Uraia

Kenya's National Civic Education Programme

Uraia Health

BUDGET ANALYSIS GUIDE

Uraia has developed this health budget analysis guide to enable the public engage with their county health budgets in order to be able to influence decisions being made on their behalf.

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Introduction

A key feature of Kenya's democracy is the devolution of power. According to Article 1 of the Constitution of Kenya, sovereign power is exercised at the national and county levels. Additionally, the Constitution in Chapter eleven, outlines the objects and principles of devolution, as a) to promote democratic and accountable exercise of power; b) to foster national unity by recognising diversity; c) to give powers of self-governance to the people and enhance the participation of the people in the exercise of the powers of the State and in making decisions affecting them; d) to recognise the right of communities to manage their own affairs and to further their development; e) to protect and promote the interests and rights of minorities and marginalised communities; f) to promote social and economic development and the provision of proximate, easily accessible services throughout Kenya; g) to ensure equitable sharing of national and local resources throughout Kenya; h) to facilitate the decentralisation of State organs, their functions and services, from the capital of Kenya; and i) to enhance checks and balances and the separation of powers.

In keeping with these principles, Uraia has developed this health budget analysis guide to enable the public engage with their county health budgets in order to be able to influence decisions being made on their behalf, so that the health services being offered by county governments respond as much as possible to the needs and priorities of the public.

This guide is primarily for use in Uraia's health social accountability projects but can be used by any individual or organisation interested in their county's health sector and budget. The guide, which is structured in the format of key questions, looks at issues of:

Information – What health budget information has been made available to the public and is this information sufficient to enable individuals and groups make informed decisions and choices.

County health priorities – What is the county prioritising within health, and have they provided reasons/justifications for these priorities.

Health sector financing – What are the main sources for funding for the health sector, is this funding adequate and is it being used to build on previous milestones.

Performance – This looks at both revenue raising and expenditure performance, where the guide helps in interrogating, how much of the county health budget is actually being spent, what is it being spent on, and whether it adhere to the law and best practice.

This guide was developed through a collaborative process between Uraia, its budget coordinators and implementing partners. Specifically, Uraia would like to acknowledge the valuable inputs of Evans Kibet (Baringo Budget Coordinator), Nelson Maina (Nyeri Budget Coordinator) Edwin Ronoh (Elgeyo Marakwet CSO Network Coordinator) Bancy Kubutha and Peter Rono both of Centre for Transformational Leadership Nakuru.

According to the World Health Organisation (WHO), any strategy for strengthening health systems needs a basic shared understanding of what a health system is, what it seeks to achieve and the ability to monitor if it is moving in the right direction.

1. How to Use this Guide

The budget analysis guide has eighteen questions. Each question leads off with a brief explanation on its purpose and the importance of asking this budget question. An explanation on how to undertake analysis is then provided with brief examples using various county budget documents to demonstrate on how the analysis might be undertaken. Each question then concludes with a list of budget documents that one can use to undertake analysis on the issue raised.

The guide finally has provided a glossary of budget terms, types of audits and audit queries.

2. Understanding the Health System

2.1. Introduction

According to the World Health Organisation (WHO), any strategy for strengthening health systems needs a basic shared understanding of what a health system is, what it seeks to achieve and the ability to monitor if it is moving in the right direction. The WHO's framework for health systems has six components that guide the organizing of health systems; Health financing, Leadership and Governance, Health Workforce, Service Delivery, Medical Products, vaccines and technologies and Health Information systems. Kenya's own framework is organized around this framework.

2.2. Components of Health System – World Health Organization

Health financing – Governments must ensure that there are adequate funds for health and that people can use needed services without experiencing financial catastrophe or impoverishment from out-of-pocket spending.

Health workforce- Health workers are "all people" engaged in actions whose primary intent is to protect and improve health. These include health service providers, hospital managers, health managers, and support workers (including the Community Health Volunteers) in the public and private sector, who may be paid or unpaid, lay or professional.

Service delivery: - It is the most visible aspect of a health system. It entails provision of healthcare services at community and health facility levels. Its unique key areas of concern related to the organization and management of inputs and services to ensure access, quality, safety and continuity of care.

Medical products, vaccines and technologies: - Health systems must ensure equitable access to essential medicines, vaccines and technologies that are high-quality, safe, effective, and used in scientifically sound and economical ways. Access to essential medicines and supplies is fundamental to the good performance of the health care delivery system.

Health information systems: Information and research on health and health systems themselves is crucial to the function of the governance building block; Well-functioning health information system is one that ensures the production, analysis, dissemination and use of reliable and timely health information by decision-makers at different levels of the health system. (Use of outdated data could be catastrophic).

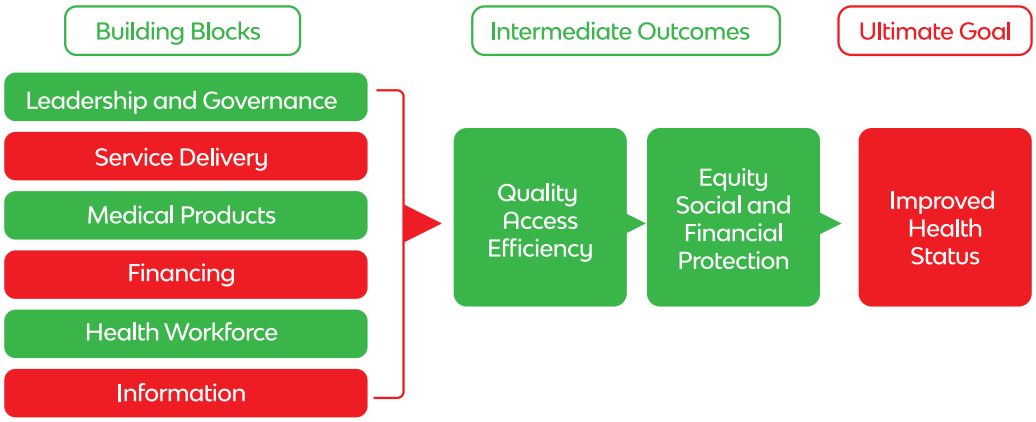


Figure 1: Components of the Health System

As with any system, each component plays vital role in ensuring effective and efficient service delivery in health sector. These components should inform budget analysis in the health sector. The questions each speak to one or two building blocks, with a view to enabling the public to engage and influence the ultimate goal of improved health status.

18 QUESTIONS TO ASK ABOUT MY COUNTY HEALTH BUDGET

3. 18 QUESTIONS TO ASK ABOUT MY COUNTY HEALTH BUDGET

1. Are budget documents available and accessible? What health information is available in the budget documents?

Purpose: This question, seeks to assess the county government's adherence to the principle of openness, accountability and public participation in public finance management as required by the Constitution of Kenya 2010. One way to determine whether the county government is facilitating access to budget documents for citizens, is to visit county websites and see what documents have been made available and whether these are in formats that the public can read and understand.

Implication: If county governments do not make budget documents available and accessible, it will be difficult for the public to influence health budget decisions. It is important for citizens to be able to access the various budget documents for transparency and accountability. Access in this case means that the county governments are making the documents publicly available and that these documents are in formats that the public can read and understand.

Further, the Public Finance Management Act (Section 12) requires counties to adhere to the Program Based Budget (PBB) format in preparation of all County Budget Documents. The PBB shifts the focus of budget from just listing items to expend on, to providing service delivery outcomes that are the basis of budget items. A PBB for the health sector should include both financial and narrative information indicating priorities, justification for those priorities, programs and sub-programs, target outcomes, measurable indicators and timelines.

