national and county Appropriation Bills should be approved by assemblies at both levels. These bills authorize the government to spend against the budget from July 1.

**OCTOBER 31.** Executives at both levels of government are required to publish quarterly budget implementation reports and table these in their respective assemblies. Counties must produce these within one month of the end of the quarter, while the national government has 45 days. The 1st quarter county implementation report should be produced by October 31. The other reports are to be produced as below:

- **NOVEMBER 15.** National government publishes 1st quarter implementation report.
- **JANUARY 31.** Counties publish 2nd quarter implementation report.
- **FEBRUARY 15.** National government publishes 2nd quarter implementation report.
- **APRIL 30.** Counties publish 3rd quarter implementation report.
- **MAY 15.** National government publishes 3rd quarter implementation report.
- **JULY 31.** Counties publish 4th quarter implementation report.
- **AUGUST 15.** National government publishes 4th quarter implementation report.

**DECEMBER 31.** The Auditor should produce and publish an audit report on the previous financial year within six months of its close (six months after June 30).

