

THE COUNTY ASSEMBLY GENDER RESPONSIVE BUDGETING GUIDE

2018



**The Society of Clerks at the
Table in Kenya (SOCATT-K)**

The County Assembly Gender Responsive Budgeting Guide

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ABBREVIATIONS

ACBIRR	- Annual County Budget Implementation and Review Report
AUGP	- African Union Gender Policy
BAC	- Budgets and Appropriations Committee
BERR	- Budget Economic Review Report
CBEF	- County Budget Economic Forum
CBROP	- County Budget Review and outlook Paper
CECM	- County Executive Committee Member
CEDAW	- Convention on the Elimination of All Forms of Discrimination Against Women
CFSP	- County Fiscal Strategy Paper
CIDP	- County Integrated Development Plan
CGA	- County Government Act
CoB	- Controller of Budget
CoK	- Constitution of Kenya
GRB	- Gender Responsive Budgeting
M&E	- Monitoring and Evaluation
MTP	- Medium Term Plan
UNWOMEN	- United Nations Entity for Gender Equality and the Empowerment of Women
SOCATT	- Society of Clerks at the Table
SDG	- Sustainable Development Goals
CPIAC	- County Parliamentary Investment and Accounts Committee
PFM	- Public Finance Management
PWD	- Persons with Disabilities

EXECUTIVE SUMMARY

The County Assembly Gender Responsive Budgeting (GRB) guide has been formulated for the County legislators and staff as a resource and guide document in their legislative and oversight roles with specific emphasis on the scrutiny and approval of County Budgets. The Constitution of Kenya, 2010 established devolved system of governance with a National Government and 47 County Governments with Parliament as the national legislative body and a County Assembly for each of the 47 Counties. The legislatures at both levels of government are mandated to provide legislative oversight with substantive powers to review and approve annual budgets.

Budgets are universally accepted as powerful tools for achieving development objectives, and act as indicators of commitment to stated government policies and priorities. National and County budgets reflect how governments mobilize and allocate public resources, and how they aim to meet the social and economic needs of their people. Budgets are also key policy instruments that reflect an administration's priorities and demonstrate government's seriousness in responding to persisting development challenges such as gender inequality and gaps, poverty, exclusion and marginalization and other economic injustices.

The Constitution therefore outlined elaborate legal basis and procedure for planning and budgeting at both levels of government to ensure effective and efficient utilization of public resources. While there are guidelines and resources available for engendering national government budget processes and procedures, the same is not adequately provided for at the county level. The guidelines therefore provide a framework that will facilitate the analysis of every stage and activity in the budget cycle with the view of making the county budgets gender responsive.

Emerging literature indicates that fiscal policies are likely to affect men and women, boys, girls as well as special interest groups differently with significant impact since they all play different roles in the society and also demonstrate different consumer behaviour. This brings out the critical need for County Governments to ensure that the process of formulating the budget is inclusive and takes into consideration the various needs and interests of all the genders and interest groups in



society. This may only be achieved through engendering the budget process to make it sensitive to the needs of all interest groups thus making it gender responsive. The guidelines if implemented will ensure that the budget cycle addresses the fundamental rights provided by the Constitution and takes cognisance of the Principles of Planning as is provided for in the County Governments Act, 2012.

Chapter one of the guide, provides the overview of the budget cycle, background of Gender Responsive Budgeting as well as the national, regional and international framework for gender. Chapter two discusses the budget cycle in four stages highlighting the process and activities involved the necessary actions by the County Assembly and guidelines to make each stage gender responsive. Chapter three contains glossary of terms commonly used in the budget making process for ease of reference and understanding. Your indulgence in the document is highly sought and much appreciated.

Jane Mutai
Ag. Chairperson



1.0 INTRODUCTION AND BACKGROUND

1.1 The County Governments Budget Cycle

The Constitution of Kenya, 2010 mandates County Governments to prepare and adopt their own budgets in accordance to the relevant subsequent Acts of Parliament. The County Level budget cycle is provided for in the Public Finance Management (PFM) Act of 2012, and is linked to and mirrors that of the national level with some of the stages running concurrently. Critical to the budget process and resource allocation is County planning with some of the key planning documents being the County Integrated Development Plan (CIDP) and Annual Development Plan (ADP) which are provided for in Article 220 (2) of the Constitution and subsequently in the County Government Act, 2012.

The budget cycle starts with the issuance of the National Budget Circular by Treasury outlining the national planning framework and objectives. Upon receipt of this circular, the County Executive Committee Member (CECM) for Finance prepares the County Budgeting Circular taking into consideration the principle provisions in the national budget circular as well as the key priorities outlined in the County Integrated Development Plan (CIDP).

The County Budget Circular provides elaborate steps and requirements including timelines for the preparation, formulation and approval of various budget documents and details where the county assemblies have critical roles to perform at every stage of the budget processes. It also provides the guiding framework and timelines in considering implementation and review of the previous budget and initiates sectoral reviews that are expected to inform the budgeting process.

In principle, County Assemblies therefore have the powers to consider and approve or/ reject executive proposals on planning and budgets and ensure execution and implementation of the budget is as per the approvals granted. To ensure compliance and address emerging issues, Assemblies should undertake monitoring and evaluation on county programmes and projects while providing legislative fiduciary oversights on key reports such as the Auditor General Reports and Controller of Budget reports on county expenditure performance.