The image below captures how counties performed with regards to making budget information publicly available online as at March 2019. As can be observed, some counties have made a number of their documents publicly available while on the opposite end of the spectrum, there are counties that have made no budget information publicly available. It is therefore imperative for the public to lobby their county governments to avail budget documents and in a timely manner.

Relevant budget documents: County Integrated Development Plan (CIDP) Annual Development Plan (ADP), Programme Based Budget, County Budget Review and Outlook Paper (CBROP) County Fiscal Strategy Paper (CFSP)

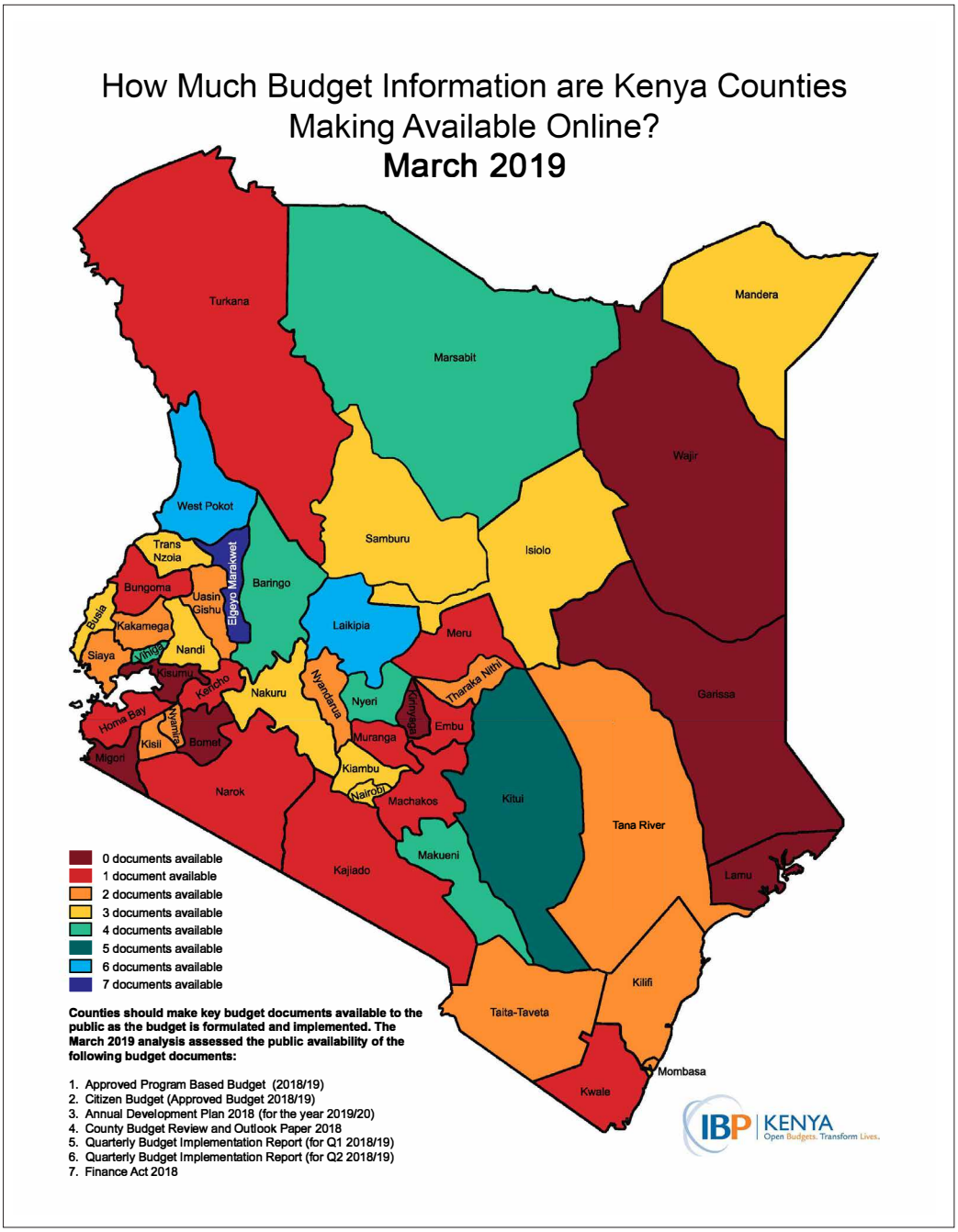


Figure 2: Budget information availability in counties[1]

[1] Source: The International Budget Partnership

2. Is the County budgeting on County Health Functions or are there items in the budget that relate to National Government functions?

Purpose: This question aims to assess whether county governments are allocating funds to county specific functions only. The constitution of Kenya 2010 separates the functions of the County Government from those of the National Government. This applies to health functions as highlighted in the table below.

Implication: It is important to note that funds should follow functions. If a county allocates resources for national government functions, it implies that some county health functions will be starved of needed resources, thus negatively impacting the quality of health services. It could also lead to double funding of projects and the possibility of misappropriation of funds.

Table 1: County and National Functions in relation to health service provision as per the 4th Schedule of the Constitution of Kenya 2010

National Ministry Responsible for Health	County Department Responsible for Health
1. Quality Assurance and standards. 2. Health Information, Communication and Technology. 3. Public Private Partnership. 4. International Health 5. Ports, Borders and Trans-boundary Areas. 6. Monitoring and Evaluation. 7. Planning and budgeting for national health services 8. Services provided by Kenya Medical Supplies Agency (KEMSA), National Health Insurance (NHIF), Kenya Medical Training College (KMTC) and the Kenya Medical Research Institute (KEMRI)	1. County Health Facilities and Pharmacies. 2. Ambulance services. 3. Promotion of Primary Health Care. 4. Licensing and Control of undertaking that sell food to the public. 5. Disease Surveillance and Response. 6. Veterinary Services (Excluding Regulation of vet Professional). 7. Cemeteries, Funeral homes, Crematoria, Refuse dumps, and Solid waste disposal. 8. Control of Drugs of abuse and Pornography. 9. Disaster Management. 10. Public Health and Sanitation

The Constitution of Kenya has demarcated functions between the National and County Governments in relation to health services. Counties should therefore focus their budget to county health functions especially taking into consideration the limitation of resources. Further to the fourth schedule of the Constitution of Kenya 2010, the Transition Authority, through legal notices of August 2013, provided additional guidance by further clarifying the specific health functions to be transferred to counties. This should thus enable counties budget plan and budget more accurately for the health functions. Below is the legal Notice specific for Baringo County. The TA provided similar legal notices for all counties and these can be found at Kenya Law Reports.

Relevant Budget Documents: Annual Development Plan (ADP), Programme Based Budget, County Budget Review and Outlook Paper (CBROP) County Fiscal Strategy Paper (CFSP)

2. County health services:

(a) county health facilities and pharmacies including-

(i) county health facilities including county and sub-county hospitals, rural health centres, dispensaries, rural health training and demonstration centres. Rehabilitation and maintenance of county health facilities including maintenance of vehicles, medical equipment and machinery. Inspection and licensing of medical premises including reporting;

(ii) county health pharmacies including specifications, quantification, storage, distribution, dispensing and rational use of medical commodities:

Provided that until alternative intergovernmental arrangements are made, all counties shall procure medical commodities from the Kenya Medical Supplies Authority except where a particular commodity required by a county government is not available at the Kenya Medical Supplies Authority;

(b) ambulance services including emergency response and patient referral system;

(c) promotion of primary health care including health education, health promotion. community health services, reproductive health, child health, tuberculosis, IIIV, malaria, school health program, environmental health, maternal health care, immunization, disease surveillance, outreach services, referral, nutrition, occupational safety, food and water quality and safety, disease screening, hygiene and sanitation, disease prevention and control, ophthalmic services, clinical services, .rehabilitation, mental health, laboratory services, oral health, disaster preparedness and disease outbreak services. Planning and monitoring, health information system (data collection, collation, analysis and reporting), supportive supervision, patient and health facility records and inventories;

(d) licensing and control of undertakings that sell food to the public including food safety and control;

(e) veterinary services to carry out, coordinate and oversee veterinary services including clinical services, artificial insemination, and reproductive health management; but excluding regulation of the profession; and

(f) enforcement of waste management policies, standards and regulations; in particular -

(i) refuse removal (Garbage) including, provision of waste collection bins, segregation of waste at source, licensing of waste transportation;

(ii) refuse dumps including zoning waste operational areas, conducting environmental impact assessment for the siting of dumps, fencing of dumps, controlling fires, monitoring waste characteristics and monitoring of waste water from the dumpsite (leachate); and

Figure 3: Excerpt from TA Legal Notice No 137

3. What are the main sources of funding for the health sector and are they reliable?

Purpose: In this question, we want to establish the various revenue streams that fund health service delivery and how reliable they are in counties. Among the major sources of Health Sector financing[3] are national transfers, donor funding and local revenue. The national transfer is also categorized into the equitable share and conditional grants. Reliability of these funds has an implication on service delivery.

Implication: Over - reliance on a particular source of funding can have important implications in financing of health services, especially when those sources of funding fail to materialise. There have been cases where counties have failed to receive the amounts expected from donor grants, paralyzing service delivery. In making decisions on what to peg external funding on, county governments need to check historical trends, terms and conditions of the funding and the global politics of funding as a risk mitigation strategy.

Analysis of past trends regarding disbursements, mainly provided in the County Budget Review and Outlook Papers and Controller of Budget (CoB) Reports can tell us whether these sources are reliable or not.

(An example would be a county that has been relying on donor funds towards HIV interventions. A political change such as a change in political regimes in the country could cause a donor to withdraw support to health programs in the county e.g., funding to HIV support programmes. The withdrawal of donor support could mean strained access to ARVs for affected citizens as the program entirely relies on support from a single donor.)

Relevant Budget Documents: CBROP, COB Reports, PBB

The snippet below, highlights the revenue streams for Baringo County. These include DANIDA Grant, Universal Care Project, Medical Equipment and World bank allocations to health facilities. In the FY 2017/18 donor grants accounted for Kshs. 192 million, representing about 10% of the entire health budget of Kshs. 2.07 billion. If in that financial year the donor funding is withdrawn or reduced this would have important implications for services budgeted for in the health budget, so the county may not be able to deliver services that it had planned to.

[3] https://www.google.com/search?client=firefox-b-d&q=HEALTH+POLICY+AS+AN+AGENDA+FOR+ELECTIONS+2017

	BARINGO COUNTY REVENUE STREAMS 2017/2018 TO 2019/2010		
	SOURCE OF REVENUE	**APPROVED BUDGET. 2017-2018**	**BUDGET ESTIMATES 2018-2019**
1	Equitable Share	4,983,000,000.00	5,086,800,000.00
2	Medical Equipment	95,744,681.00	200,000,000.00
3	Local Revenue	350,000,000.00	371,147,448.00
4	Roll Over –Projects	943,308,125.00	1,795,000,000.00
5	World Bank to County Health Facilities	94,210,000.00	-
6	Compensation for use fees forgone	13,191,000.00	13,191,000.00
7	Universal Care project	78,899,346.00	78,899,347.00
8	Roads Maintenance Fuel levy	189,199,286.00	133,931,014.00
9	KDSP Grant	40,839,509.00	43,729,455.00
10	Rehabilitation of Youth Polytechnics	35,239,276.00	35,605,000.00
11	EU grant for Devolution Advisory	66,000,000.00	85,000,000.00
12	DANIDA Grant	19,872,375.00	16,706,250.00
13	IDA World Bank (KUSP)	-	52,360,500.00
14	IDA World Bank (KCSAP)	-	117,000,000.00
	Grand Total	**6,909,503,598.00**	**8,029,370,014.00**

Figure 4: Extract from Baringo County Program Based Budget FY 2018/19

From the excerpt below, it is important to observe that while the health sector was expecting to receive 78M for transforming health system for universal care project from World bank it only received Ksh 34M instead. This suggests that service delivery adjustments had to be made on account of the Ksh. 44M deficit.

Table 2: Baringo County, Conditional Grants/Loans Received in the FY 2018/19[4]

S/ No	Grant Details	Annual Allocation- (CARA, 2018) (Kshs)	Annual Budget Allocation (Kshs)	Receipts in FY 2018/19 (Kshs)	Receipts as Percentage of Annual Budget Allocation (%)
1	Compensation for User Fee Foregone	13,191,000	13,191,000	13,191,000	100
2	Leasing of Medical Equipment	200,000,000	200,000,000	-	-
3	Road Maintenance Fuel Levy	133,931,014	133,931,014	133,931,014	100
4	Rehabilitation of Village Polytechnics	35,605,000	35,605,000	-	-
5	**Transforming Health Systems for Universal Care Project (WB)**	**78,899,347**	**78,899,347**	**34,008,071**	**43.1**
6	Kenya Devolution Support Project (KDSP) "Level III grant"	-	-	138,074,112	-
7	Kenya Climate Smart Agriculture Project (KCSAP)	117,000,000	117,000,000	49,627,345	42.4
8	Kenya Devolution Support Project (KDSP) "Level 1 grant"	43,729,455	43,729,455	-	-
9	Kenya Urban Support Programme	52,360,500	52,360,500	52,360,500	100
10	DANIDA Grant	16,706,250	16,706,250	16,706,250	100
11	EU Grant for instrument for Devolution Advice and support	85,000,000	85,000,000	73,254,422	86.2
12	Kenya Devolution Support Project (KDSP) "Level II grant"	-	173,023,342	173,023,342	100

4. What share of the county budget has been allocated to health over the last three financial years? Is it increasing or decreasing?

Purpose: This question, seeks to determine whether county governments are prioritizing the health sector compared to other sectors in the budget. Every new financial year, the budget is either growing, remaining constant or declining, depending on the outcome of the national level revenue sharing processes and the performance of local revenues. This therefore means that counties have to decide where to put the extra shilling, if the budget increases, or which sector to protect, if the budget decreases.

Implication: An increase or decline of health budget has an implication on the quality of health services that counties deliver to citizens. The process of making this decision is initiated during the development of the County Budget Review and Outlook Paper (CBROP) in October, through setting of provisional ceilings

[4] Controller of Budget County governments annual budget implementation review report for fy 2018/19

and finalized during the adoption of the County Fiscal strategy Paper (CFSP) in February, through the setting of final sector ceilings.