1.2 Gender Responsive Budgeting

Gender-Responsive Budgeting (GRB) is an approach to fiscal planning that provides a platform to assess and address the different needs and contributions of men and women, boys and girls within the existing revenues, expenditures and allocations. It calls for informed planning and adjustment of budget policies to ensure equitable benefit to all groups. GRB brings together two issues that are not commonly associated with one another and these constitute gender equity and public financial planning and management and it emphasizes that gender equality principles should be incorporated into all stages of the budget making and implementation processes.

GRB ensures that the different needs and interests arising from the biases of being men and women, boys and girls simultaneously identified as well as those of other special interest groups such as persons with disabilities (PWD), minorities and the elderly are considered and addressed. GRB usually allows for re-prioritization of government allocations to address gender inequalities and is a sub-strategy of gender mainstreaming - the broader strategy to ensure that the government processes, agenda, and goals consider gender-related disadvantages. But in GRB, the focus is particularly on the budget because it is the most important policy tool of government.

1.3 Significance of GRB as a budgeting approach

The need for a gender responsive approach to budgeting emerged following the realization that conventional government fiscal planning approaches target the citizen as block but it affects and impacts the diverse categories of the citizen in different ways. Despite this critical need and realisation, the involvement of men, women, youth and other interest groups in society has always been relatively low leading to the formulation of supply-led budgets that take a top-down approach which may not adequately address the needs of the various genders and interest groups in society. The GRB approach provides for and strongly advocates for the incorporation of views and inputs of the diverse stakeholders at the planning stage thus changing the approach to a bottom-up and provides a platform for the formulation of a demand-led and all inclusive budget for the citizen.

1.4 Principles and spirit of this guidebook

This guidebook endeavours to make the budgeting process gender responsive by outlining the core activities within the budget process and stages and provides guidelines for the Members of County Assemblies and Technical Staff. The guidelines provided in this



guidebook are anchored along 3 main principles as is defined in Article 201 of the Constitution of Kenya 2010 as well as others that may be derived from various laws and policy frameworks. The principles that seek to transform the budget making process and that inform the spirit of this guidebook comprise:

Principle:	Details:
1. Openness, and accountability	<p>This principle has been adopted pursuant to Article 201 (a) read together with Article 196, 1 (b), and Article 35 (CoK, 2010) that mandates County Assemblies to facilitate Public participation and makes access to relevant public information a right. Further, the County Governments Act² requires the County Governments to facilitate involvement of the public in all planning processes. This principle is embedded to ensure meaningful involvement of the various genders and interest groups in County Planning and budgeting processes.</p>
2. Equitable distribution of resources	<p>This principle is based on Article 201 of the Constitution and provisions in the County Government Act (2012) and Public Finance Management (PFM) Act (2012) which provide for equitable distribution of resources including making special provisions to cater for the needs of marginalised groups in society.</p>
3. Regular monitoring during implementation	<p>This principle has been adopted in accordance with the pursuant to PFM Act that requires the County Treasury to provide quarterly financial and program reports to the assembly. These reports are considered critical in assessing the programs and activities being implemented and the impacts and effects they are having on the various genders. They are also essential towards informing the future planning processes and as such ought to be prepared and submitted in line with the stipulated regulations. This is proposed</p>

¹ Article 201 (a) CoK 2010; Principles and Framework of Public Finance: There shall be openness and accountability including public participation in financial matters.

² Section. 104, 1 (4) CGA, 2012 Obligation to plan by the County; The County Government shall promote public participation through involvement of non-state actors in all stages of the planning processes



	with the understanding that it is not enough that resources are allocated but that progress, outputs, outcomes and impacts are tracked to inform future planning.
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These principles will form the basis on which various guidelines and actions are proposed through the budget process and stages. In addition to the legal statutes stated above these principles and the deliberate focus on gender responsive planning processes at different levels of government are provided for by various international, regional and national policy frameworks and these are discussed in the section below:

1.5 The Policy framework for gender

The issue of gender and its significance in social, economic and political spheres of citizen cannot be overemphasised. As a result several international policy frameworks have been formulated to ensure that there is a continued push and secured commitment to mainstream gender in public and development processes towards a more balanced world.

1.5.1 The international policy framework for gender:

At the international level, several policy frameworks have been formulated and they include among others the UN Sustainable Development Goals (2016 - 2030) adopted in the general assembly for the 2030 agenda for Sustainable Development, the Convention on Elimination of All forms of Discrimination Against Women (CEDAW) and the Beijing Platform for Change.

UN Sustainable Development Goals (SDGs)	SDGs 1 (End in all forms of poverty); SDG 4(Quality education to improve lives and sustainable development); SDG 5 (Gender Equality); SDG 10 (Reduced inequalities with greater attention to the needs of disadvantaged and marginalised populations); SDG 11 (Sustainable cities and communities with equal opportunities and access to basic services and infrastructure; SDG 16 (Peace justice and strong accountable institutions and SDG 17 (Partnerships for the goals). These 7/17 SDGs clearly illustrate the global commitment and focus on gender issues in fostering international development.
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<p>Convention on Elimination of All Forms of Discrimination Against Women (CEDAW)</p>	<p>Requires party states to address all forms of gender-based discrimination, including facilitating equal access and control over resources in all spheres of life (socio-economic, cultural, and political) as defined in the Convention.</p> <p>Kenya became a signatory in 1979 and GOK provides status reports every four years.</p>
<p>Beijing Declaration and Platform for Action</p>	<p>Advocates for the advancement of equality, development and peace for all and equitable gender participation in all sectors with equal treatment of women in social, economic and political spheres.</p> <p>Kenya is a signatory and the country's commitments are referenced in the National Policy on Gender and Development.</p>

1.5.2 The regional policy framework for gender

At the regional level, Kenya is a signatory to various treaties key of which include the African Union Gender Policy, the Maputo protocol and the Abuja declaration of 2001 that have specific provisions and commitments for the member countries.

<p>The African Union Gender Policy (AUGP)</p>	<p>The African Union and affiliated member states assented to the AUGP which provides a framework for the realization of gender equality, fairness between men and women, non-discrimination and fundamental rights in Africa through 8 gender policy commitments and the Gender Action Plan.</p>
<p>The Maputo Protocol (African Charter on Human and People's Rights of Women in Africa)</p>	<p>Under NEPAD and at the 2nd meeting of the African Union in July 2003 in Maputo, the African Heads of State and Governments endorsed the Maputo Protocol on Agriculture which contained several important decision key among them the allocation of at least 10% of the national budget to agriculture and rural development.</p>
<p>The Abuja Declaration of 2001</p>	<p>The African member states committed themselves through the Abuja declaration to institute all necessary measures to ensure that the needed public resources are made available and effectively utilized and that at least 15% of the annual budget be committed to improvement of the health sector.</p>



1.5.3 The National Policy Framework

At the national level the Constitution of Kenya, 2010 makes express provisions towards ensuring equitable access to resources and opportunities for all genders and disadvantaged groups. This is echoed in the Kenya Vision 2030 through MTP III as well as in implementation of the Big 4 agenda. The specific provisions within the international and national policy frameworks are discussed in the section below:

<p>Constitution of Kenya, 2010</p>	<p>Recognizes gender equality, equity, non-discrimination, social justice (Article 19 (2)] mandating that Public finance system to promote an equitable society including making special provisions for marginalized groups and areas [Articles 10 (b), 21(3), 81,100, 117 and 201].</p> <p>Article 203 advocates for equity as criteria for the determination and distribution of revenue among national and county governments taking into account economic disparities and affirmative action for disadvantaged populations.</p> <p>Provides for political, social, economic and cultural needs as fundamental freedoms in the Bill of Rights [Article 23 (2)];</p>
<p>Kenya Vision 2030</p>	<p>Mandates the government to pursue holistic gender mainstreaming in policy formulation, program planning and implementation and in budget formulation. Advocates for affirmative action for at least 30% representation of women at all decision making levels.</p> <p>The Medium Term Plan (MTP) III through implementation of the Big 4 under the Social Pillar, seeks to invest in the people of Kenya through creating a fair and just society that makes special considerations for the marginalised and disadvantaged in Kenya</p>
<p>National Gender Policy</p>	<p>The National Gender Policy was formulated to mainstream gender concerns in the national development process in order to improve the social, legal/civic, economic and cultural conditions of women, men, girls and boys in Kenya. The policy focuses on creating an enabling environment for the provision of gender sensitive services and meets the specific gender needs of women and men and promoting gender equality in decision making.</p>



These commitments by the Government of Kenya reaffirm the government's efforts in relation to gender initiatives towards reducing existing inequalities. This illustrates the government's commitments in mainstreaming gender across the board which is further illustrated by the formulation of the National Gender Policy by the National Gender and Equality Commission (NGEC) which outlines key principles that must be enforced to ensure gender equity and equality is realised in the Country.



2.0 GUIDELINES FOR GENDER RESPONSIVE BUDGETING AT THE COUNTY LEVEL

This chapter covers the budget cycle at the County level in accordance to Chapter 12 of Constitution of Kenya and taking into consideration key enabling legislation such as PFM Act, 2012, County Governments Act, 2012, Controller of Budget Act, 2016 and the Public Audit Act, 2015. The budget cycle and processes as is described herein also takes cognisance of provisions of supportive legislation such as the Public Finance Management Act (County Government) Regulations of 2015 and County Assembly Standing Orders where applicable. The legal framework outlines the various aspects of the budgeting process such as planning and prioritization, resource allocation, steps to be followed in preparation of budgets and execution as well as reporting and audit within a stipulated timelines and calendar

The budget cycle has been broken down into four broad stages with a diverse range of activities within each stage in accordance with the established legal framework. The responsibility of preparing and formulating the budget and fiscal policies lies with the Executive while the County Assembly has the critical role of consideration and approval of the County Governments Budget. To ensure that every stage of the budget cycle is gender responsive, a set of guidelines is provided for action by the County Assemblies.

Budget Cycle Stages

1. Policy, planning and target setting;
2. Formulation and Approval of the County Budget;
3. Implementation and execution and,
4. Fiscal and program reviews and audit.

Stage 1: Policy, Planning and Target Setting

This is a critical stage in the budget process at the County level as it sets out the policies that are the basis of the annual and the medium term budgets. It is at this stage where the first opportunity arises to engender county policies and plans which form the basis for the allocation of resources within the Medium Term Planning (MTP) framework. This stage is provided for in Sections 117, 118, 125, 126 and 128 of the PFM Act, 2012 and read together with Sections 104 (1), 107 and 108 of the County Governments Act, 2012. At the national level budgeting process, the target setting involves macro target-setting. It is a top-



down processes that outlines the macroeconomic targets (projected growth rates, inflation and money supply, borrowing levels, among others) and the overall revenues and expenditure that informs the medium term expenditure framework. It culminates in the approval of the Budget Policy Statements by the national legislature (National Assembly and Senate), which then is expected to inform county budgeting.