To determine whether the health budget is increasing or decreasing, it is necessary look at the budget documents of at least three preceding years. In the snippet below, we notice two things with regards to budgetary allocation for the health sector in Baringo County over a four-year period. 1) That the allocation for the health sector in Baringo County in absolute terms, has increased over the four years, 2) However, as a share of the total budget, allocation to health only marginally increased in 2017/18 but has consistently dropped in subsequent years. This suggests that for Baringo County, health is not a priority sector. The marginal increase in the health budget could be the county adjusting for inflation which suggests that the health sector may not have any funds to undertake new projects or to innovate, but that what is available is only sufficient to maintain the current level of services.

Relevant Budget Documents: Programme-based budgets, County Fiscal Strategy Papers, County Budget Review and Outlook Papers and the Controller of Budget Quarterly Review Reports.

Table 3: Baringo County Budgetary Allocation to Health over a four-year period

DEPARTMENT	Approved supplementary Budget 2016/17 (Ksh.)	Share of allocation 2016/17 (%)	Approved Budget 2017/18 (ksh.)	%Share of allocation 2017/18 (%)	Approved supplementary Budget 2018/19 (khs)	% share of allocation 2018/19 (%)	Approved Budget 2019/20- Departmental share	% share of allocation 2019/20 (%)
County Assembly	604,842,190	9.29	667,299,732	9.59	681,747,677	8.39	657,337,657	7.57
Governor/County Executive Services	475,381,261	7.30	454,078,145	6.52	543,527,994	6.69	538,012,249	6.20
County Treasury Services	292,130,403	4.49	323,151,695	4.64	334,011,054	4.11	314,583,503	3.62
Transport and Infrastructure	691,536,822	10.62	676,181,434	9.72	948,307,266	11.67	1,039,120,595	11.97
Industrialization, Commerce and Tourism	172,865,495	2.65	124,048,566	1.78	96,073,460	1.18	233,680,336	2.69
Education and ICT	525,821,618	8.08	592,850,262	8.52	651,120,760	8.01	540,359,031	6.22
Health Services	***2,354,602,004***	***36.16***	***2,547,129,995***	***36.60***	***2,739,657,627***	***33.72***	***2,871,336,831***	***33.07***
Lands, Housing & Urban Development	186,560,453	2.87	150,625,473	2.16	311,952,154	3.84	358,337,028	4.13
Agriculture, Livestock, Fisheries & Marketing	424,342,079	6.52	532,968,241	7.66	693,900,982	8.54	740,872,103	8.53
Youth, Gender & Social Services	166,056,261	2.55	135,120,556	1.94	111,570,541	1.37	132,225,042	1.52
Water and Irrigation	536,325,196	8.24	682,094,092	9.80	920,838,851	11.33	1,171,980,983	13.50
Environment & Natural Resources	80,973,952	1.24	73,838,109	1.06	92,319,092	1.14	83,675,644	0.96
GRAND TOTAL	6,511,437,735	100	6,959,386,301	100	8,125,027,458	100	8,681,521,002	100

5. What are the priority projects and programmes in the health sector?

Purpose: This question seeks to establish which health projects and programmes our county government has chosen over others. Prioritization means deliberating, justifying, agreeing and acknowledging that some things are more important than others. Yet, it is not always clear what is considered more important and what is considered less important. It is paramount to set clear priorities as resources are scarce amid many competing needs.

Implication: If a budget does not identify priorities, it means that the health department cannot manage the available money / funds in a very effective manner. **Identifying priorities** and allocation of commensurate resources helps one to achieve maximum impact.

Besides using budget data to determine the most important programmes and projects, the public can also check to see what narrative information has been provided to explain county priorities. The excerpt below is an example of a county providing non-financial information that details what the priority in the health sector is.

Relevant Budget Documents: CIDP, ADP, Budget Estimates, and CFSP

The Baringo County Integrated Development Plan (CIDP) 2018-2022 (pg. 86) elaborates the County Government's priority in health for the next 5 years in the narrative. It is therefore necessary to see this change reflected in the budgetary allocations - that financing is shifting from infrastructure development to strengthening other components of a health system i.e. ***Health Workforce, Information Workforce, Information, Medical products and technology and service delivery.***

The sector will in the next phase of devolution focus on completing, staffing and equipping the health facilities that were constructed. This is because a lot of money has been spent on infrastructure yet the population is not yet benefiting from the investment.

There is also need to focus on empowering communities to take care of their own health as a sustainable approach to addressing health issues. This means the sector will need to invest in a robust community health strategy. This will involve paying a stipend to community health volunteers who will be trained to identify and address basic health issues and refer the others. They will also be motivated to contribute to improved documentation and reporting. They will also be able to encourage pregnant women to attend antenatal (ANC) clinics so that they receive the right information on sustaining a healthy pregnancy. Also they will encourage mothers to complete immunization schedules for their children and be in a position to strengthen the linkages and referrals which will inform health seeking behaviors, create demand and increase uptake of health services.

GOAL 3: Ensure healthy lives and promote wellbeing for all at all ages

The building blocks and investment areas in the County health sector should include programmes in; service delivery, human resource for health, health information systems, health financing, medical products and technologies, leadership and governance and health infrastructure.

Figure 5: Excerpt from Baringo County Integrated Plan

A closer look at the health sector budget for Baringo County between Financial Year 2016/17 and 2019/2020, (see analysis below) shows a substantial investment in ***general administration, planning and support services.*** When compared to how much is being allocated to ***preventive and promotive Health Services*** against ***Curative Health Services,*** the former has consistently received a lower allocation as a share of the total budget. It would make more economic sense for the county to allocate more resources to preventive and promotive health services which would in turn have a positive impact on how much the county spends on curative services. There is a case for investigating why the county in this case is spending more on curative services and not preventive and advocating for the shift in focus by the public.

Table 4: Baringo Health Sector Budget Analysis over a four-year period

Programme/ Sub-Programme	FY 2016/2017 Approved Budget	Share of the budget %	Program Based Budget FY 2017/2018	Share of the budget %	Program Based Budget 2018/19	Share of the budget %	Approved Budget 2019/20
P1 General Administration, Planning and Support Services	1,325,510,161.00	58.0	1,866,839,609.29	90.1	1,799,326,172.00	65.8	1,879,776,758.00
P2 Curative Health Care Services	955,222,704.40	41.8	204,445,919.47	9.9	282,122,066.00	10.3	80,074,047.00
P3 Preventive and Promotive Health services	4,070,283.00	0.2	-	0.0	203,400,193.00	7.4	13,191,000.00
P4: Cash Transfer		0.0		0.0	450,000,000.00	16.5	
Total Budget	**2,284,803,148.40**		**2,071,285,528.76**		**2,734,848,431.00**		**1,973,041,805.00**

6. Are there justifications provided for the budget choices made in the health sector?

Purpose: In this question, we want to assess whether the county government has given reasons for the priority choices it has made. adequate reasons should be provided to support health budget decisions in keeping with the principle of prudent financial management. Reasons and reasoning form an integral part of county budget processes. As such, budget documents should provide adequate reasons for any changes in the allocation to sector, programs or projects. Substantial investment in certain projects should also be justified.

Implications: Priorities in the budget must be supported with a narrative. If governments do not justify budget decisions, there is no way to know how they are making budget decisions. Secondly, it could mean that the decision was not thought through and the allocation was made arbitrarily.

One way of justifying budget decisions is by using publicly available data from credible sources to corroborate the data that is included in the budgets. Public justifications for the health sector could include community experiences as elaborated during public participation meetings and citizen submissions, data from credible sources such as the Kenya National Bureau of Statistics (KNBS), District Health Information System (DHIS), Kenya Demographic and Health Survey (KDHS), lessons from previous budget implementation, commitments in the development blueprints (e.g. Sustainable Development Goals (SDGs), Agenda 2063, Vision 2030 Medium Term Plans, National Health Strategic Plans, County Integrated Development Plan, Constitution of Kenya) and social accountability reports. It is important to note that it is not just the county governments that should provide justifications, but the public as well need to justify their priority choices especially in a context where there is always competition for scarce resources.

Relevant Budget Documents: CIDP, ADP, CFSP, Implementation reports and Budget Estimates

Morbidity: Five most common diseases in order of prevalence

The most common diseases facing the people of Baringo are upper respiratory tract infection, malaria, disease of the skin, diarrhoea, pneumonia, arthritis and joint pains. Most of these diseases are preventable and thus there is need to put more emphasis on preventive measures to reduce these ailments. More malaria cases are reported in Tiaty, Baringo North and Baringo central respectively. More cases of pneumonia are reported in Koibatek than any other sub county. The incidences of these diseases in sub counties are tabulated below;

Table 13: Five most common diseases in the County per Sub-County

Sub-County /Condition	Upper Respiratory Tract Infections	Suspected/ Confirmed Malaria	Disease of the skin	Diarrhea	Pneumonia	Arthritis, Joint pains etc	Other injuries
Baringo Central	48269	15157	7930	5940	2687	4128	3905
Baringo North	44639	15587	5618	6372	2590	4245	3790
Koibatek	57288	7172	12923	8482	6133	5213	4519
Marigat	37627	9709	6498	6304	2481	1589	1170
Mogotio	51951	9990	11672	8710	3665	3861	3433
Tiaty	22689	19884	4240	8560	2217	474	943
% Coverage	**42**	**12**	**8**	**7**	**3**	**3**	**3**

Figure 6: Justifications provided in the Baringo 2019/20 FY Annual Development Plan

In the excerpt above from the Baringo County Annual Development Plan 2019/20 pg. 20-21, the county government has provided justification for increased budgetary allocation to some programmes and projects meant to prevent or treat the most prevalent diseases in the County citing data from the District Health Information System (DHIS). For example, the high prevalence of malaria in Tiaty Sub-County has been used to justify allocations to programmes and projects geared towards prevention and treatment of Malaria in the region.

7. Is the allocation adequate to sustain or improve the current level of health service delivery?

Purpose: In this question, we want to establish whether there is consistency in resource allocation to health programs, that is, are programmes in the health budget getting allocated similar or incremental amounts in the budget, to ensure that current services are sustained. Budget allocations should be informed by the cost of services arrived at through a scientific method. In the absence of this information, the decision on how much to allocate resources to the health sector

should begin by asking how much was allocated in the previous financial year and whether it was adequate to provide services. As such, previous allocations should provide a baseline for the allocations of the following year to ensure that health facilities are able to sustain their current level of service delivery.

Implication: If the amount allocated to the health sector is reduced, it means that health facilities would not be able to consistently sustain their current level of health services. For instance, if a level II health facility was receiving an annual allocation of Kshs. 100,000 towards operations and maintenance, the facility would not be able to sustain the same level of services it was offering if this allocation is reduced to Kshs. 70,000.

Relevant Budget Documents: CRA Costing of Government functions on Commission on Revenue Allocation, Program Based Budgets.

In 2015, The Commission on Revenue Allocation (CRA) undertook a study to estimate the costs of resources necessary for the performance of the functions assigned to the National and County Governments. This study is a good baseline where more recent information about the cost of providing health services is not available. In the snippet below, CRA costing of health personnel for level 2, provides data on how much is needed at a minimum to maintain staff at the dispensary level annually. This should be a guide for minimum budget allocation required to sustain service delivery at that level. On the basis of this guide, the county government budget allocation to staff salaries in level 2 facilities should be estimated by multiplying the figure by the number of dispensaries in the county. Therefore, the budget allocation for personnel emolument should not at any point go below this figure to avoid negatively affecting service delivery.

Table A1.2: Human resources cost for level 2 (dispensary)

Type of personnel as per the norms	Number as per the norms	Annual gross pay (KES)	Total cost (KES)
Clinical Officers (diploma)	2	686,491	1,372,982
Kenya Enrolled Community Health Nurses	4	534,768	2,139,070
Kenya Registered Community Health Nurses	2	685,741	1,371,482
Enrolled Nurses	2	685,741	1,371,482
Pharmaceutical Technologists	1	661,961	661,961
Orthopaedic Technologists	1	621,171	621,171
General Physiotherapists	1	664,536	664,536
Occupational Technologists	1	655,940	655,940
Community Oral Health Officers	2	663,576	1,327,152
Health Promotion Officers	2	634,619	1,269,237
Medical Social Workers	1	610,740	610,740
General Attendants	1	96,000	96,000
Watchman	1	96,000	96,000
Total			**12,257,754**

Figure 7: CRA Costing of Functions for Health Workers

Additionally, from the snippet below, it is possible to track health program allocations over a four-year period. This helps in establishing trends and determining possible implications from reductions. Previous allocations provide a baseline for the allocations of the following year. For instance, in the Preventive and Promotive Health Services programme, there was a reduction of Kshs. 4 million in the 2017/18. This means that some activities in the Preventive and Promotive Health Services Program were not undertaken in that financial year.

Table 5: Allocation to programmes within the health sector between 2016/17-2019/20[5]

Programme/Sub-Programme	FY 2016/2017 Approved Budget	Program Based Budget FY 2017/2018	Program Based Budget 2018/19	Approved Budget 2019/20
P1 General Administration, Planning and Support Services	1,325,510,161.00	1,866,839,609.29	1,799,326,172.00	1,879,776,75820.00
P2 Curative Health Care Services	955,222,704.40	204,445,919.47	282,122,066.00	80,074,047.00
P3 Preventive and Promotive Health Services	4,070,283.00	-	203,400,193.00	13,191,000.00
P4: Cash Transfer			450,000,000.00	
Total Budget	**2,284,803,148.40**	**2,071,285,528.76**	**2,734,848,431.00**	**1,973,041,805.00**

8. Are budget allocations in the health sector building on previous milestones to realize service delivery goals?

Purpose: The aim of this question, is to establish whether the county is allocating resources taking into consideration previous service delivery achievements, to advance progressive realization of service delivery goals or are budgets being allocated to either new unrelated developments or development initiatives that seem not to be building on previous developments?

Implication: Allocating resources to new unrelated development projects or to initiatives that do not build on previous achievements risk compromising access to needed health services for the public. For example, a county may, in the initial years, allocate monies towards construction of a number of health centres. However, if it does not allocate any resources towards equipping and staffing of the health facilities in subsequent years, the intended objective of facilitating access to health services for citizens would not be realised. This means that the county will have increased the number of health facilities, but not actually improved access to health services for its residents.

[5] Baringo County Government Budget Estimates 2019/2020, Health Programme Allocations

Relevant Budget Documents: Information for this can be derived from multi-year programme-based budgets and comparing with what is reported in the quarterly implementation reports (where these are available).