At this stage, the County Treasury through the CECM – Finance is mandated to manage the County budget process and is thus required to prepare and submit key budget documents for consideration and approval by the County Assembly. Some of the key budget documents are outlined in the **box alongside**. The County Integrated Development Plan (CIDP) is a 5-year document³

**Policy Planning and Target Setting Stage:
Key Budget Documents / Instruments**

- i. The Budget Circular ;
- ii. The County Integrated Development Plan (CIDP);
- iii. The Annual Development Plan (ADP)
- iv. The County Budget Review and Outlook Paper (CBROP), and
- v. The County Fiscal Strategy Paper (CFSP)

with possibilities of amendment in the course of its lifespan while the other documents are prepared on an annual basis for purposes of medium term planning and budgeting.

The CIDP, ADP and CFSP are prepared and submitted to the County Assembly for legislative processing and approval. At this stage, it is instructive to note that the County Assembly is vested with the role of scrutinizing and examining submissions with a view to approve such submissions with or without amendments. It is therefore important that the Assembly ensures that the plans, policies and the Fiscal Strategy Paper are engendered and designed to be gender responsive. Moreover, in considering the policies and plans, the County Assembly should assess and ensure the following key principles underpin the planning framework: (i), Integration of national values and key concepts; (ii), consideration of the rights and interests of minority groups and communities; (iii), engender effective resource mobilization for sustainable development and (iv), promote equity in resource allocation in the County, among others.

³ Section 102 – 108, 112 – 115 of County Government Act, 2012 on County Planning



In addition, the CFSP must be aligned with the national objectives as also contained in the Budget Policy Statement (BPS) including the gender initiatives outlined for implementation in the medium term. The County Assembly while recognising this avenue for early gender mainstreaming must be able to acknowledge the basis for these plans and programs contained in the submissions as well as their impact on gender outcomes. Some of the key documents that inform county planning include the national planning blue prints such as the Vision 2030 and medium term plans.

The process Activities, Actions by County Assembly and responsible entities

Budget Process Activities:	Actions / by County Assembly Entities:	Responsible
Establishment of the County Budget Economic Forum (CBEF)⁴	<ul style="list-style-type: none"> • Ensure compliance as to the establishment of the CBEF. • Ensure establishment and membership representing various interest groups are as per criteria / guidelines provided and as per the law. 	<p>County Assembly, County Executive</p> <p>County Assembly</p>
Planning and Budget Circular(s)⁵	<ul style="list-style-type: none"> • Promote and advocate by way of recommendations the inclusion of express provisions and statements on gender mainstreaming in the planning and budget circular(s). • Ensure compliance to timelines and calendar. • Consider and take note of the contents of the circular. 	<p>Budget & Appropriations Committee (BAC)</p> <p>BAC</p> <p>All sectoral committees and BAC</p>

⁴ CBEF – A Body established at the beginning of the County Government term for the county budget consultations in accordance to Section 137 (1) PFMA, 2012 chaired by Governor and comprises of all CEC members and equal number of members of the public appointed by the Governor from persons nominated by organizations representing professionals, business, labour issues, women, persons with disabilities, the elderly and faith based groups at the county level.

⁵ Section 128 (2) of PFM Act ; Not later than the 30th August in each year, the CECM - Finance shall issue a circular setting out guidelines to be followed by all of the county government’s entities in the budget process.



<p>Preparation and Approval of CIDP⁶ and ADP</p>	<ul style="list-style-type: none"> • Ensure compliance to timelines. • Oversight to ensure effective and meaningful and comprehensive public participation processes. • Assembly to participate as an entity. • County Assembly to undertake Public Participation including awareness creation and sensitization of the citizen on public participation in all planning processes. • Analysis and scrutiny of CIDP / ADP and preparation of sectoral committee reports • Approval report on the CIDP/ADP • Communication of County Assembly approved report on the CIDP/ADP to the County Executive 	<p>Relevant Committee (BAC/ Finance)</p> <p>Relevant Committee</p> <p>CASB</p> <p>BAC, Sectoral committees</p> <p>Sectoral/ select committees</p> <p>County Assembly</p> <p>Office of the Clerk</p>
<p>Preparation and Submission of CBROP⁷</p>	<ul style="list-style-type: none"> • Ensure compliance with timelines • Inform the county fiscal outlook as contained in the CBROP for purposes of ensuring adequacy and prioritization in resource allocation to critical budget sectors 	<p>County Assembly</p> <p>Relevant Committee (BAC/ Finance)</p>

⁶ Section 108 CGA Act,2012; There shall be a five year county integrated development plan for each county which shall have; (a) clear goals and objectives; (b) an implementation plan with clear outcomes; (c) provisions for monitoring and evaluation; and (d) clear reporting mechanisms.

⁷ CBROP prepared pursuant to Section 118 (1) (a) of PFMA, 2012. To be prepared, approved by the CEC and submitted to the CEC not later than 30, September of every year, after which not later than 14 days is approved by the CEC and thereafter not later than seven days laid in the County Assembly



Preparation and Submission of CFSP⁸	• Ensure compliance to timelines	County Assembly
	• Review, scrutiny and processing of CFSP including compliance with the planning framework	Relevant Sectoral Committees, BAC
	• Conduct public participation on the proposed ceilings within the CFSP	BAC /Select Committee
	• Consolidation of sectoral reports on CFSP including the views collected during public participation and approval by County Assembly	BAC /Select Committee and County Assembly
	• Communication of County Assembly approved report on the CFSP to the County Executive	Office of the Clerk

Guidelines for actions by County Assemblies

1. Assess the ways in which gender balance /representation was considered among County Stakeholders in developing County planning framework and policies?
2. Enquire and examine about the sources and relevance of information and sex disaggregated data used to inform County policies and plans? In line with the evidence based approach, interrogate extent to which the data was incorporated and utilised. Assess whether all known programs, sub-programmes and projects outlined for implementation have clear goals and objectives
3. Identify and highlight the gender specific priorities, targets and Key Performance Indicators outlined for approval in the CIDP, ADP& CFSP?