From the excerpt below, the Baringo County Integrated Development Plan 2018-2022, commits to focus on completion, equipping and staffing of the already constructed health facilities. Therefore, unless adequately justified subsequent budgets should not allocate monies for construction of new facilities.

The sector will in the next phase of devolution focus on completing, staffing and equipping the health facilities that were constructed. This is because a lot of money has been spent on infrastructure yet the population is not yet benefiting from the investment.

There is also need to focus on empowering communities to take care of their own health as a sustainable approach to addressing health issues. This means the sector will need to invest in a robust community health strategy. This will involve paying a stipend to community health volunteers who will be trained to identify and address basic health issues and refer the others. They will also be motivated to contribute to improved documentation and reporting. They will also be able to encourage pregnant women to attend antenatal (ANC) clinics so that they receive the right information on sustaining a healthy pregnancy. Also they will encourage mothers to complete immunization schedules for their children and be in a position to strengthen the linkages and referrals which will inform health seeking behaviors, create demand and increase uptake of health services.

Figure 8: Excerpt from Baringo County Integrated Development Plan 2018 - 2022

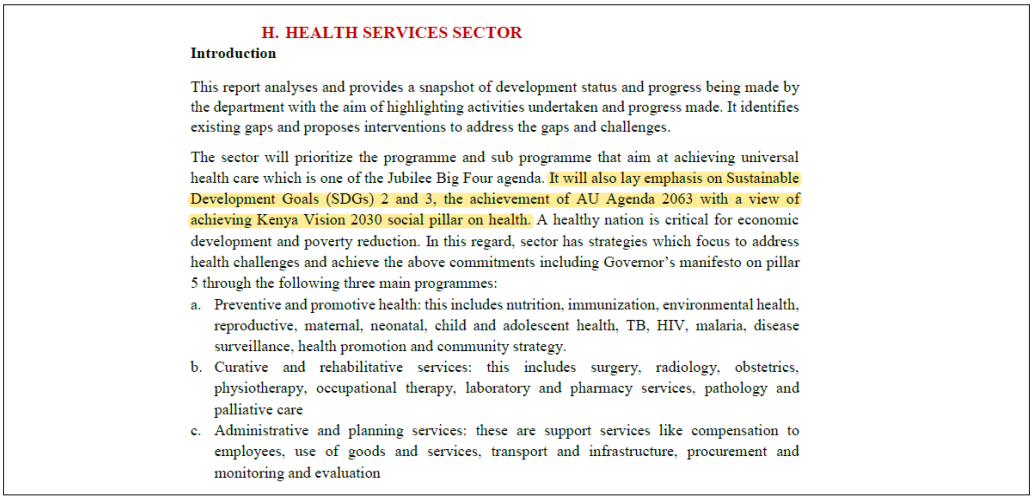
9. Are the health sector budget allocations aligned to local, national, regional and global health goals?

Purpose: This question, seeks to assess to what extent counties are subjecting themselves to being held accountable by aligning their health sector allocations to the broader development goals. Blueprints such as Vision 2030, Agenda 2063 and SDGs are by themselves accountability instruments especially as our government has ratified them. They also provide parameters for peer review in terms government efforts to facilitate access to quality health care for its citizens.

Implications: County budgets ought to contribute to local and global development agenda. If counties do not align their health budget allocations to the broader development goals or fail to subject themselves to peer learning and review, they risk becoming complacent – since they are not being held to any standard. This could compromise the quality of health services that citizens receive. For example, SDGs commit governments to reduce global maternal mortality ratio to less than 70 per 100 000 live births by 2030. Therefore, county governments should assess progress towards this goal and allocate commensurate resources towards realisation of this goal.

It is possible to determine whether counties are aligning their development goals to national and global ones by reviewing budget documents such as the CIDP and the ADP to see if the development priorities align. In the example below from Baringo County, the County Government in their ADP 2019/20, has attempted to explain its efforts towards contributing to the SDGs, AU Agenda 2063 and Vision 2030 health goals. However, the document has not stated the specific commitments it seeks to contribute to. It is not enough for the county to state its commitment, this has to be reflected in the budget through allocations made to the specific related budget items that contribute to those commitments.

Relevant Budget Documents: SDGs, Agenda 2063, Vision 2030 and Kenya Health Policy Strategy.



H. HEALTH SERVICES SECTOR

Introduction

This report analyses and provides a snapshot of development status and progress being made by the department with the aim of highlighting activities undertaken and progress made. It identifies existing gaps and proposes interventions to address the gaps and challenges.

The sector will prioritize the programme and sub programme that aim at achieving universal health care which is one of the Jubilee Big Four agenda. It will also lay emphasis on Sustainable Development Goals (SDGs) 2 and 3, the achievement of AU Agenda 2063 with a view of achieving Kenya Vision 2030 social pillar on health. A healthy nation is critical for economic development and poverty reduction. In this regard, sector has strategies which focus to address health challenges and achieve the above commitments including Governor's manifesto on pillar 5 through the following three main programmes:

a. Preventive and promotive health: this includes nutrition, immunization, environmental health, reproductive, maternal, neonatal, child and adolescent health, TB, HIV, malaria, disease surveillance, health promotion and community strategy.
b. Curative and rehabilitative services: this includes surgery, radiology, obstetrics, physiotherapy, occupational therapy, laboratory and pharmacy services, pathology and palliative care
c. Administrative and planning services: these are support services like compensation to employees, use of goods and services, transport and infrastructure, procurement and monitoring and evaluation

Figure 9: Baringo County ADP 2019/20

10. Does the Budget address the unique health needs of Special Interest Groups (SIGs) i.e. the youth, women, PWDS, children, the elderly and minority communities?

Purpose of the question: This question is trying to bring out the principle of equity and inclusivity in the allocation of resources within the budget in relation to health needs of SIGs. "Equity" means fairness. That no citizen is left out when allocating resources. This question also seeks to know the deliberate measures put in place to ensure no one's need is left out during resource allocation in the health sector. Special Interest Groups have unique health needs that may be overlooked as a result of their low representation or lack of understanding of these needs.

Implication: If the budget does not address the unique needs of SIGs, it implies that their right to quality health care is being violated and development within the county will not happen equitably. It is also a contravention to the principle of equity in public finance management as provided in the Constitution of Kenya.

Relevant Budget Documents: CIDP, ADP, PBB,

Table 6: Kakamega Programme Based Budget 2019/20FY

HEAD	TITLE	Approved Estimates	Estimates	FORCAST	
		2016/17	2017/18	2017/2019	2019/2020
		97,500,000	**109,000,000**	**102,707,047**	**106,707,047**
Administrative Programmes					
2640503	Health Data Management	3,000,000	3,000,000	2,000,000	2,000,000
2640503	Disability mainstreaming	1,500,000	3,000,000	1,500,000	1,500,000
2640503	Purchase medical equipments	45,000,000	50,856,537	45,000,000	45,000,000
		49,500,000	**56,856,537**	**48,500,000**	**48,500,000**
Health Centres					
Infant and maternal health care promotion		-			
2640503	Beyond zero campaign	10,000,000	3,000,000	3,000,000	3,000,000
2640503	Imarisha Afya Ya Mama Na Mtoto	90,000,000	90,000,000	80,000,000	80,000,000
	Child Survival	7,000,000	3,000,000	3,000,000	3,000,000
	Health facility maintenance	217,184,083		-	
	User fees forgone	38,617,147			
		362,801,230	**96,000,000**	**86,000,000**	**86,000,000**

Kakamega County is an example of a county that has made specific efforts to allocate funds for Special Interest Groups. In the snippet above, there are funds allocated for disability mainstreaming, maternal and children in the Kakamega Programme Based Budget for the FY 2017/18 as highlighted above.