⁸ CFSP prepared pursuant to Section 117(1) of PFMA, 2012 that requires CFSP to be prepared and submitted to the County Assembly not later than 28 February of every year



4. Assess the extent to which County plans and resource framework are in line with the national gender priorities in national plans and the BPS and are geared towards addressing existing gender gaps as well as domestication of global and regional gender goals and objectives.
5. Analyse and scrutinize proposed resource allocation by vote, programme and sub programme for actualizing interventions towards gender initiatives.
6. Interrogate and map the County institutional framework and implementing agencies responsible for actualizing outlined interventions including gender initiatives. This is to ensure clear distribution of roles and responsibilities and provide a basis for effective oversight



Stage 2: Formulation and Approval of the County Budget: Estimates of revenue & expenditure

This forms the second stage of the budget cycle and in this stage, the CECM – Finance is required to submit for review and approval the estimates of development and recurrent expenditure, supporting documents and any Bills/legislative proposals required to support the legislative processing of the county estimates not later than 30th April of every financial year. Submission of the budget estimates provides an important platform for the County Assembly to influence the Budget⁹ while ensuring submissions at this stage are in line and consistent with Assemblies resolution on the CFSP discussed in stage one. Formulation and preparation at this stage primarily entails financial programming within the approved resource ceilings as contained in the CFSP into itemized draft budget and Programme Based Budgets (PBB). Due to past reforms that led to adoption of PBB, and further given more impetus by constitutional imperatives, the PBB framework is a useful tool of performance budgeting which can be used to outline the qualitative and quantitative aspects of the budgets including the main objectives, expected outputs, outcomes and impacts of the proposed budget.

This stage also entails preparation and submission of the revenue measures by the Executive upon approval of the County Appropriation law. The proposed measures are submitted through the County Finance Bill which details the tax measures to be implemented towards local revenue collection. The underlying objective within this phase should be to ensure that resources are allocated towards promotion of gender equity and equality and impact of revenue proposals on the interests and needs of all genders and interest groups are taken into consideration. During this period, the financing for counties under both equitable share and conditional allocation is also finalized and any changes to the earlier approved financing framework can be considered and factored at this stage.



⁹ PFM Act and PFMA (County governments) Regulations of 2015 on amendment of budget estimates by county assemblies

The budget process and actions by County Assembly and Responsible Entities

Budget Process Activities:	Actions by County Assembly:	Responsible Entities:
Submission of draft itemized Budget Estimates and Programme Based Budget (PBB)	<ul style="list-style-type: none"> • Ensure compliance with legal timelines • Oversight to ensure effective, meaningful and comprehensive public participation processes • Review proposed estimates in line with CFSP provisions and ensure adoption of Assembly resolutions on CFSP and the broader planning framework • Conduct public participation including consultations with the CEC Member for finance • Review, scrutiny and processing of the estimates in line with the CFSP resolutions and planning framework, and approval of committee report on the draft Estimates • Communication and transmission of County Assembly resolutions on estimates of revenue & expenditure (itemised and PBB) within the given timelines 	<p>County Assembly/BAC</p> <p>BAC/ County Assembly</p> <p>Sectoral and/or Select committees</p> <p>BAC</p> <p>Sectoral Committees and County Assembly</p> <p>Office of the Clerk</p>
Preparation & approval of County Appropriation Bill	<ul style="list-style-type: none"> • Pre-publication scrutiny & alignment with the approved estimates of revenue & expenditure (itemised and PBB) • Approval by the Assembly & transmission of the same to the Office of the Governor for assent 	<p>BAC /Finance Committee</p> <p>Office of the Speaker</p>
Vote on Account	<ul style="list-style-type: none"> • Ascertain circumstances leading to vote on account 	<p>Relevant committee / County Assembly</p>



	<ul style="list-style-type: none"> • Authorization for the withdrawal of money from the County Revenue Fund (CRF). • Communication of the Authorization per Assembly for the withdrawal of money from the County Revenue Fund (CRF) to the County Executive committee member for Finance 	<p>County Assembly</p> <p>Office of the Speaker, Office of the Clerk</p>
County Finance Bill	<ul style="list-style-type: none"> • Ensure compliance with the timelines • Review, scrutiny and processing of the Finance Bill • Public participation and citizen engagement • Approval of the Finance Bill including the report on the bill • Submission of the approved Finance Bill together with the approved report to the office of the Governor 	<p>County Assembly</p> <p>Finance Committee</p> <p>Finance Committee</p> <p>Relevant Committee and County Assembly</p> <p>Office of the Speaker, Office of the Clerk</p>

Guidelines for actions by County Assembly

1. Assess and seek to understand how gender balance /representation was considered among County Stakeholders selected for developing both the programme based budget and draft itemized estimates. Determine how and where in the county were the engagements done and what legal basis was used to ensure compliance
2. Identify and document the gender specific priorities, targets and Key Performance Indicators (KPIs) outlined as per Programme based budget estimates. To what extent are they linked to national gender indicators?
3. Scrutinize the budget to identify the gender specific objectives,



outputs and outcomes or ensure inclusion of the same if not provided through proposed amendments.

4. Assess levels of resource allocation by sector/department, vote and by programme and sub programme for actualizing interventions towards mainstreaming gender initiatives and likely outcomes and impact on gender.
5. Assess and determine if there are affirmative action programmes/projects and interventions addressing the needs of the care economy. Identify and highlight the existing resource gaps in relation to gender priorities and propose specific actions to address. Further assess what priorities were left out and likely mitigation measures proposed in the medium term;
6. Assess or enquire about the sources of information and data used as a basis for expenditure allocation.
7. Assess proposed program and check the degree of alignment with the proposal or measures set forth in the CBROP especially in its forward and outlook positions and subsequently in the CFSP.
8. Scrutinize the Finance Bill to understand the proposed revenue raising measures, impacts on various genders and propose remedial or corrective measures.



Stage 3: Budget Implementation and Execution

This stage starts after the approval of the County Government budget estimates and following the approval of the Appropriation Bill by the County Assembly. In the course of implementation, the Accounting Officers are required to submit to the County Treasury reports on the financial and program performance not later than 15 days at the end of every quarter. The County Treasury is thereafter required to prepare the consolidated report submits the financial and program reports to the County Assembly and copies to Controller of Budget, National Treasury and the Commission on Revenue Allocation¹⁰. Quarterly , reports also include CoB reports submitted to parliament and relevant county assembly , which are also required to be reviewed after which there is submission of findings and recommendations to the County Executive and other relevant entities for implemetaion.

Moreover, it is the role of the county public finance management standing committee and the internal audit function to augment and support the County Treasury on effective and efficient implementaion. The Quarterly reports are critical tools to support the County Assembly oversight function on budget implementation and execution, including informing the basis for supplementary budgeting, in accordance with approved levels and the annual County Allocation of Revenue Act approved by Parliament.

Moreover, implementation circulars and provisions of the Public Procurement and Asset Disposal Act, 2015 guide the execution of the county budgets and meeting statutory requirements¹¹, which is notably an Executive function with the county Assembly playing an oversight role.

This stage therefore provides a critical avenue for the Assembly through the various sectoral committees as well as the County Budget and Appropriation or Finance Committee to review and scrutinize the quarterly reports. This is with a view to determine the level and status of budget performance including programmes and

¹⁰ Section 166 (4) of PFM Act 2012: Not later than one month after the end of each quarter, the County Treasury shall (a) consolidate the quarterly reports and submit them to the county assembly;

¹¹ Part VI and XII of the Public Procurement and Asset Disposal Act 2015 on general procurement and asset disposal principles and preferences and reservation in procurement, respectively .



projects approved for implementation. The assembly also considers any proposed legislation that may be necessary to address budget execution challenges and shortfalls. For purposes of Gender Responsive Budgeting and in view of the assembly's mandate to ensure service delivery to county residents, the assembly and its relevant committees should also carry out planned and regular monitoring and evaluation during the course of the fiscal year under consideration.

Budget Process Activities:	Actions by County Assembly:	Responsible Entities:
Consideration and review of Quarterly Review reports	<ul style="list-style-type: none"> • Ensure compliance on timelines for submission of quarterly reports (also format and data to be included) • Review and scrutinize of the Quarterly Reports from the County Executive • Statements, questions and motions on budget implementation and execution • Review and scrutiny of CoB reports and submission of findings and recommendations to the County Executive 	<p>Relevant Committee and county Assembly</p> <p>Sectoral Committees</p> <p>MCA/Relevant Committees</p> <p>Relevant Committee/County Assembly and office of the Clerk</p>
In-year Monitoring & Evaluation	<ul style="list-style-type: none"> • Continuous M&E on projects, programmes and policies (preferably as per the respective committees work plan) • Conduct site visits and fact finding missions to confirm information in the quarterly and financial report. • Request for status/progress updates on ongoing and completed initiatives. 	<p>Sectoral Committees and other relevant committee</p> <p>Sectoral Committees</p> <p>MCAs, and Sectoral Committees/County Assembly</p>



<p>Processing and approval of supplementary budgets including supplementary appropriation</p>	<ul style="list-style-type: none"> • Review, scrutiny and processing of the supplementary budgets (revisions and re-allocations) • Approval of report on Supplementary budgets and supplementary appropriation bill • Communication of approved report on the supplementary budgets to the County Executive 	<p>BAC and Sectoral Committees</p> <p>County Assembly</p> <p>Office of the Clerk</p>
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Guidelines for action by County Assembly

- Assessing the progress and status of programmes and activities addressing gender needs as per the given targets, KPIs and outcomes?
- Assess level of adherence to approved budgets, county appropriation Act and Finance Act and document emerging deviations and impact on gender outcome.
- Analyse financial and program reports and compare emerging findings with projections in the CFSP and ADP with regard to the various genders and mainstreaming initiatives as earlier approved and make recommendations for consideration by the Executive
- Provide structured templates for capturing essential information on the on-going programs such as sex-disaggregated data and utilization of the emerging findings to provide recommendations for further consideration.
- Conduct in-depth analysis of County Treasury reports to assess the degree to which the allocated resources are being utilised to address outlined gender needs?