11. Does the budget document provide baselines, targets and indicators for each programme in the health sector?

Purpose: In this question, we want to determine whether budget documents provide adequate information to enable performance management. The Public Finance Management Act 2012 requires counties to use programme-based budgeting approach (PBB) in the preparation of the Budget Estimates. Good budget documents should have baselines to know where we are coming from, targets to know where we are going, and indicator to help us measure our progress. The baselines, target, outcomes and indicators should be service oriented i.e., measure access to services examples of service-oriented indicators number of children immunized, or percentage of skilled deliveries, average drugs stock out period.

Implications: If budgets documents fail to provide baselines, targets and indicators, it is difficult to monitor progress hence counties risk failing to meet health development targets.

Relevant Budget Documents: CIDP, PBB, ADP and Quarterly Implementation Reports.

Programme Name: Preventive and Promotive Health Services

Objective: To provide and implement strategies aimed at preventing diseases, promoting health and treatment of minor ailments.

Outcome: Improved primary health care to the citizens.

Sub Programme	Key Outcomes/ outputs	Key performance indicators	Planned Targets	Achieved Targets	Remarks*
Immunization	• Improved child survival. • Improved quality of service. • Improved reporting.	• % fully immunized child. • Number of mentorship and Support supervision. • Number of performance review meetings held.	• 80% • 4 • 4.	• 72% • 4 • 4	
Health promotion	community health education sessions conducted to create demand for health services	no. of sessions held to reach people with health messages	30	2	
	Health promotion advisory committee (HPAC) stakeholder forums held	no. of HPAC stakeholder forums held	4	3	
	CME sessions coordinated at sub counties to improve services	no. of CME sessions held at sub counties	48	4	
	Media engagement sessions held to reach communities and IEC materials disseminated	no. of radio spots sessions held and number of IEC materials disseminated.	2	0	

Programme Name: General Administrati0n, Planning and Support Services

Objective: To provide administrative support, planning and budget implementation to the Health Sector.

Outcome: Efficient support services and financial management for the Health Sector.

Sub Programme	Key Outcomes/ outputs	Key performance indicators	Planned Targets	Achieved Targets	Remarks*
Human Resource for Health	Rational deployment and retention of motivated health workforce.	• Number of Health workers on iHRIS • Number of HRH policies and guidelines developed and disseminated. • Number of health workers appraised. • Number of health workers who received awards for recognition. • Health workforce turn-over rate. • Amount of resources allocated/mobilized for HRH • Implementation of Workforce Indicator for Staffing needs, WISN)	• Quarterly HRH committee meetings. • 3 HRH documents finalized, launched and disseminated. • 1200 health workers to be appraised • 10 health workers to per sub county be recognized for awards for exemplary performance.	• 6 HRH committees formed based at sub counties. • 3 policy guidelines finalized, under print for launching (HRH strategic plan, Attraction and Retention strategy and WISN) • 600 worker appraised on 2018/19 targets. • 80% of health workers uploaded to iHRIS. • 10 staff trained on iHRIS • 10 health workers recognized for awards per sub county for exemplary performance	• Recognition for award of health workers to be done at Sub county level through the HRH committee. • Deployment of health workers to be informed by the WISN.

Figure 10: Excerpts from the Baringo County Annual Development Plan Health Sector programme

12. Does the budget provide details of individual projects, their location, status (ongoing, new, etc), completion timelines, source of funding and the proposed costs for the projects?

Purpose: In this question, we want to determine the transparency of budget documents in relation to health projects. Budgets should provide detailed information that enables citizens to monitor progress in project implementation and service delivery using social accountability tools such as social audits and PETs.

Implication: The absence of project details in budgets makes it difficult for citizens to track project implementation. If budgets are not transparent, they create room for misappropriation of funds.

Relevant Budget Documents: CIDP, ADP, PBB

BARINGO COUNTY GOVERNMENT DEVELOPMENT BUDGET

DEVELOPMENT BUDGET SCHEDULE FOR FINANCIAL YEAR 2017/2018

S/No	Code	Programme	Sub Programme	Project Title	project location	Project Description	Sub County	Estimated Cost	Measurable indicator	Expected Outcome
286	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Tugumoi Dispesary - staff house	Lembus	Tugumoi Dispesary - Staff House	Eldama Ravinne	650,000	staff house constructed	improved health care
287	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Seguton Dispensary - Staff house	Lembus	Seguton Dispensary- Staff House	Eldama Ravinne	700,000	staff house constructed	improved health care
288	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Kibias Dispensary	Lembus Perkerra	Kibias Dispensary	Eldama Ravinne	2,000,000	No.of room constructed	improved health care
289	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Kaptororo t Dispensary	Barwessa	Kaptororot Dispensary	Baringo North	1,700,000	No.of room constructed	improved health care
290	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Seremwo Dispensary Fencing	Kabartonjo	Seremwo Dispensary Fencing	Baringo North	500,000	No.of Kms fenced	improved health care
291	3110202	Curative Health Care Services	Upgrading of Rural health centres and Dispensaries	Tiriondoni n Dispensary (Pharmacy /Injection Room)	Kabartonjo	Dispensary (Pharmacy/Inje ction Room)	Baringo North	2,500,000	No.of room constructed	improved health care

Figure 11: Excerpt of Baringo County Government Programme Based Budget for FY 2017/18

As illustrated in the snippet above, the program-based budget for Baringo County provides details of each proposed project i.e. project location, cost, measurable indicators and expected outcomes. However, some important details such as **project duration and status** are missing. This will make it difficult for citizens to monitor the budget during the implementation stage.

13. What is the performance of the health budget?

Purpose: County budget performance is determined by how much a county was able to raise in local revenues vis a vis its targets and how much it spent against what it said to it would in the budget estimates. This question helps address a number of questions, did the county spend what it had allocated to the different sectors and programmes? Did the county spend as it had indicated it would spend (i.e., did it spend the budget on the things it said it would spend the budget on?)

Implication: Low budget absorption implies delayed service delivery or non-implementation of projects and needed services. Rolling over projects and programmes to the next financial year is not efficient financial management. Projects and programme that are not implemented in a timely manner are likely to attract the negative effects of inflation and other changes in the socio-economic political environment ultimately leading to a decline in the provision of health services.

Budget Implementation is what translates citizens' priorities/ aspirations to reality. The PFM Act requires counties to review budget performance on a quarterly basis through preparation of the county budget implementation reports. The County Budget Review and Outlook Paper analyses fiscal performance for previous financial year while County Fiscal Strategy Paper should review performance for half year of the current financial year. The office of the controller of budget also reviews the county budget implementation on a quarterly, half year and annually. Using these documents, the public can interrogate how their counties are performing in specific sectors.

Relevant Budget Documents: CBROP, CFSP, CoB Reports, Quarterly implementation reports

In the excerpt below derived from the Controller of Budget Annual Budget Implementation Report for Baringo County for FY2018/19, the Controller of Budget notes that the health sector had the lowest development absorption at 18.2%.

3.1.8 Budget Performance by County Department

Table 3.3 shows a summary of the approved budget allocation and performance by department in FY 2018/19.