- Assess the status and performance of specific gender interventions and extent of compliance to other statutory requirements such as meeting requirements of ensuring strict adherence to preference and reservation of county procurements and guiding principles to outlined groups , women and youth ¹²
- Scrutinize supplementary budget proposals against approved budgets and plans and assess likely impacts on gender interventions and make concrete recommendations;
- Ensure establishment of a gender sensitive M&E framework and other tools critical to tracking of county expenditure and assessing benefit incidence by sex disaggregated data



¹² Section 157 (12)- The procuring entities at the national and county level shall make a report after every six months to the Authority (Public Procurement Regulatory Authority), and Section 157(13) - A report under subsection (12) shall — (a) certify compliance with the provisions of this section; and (b) provide data disaggregated to indicate the number of youth, women and persons with disability whose goods and services have been procured by the procuring entity.

Stage 4: Fiscal and Program Reviews and Audits

This stage involves a review of reports relating to the financial and programme performance for the previous year, and processing of audit reports. At the end of the financial year the Accounting Officers at the county level are required to prepare financial reports for submission to the County Treasury as part of Financial and program reporting requirements for County Government entities. The Auditor General subsequently carries out the audit on submitted accounts from the County Treasury and Accounting Officers and prepares a report for onward transmission to parliament and the relevant county assembly. The County Assembly is then required to consider and debate auditor general reports. The assembly's investigatory/watchdog and relevant committee (County Public accounts and or Investment Committee) examine and engage the executive on issues raised by the auditor general in the appropriation accounts with view to determine proper utilization of county resources and have been utilized in a lawful and effective way.

The Auditor general is also mandated to carry out such other audits such as Performance Audit (examine the economy, efficiency and effectiveness with which public money has been expended), Forensic Audit (establish fraud, corruption or other financial improprieties) and procurement audit, among other functions and roles.

The annual Controller of Budget report on county budgets and such other reports from county treasury's on the fourth quarter performance and the CBROP on spending reviews also fall in this stage of the cycle. Additional reports such as performance reports may provide critical insights on specific programs or policy areas as well as indications on gender based accomplishments. Similarly, gender audits that may have been undertaken by other relevant institutions may identify how gender issues were addressed in budget programs, institutions and processes and propose measures or action plans to enhance gender mainstreaming

During this stage the county assembly has the opportunity to examine actual performance using actual figures (ex-post) compared to the estimates which underpinned budgeting process in the first two stages (ex-ante), meaning that information obtained at this levels offers useful feedback into the budget making decisions and could provide indications that may assist in strengthening of gender responsive interventions and enhance accuracy of situational analysis



Budget Stages and Actions by County Assemblies

Budget Process Activities:	Actions by County Assembly:	Responsible Entities:
Preparation and Submission of the Annual County Budget Implementation Review Report (ACBIRR)	<ul style="list-style-type: none"> • Tabling and consideration/scrutiny of Annual County Budget Implementation Review Report • Communication of County Assembly approved report on the Annual County Budget Implementation Review Report to the County Executive and other relevant entities 	<p>Relevant committees (BAC and sectoral committees)</p> <p>Office of the Clerk</p>
Review of 4th Quarter County Treasury report	<ul style="list-style-type: none"> • Ensure compliance with the set timelines • Review, scrutiny and processing of the 4th quarter report • Compare and securitize ACBIRR with CBROP provisions and targets • Communication of County Assembly approved report on the 4th Quarter County Treasury Report to the County Executive and any other relevant agencies 	<p>County Assembly</p> <p>Sectoral Committees and Select Committee</p> <p>Sectoral Committees/ BAC</p> <p>Office of the Clerk</p>
Review of the Report of Auditor General on financial statement on County Executive and County Assembly	<ul style="list-style-type: none"> • Ensure compliance to set timelines • Consideration/scrutiny of the report of Auditor General on financial statement on County Executive & County Assembly • Approval of the report by the County Assembly 	<p>Relevant Committee (PAC/PIAC)</p> <p>(PAC/PIAC)</p> <p>County Assembly</p>



	<ul style="list-style-type: none"> • Communication of County Assembly approved report on the Auditor General audit report on the financial statement on County Executive and County Assembly to the County Executive, CASB and any other relevant agencies 	Office of the Clerk
Review and consideration of CBROP	<ul style="list-style-type: none"> • Ensure compliance with timelines • Review (expenditure), scrutiny and processing of CBROP in line with the approved budgets and planning framework. • Communication of County Assembly approved report of CBROP to the County Executive and any other relevant agencies 	<p>County Assembly</p> <p>BAC, Sectoral Committees</p> <p>Office of the Clerk</p>

Guidelines to support the actions by County Assemblies

1. Assessing the extent to which the various programs addressed existing gender needs as per the reporting in the CBROP
2. Scrutinize and examine how effectively and efficiently the resources have been utilized in achieving the outlined outputs relative to committed targets and expected outcomes? This also includes value for money concerns as per the audit report
3. Assess reports to identify if there are gender specific programmes, sub-programmes, activities that were budgeted for but not implemented?
4. Analyse expenditure reports vis-a-vis budgetary allocations for the gender based programs and activities and determine any variances that may exist and its effect on achieving gender outcomes in the medium term;
5. Ensure establishment of a framework / mechanism to continually assess how the resources budgeted for specific interventions are being utilised as well as analyse reports on emerging outcomes and impacts;
6. Comparison of national gender goals and indicators with achievements by the county in the period under consideration.



Critical assessment to ascertain if results are contributing towards promoting gender equity/equality. Also identifying the existing gaps and documenting them for consideration in the next budgeting cycle.

7. Working with stakeholders including county executive to ensure that evaluation mechanisms are established to assess impact of gender interventions, changes in the baseline sex- disaggregated statistical data and accuracy of the situational analysis.
8. Assessing submitted reports using appropriate gender monitoring and evaluation tools to guide assessment and monitoring of gender initiatives?
9. Establishing and always checking the risk management framework to safeguard resources towards gender initiatives/interventions to ensure sustainability; this also includes implementing County Assemblies' recommendations on Auditor General report(s)?
10. Assess and determine whether the responsible county institutions including staff are adequately trained on engendering county budgets/programmes.



3.0 GLOSSARY OF BUDGET PROCESS TERMS

3.1 The budget process legal framework

Statute:	Purpose:
Public Finance Management (PFM) Act, 2012	The Act of Parliament that actualises Chapter 12 of the Constitution of Kenya (2010). It outlines the budget process and prescribes the timeframes for budget process activities and is implemented through regulations that are formulated and amended from time to time.
County Government Act, 2012	An Act of Parliament that gives effect to Chapter 11 of the Constitution. It gives effect to the objects and principles of devolution as well as defines the functions of the various organs within the County Governments
Division of Revenue Act (DoRA)	A substantive piece of legislation enacted annually that defines how national revenue is shared between the National Government and the 47 County Governments. It is enacted annually and passed by both the National Assembly and Senate
County Allocation of Revenue Act (CARA)	An Act of Parliament that is enacted after the DoRA and it seeks to equitably distribute the share of county governments from nationally raised revenues amongst the 47 County Governments.
The County Appropriation Act	An Act of the County Assembly that gives the County Government authority to access funds from the Consolidated Revenue Fund (CRF) for both the Executive and the Assembly
The Controller of Budget (CoB) Act, 2016	An Act of Parliament that requires the office of the CoB to ensure prudent and efficient use of public resources, authorise withdrawal of funds from the CRF and other public funds. It also mandates CoB to monitor budget implementation receives and prepares quarterly and annual reports for all Counties.
The Public Audit Act, 2015	An Act of Parliament that provides for the powers of the office of the Auditor General to audit County Governments and ensure accountability for public resources. It provides the timelines and procedures for audits.
Commission On Revenue Allocation Act, 2012	An Act of Parliament to make further provision as to the functions and powers of the Commission on Revenue Allocation submit recommendations to the Senate, National Assembly, national executive,



	County Assembly and county executive on the proposals made for equitable distribution of revenue between the national and county governments and amongst the county governments taking into account the criteria set out in Article 203 of the Constitution. The Act also further empowers the commission to make recommendations on other matters concerning the financing of, and financial management by, county governments
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3.2 Common terms in the budget Process

Budget Terminologies	Description:
Appropriation	The legal authority granted to the Executive by the County Assembly to withdraw public funds from the Consolidated Revenue Fund (CRF) or other public accounts for specified purposes. This authority is sought annually for every financial year.
Bill/Act	A legislative proposal that is being considered in a County Assembly for possible enactment into law. Once it is approved by the County Assembly and assented to by the Governor or through the set procedures as laid out in the County Assembly Standing Orders it becomes an Act of the County Assembly or is simply referred to as an Act.
Submitting	The formal communication to a County Assembly.
Tabling	The actual laying on the table or presentation of a document that is of interest to the County Assembly.
Budget Ceiling	Total expenditure limit set for a sector or department or a programme based on the available resources.
Budget cycle and process	The range of activities, procedures and between the key actors and stakeholders in the process of formulating, approving, implementing and reporting on the allocation and utilization of public funds.
Gender	Refers to the roles, behaviours, activities and attributes that a given society at a given time considers appropriate for men and women. It also relates to the socially constructed perceptions of men and women, boys and girls in society with regard to their abilities, and roles in society.
Fiscal Policy	The government financial principles that relate to the use of government spending and taxation to influence and manage the economy including adjustments the government may or will make to influence the direction of the



	economy through changes involving its expenditure, taxes, public debt, among others
Pending Bills/ Expenditure Arrears	Incurred expenditure which remains unpaid on the due date. Accumulated pending bills may include arrears not paid from previous periods. Pending bills form a first charge in the subsequent fiscal year, and thus accumulation of arrears covering many periods is an indication of prolonged delays in meeting financial obligations to suppliers and creditors.
Gender Responsive Budgeting (GRB)	An approach in budgeting that uses fiscal policy and public financial management instruments to promote gender equality among women, men, girls, boys and other special interest groups.
Monitoring and Evaluation	<p>Monitoring is a continuous function that uses the systematic and periodical collection of data on specified indicator(s) to provide decision makers and other stakeholders of an ongoing development intervention.</p> <p>Evaluation is the systematic and objective assessment of an ongoing or completed project, program, or policy, including its design, implementation, and results, of which the primary aim is to determine the relevance and attainment/fulfilment of objectives, development efficiency, effectiveness, impact, and sustainability.</p>
Vote on account	Provisional grant of approval by the legislature – Such as the county Assembly – to the county government when the county Appropriation Bill is not assented to or is unlikely to be assented to before start of next financial year.
Inflation	Sustained general increase in the prices of goods/ services in a country or a measure in change in prices of goods and services over certain period. High or increasing Inflation has impact on the cost of living as the price of goods and services rise, and thus also in some instances affects baseline allocations to compensate for inflation.
County Revenue Fund	County bank accounts which all county public funds raised or received by or on behalf of the county government are paid subject to county assembly's decision on its application. This is except for money reasonably excluded by an Act of Parliament. Therefore county money can only be withdrawn from county revenue fund: as charge against the revenue fund provided for by an Act of Parliament or legislation by County Assembly or as authorised by an appropriation by legislation of the county.



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