Table 3.3: Baringo County, Budget Performance by Department

Department	Annual Budget Allocation (Kshs. Million)		Exchequer Issues (Kshs. Million)		Expenditure (Kshs. Million)		Expenditure to Exchequer Issues (%)		Absorption Rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
County Assembly	662.24	19.50	629.01	13.60	628.28	5.07	99.9	37.3	94.9	26.0
Governor/ County Executive Services	510.10	33.43	510.88	9.27	492.70	6.48	96.4	69.9	96.6	19.4
County Treasury Services	312.85	21.16	278.58	3.00	309.13	10.55	111.0	351.8	98.8	49.9
Transport and Infrastructure	64.52	883.78	64.46	622.08	62.96	347.04	97.7	55.8	97.6	39.3
Industrialization, Commerce and Tourism	75.70	20.37	75.70	20.42	68.77	16.06	90.8	78.7	90.8	78.9
Education and ICT	337.58	313.54	336.64	170.34	335.46	147.85	99.6	86.8	99.4	47.2
Youth, Gender & Social Security Services	36.10	75.47	35.93	30.58	34.86	38.59	97.0	126.2	96.6	51.1
Health	2,004.11	735.55	1,981.11	135.15	1,998.54	134.04	100.9	99.2	99.7	18.2
Lands, Housing & Urban Development	120.50	191.45	79.25	68.70	76.08	80.44	96.0	117.1	63.1	42.0
Agriculture, Livestock, Fisheries & Marketing	247.89	446.01	247.58	187.10	230.82	103.63	93.2	55.4	93.1	23.2
Water & Irrigation	121.05	799.79	121.37	225.33	120.96	225.08	99.7	99.9	99.9	28.1
Environment & Natural Resources	35.82	56.49	35.54	44.96	35.68	43.61	100.4	97.0	99.6	77.2
Total	**4,528.48**	**3,596.55**	**4,396.04**	**1,530.52**	**4,394.23**	**1,158.45**	**100.0**	**75.7**	**97.0**	**32.2**

Source: *Baringo County Treasury*

Analysis of expenditure by department shows that the Department of Trade, Industrialisation and Commerce recorded the highest absorption rate of development budget at 78.9 per cent while the department of Health recorded the lowest at 18.2 per cent. The Department of Water and Irrigation had the highest percentage of recurrent expenditure to recurrent budget at 99.9 per cent while the Department of Lands, Housing and Urban Development had the lowest at 63.1 per cent.

Table 7: Baringo County Performance - excerpt from Controller of Budget Annual Report

The table below provides an analysis of the performance of the health sector budget for Baringo County over a three-year period in terms of absorption. From this analysis, it is possible to deduce that that absorption for the health department has been declining over the 3 years period. The fact that Baringo Health Sector is not spending most if not all of the funds allocated to its sector raises concerns over what is happening to projects in this sector, concerns that the public should investigate.

Table 8: Comparison of Budget Absorption in the Health Sector over a three-year period

DEPARTMENT	Approved Budget 2016/17 (Khs.)	Overall Expenditure 2016/17 (Khs.)	Budget Absorption Rate (%)	Approved Budget 2017/18 (Khs.)	Overall Expenditure 2017/18 (Ksh.)	Budget Absorption Rate (%)	Approved Budget 2018/19 (Ksh.)	Overall Expenditure as per Q4 County Budget Implementation Report (Ksh.)	Budget Absorption Rate (%)
County Assembly	604,842,190.00	540,853,866.00	89.4	667,299,732.00	599,777,086.00	89.88	681,747,677.00	633,345,846.00	92.90
Governor/ County Executive Services	475,381,261.00	394,313,472.00	82.9	454,078,145.00	397,287,951.00	87.49	543,527,994.00	499,177,419.00	91.84
County Treasury Services	292,130,403.00	274,374,292.00	93.9	323,151,695.00	310,506,908.00	96.09	334,011,054.00	319,687,147.00	95.71
Transport and Infrastructure	691,536,822.00	455,991,070.00	65.9	676,181,434.00	402,222,852.00	59.48	948,307,266.00	409,997,543.00	43.23
Industrialization, Commerce and Tourism	172,865,495.00	142,561,369.00	82.5	124,048,566.00	108,047,865.00	87.10	96,073,460.00	84,829,820.00	88.30
Education and ICT	525,821,618.00	438,776,051.00	83.4	592,850,262.00	416,076,302.00	70.18	651,120,760.00	483,312,480.00	74.23
Health Services	2,354,602,004.00	2,008,893,326.00	85.3	2,547,129,995.00	2,140,136,649.00	84.02	2,739,657,627.00	2,132,578,907.00	77.84
Lands, Housing & Urban Development	186,560,453.00	166,463,857.00	89.2	150,625,473.00	105,217,520.00	69.85	311,952,154.00	156,520,901.00	50.17
Agriculture, Livestock, Fisheries & Marketing	424,342,079.00	318,487,974.00	75.1	532,968,241.00	363,966,426.00	68.29	693,900,982.00	334,452,493.00	48.20
Youth, Gender & Social Services	166,056,261.00	91,443,874.00	55.1	135,120,556.00	65,711,743.00	48.63	111,570,541.00	73,457,065.00	65.84
Water and Irrigation	536,325,196.00	383,408,486.00	71.5	682,094,092.00	252,630,606.00	37.04	920,838,851.00	346,035,930.00	37.58
Environment & Natural Resources	80,973,952.00	67,133,496.00	82.9	73,838,109.00	56,749,274.00	76.86	92,319,092.00	79,287,765.00	85.88
GRAND TOTAL	**6,511,437,735.00**	**5,282,701,131.00**	**81.1**	**6,959,386,301.00**	**5,218,331,181.00**	**74.98**	**8,125,027,458.00**	**5,552,683,316.00**	**68.34**

Lastly in this question, we interrogate the performance of the health sector in Baringo vis-à-vis total expenditure of the county. The table below shows that expenditure for the health department versus total county expenditure has been inconsistent over the 3 years under review but still shows that health is a substantial sector compared to other departments.

14. What challenges have emerged during budget implementation? Has the department budgeted for mitigation measures?

Purpose: This question, seeks to establish whether lessons from previous budget implementation are being applied to improve health service delivery.

Implications: If counties are not applying lessons from previous budget implementation, it means they will keep repeating previous mistakes, leading to inefficient use of budgets and ultimately poor service delivery. For example, if a county identifies understaffing as the main challenge in the current financial year, there should be an intervention in the budget for additional staff in the following financial year. Additionally, if audit reports reveal that a certain project is not adding value, then the county should stop allocating funds to it and identify another priority.

Relevant Budget Documents: Controller of Budget Reports, Program-based Budgets

In the extract below, the Baringo Annual Development Plan 2019/20 identifies inequalities in the distribution of health development projects in the FY 2018/19. It is therefore prudent for planner in subsequent years' budgets to identify a recourse action e.g. set aside an amount for allocation to areas that have been left behind.

Challenges experienced during implementation of the previous ADP

These include the following:

1. Inefficiency in resource allocation, leading to poor consideration for equity. Equality prevailed over equity due to political input.
2. Disconnect between proposed and approved priorities during resource allocation.
3. Award of new allowances in the interval of the financial year to health workers; without additional exchequer funding.
4. The challenge of balancing between equity and equality in the distribution of development projects.
5. Poor absorption of development funds due to insufficiencies in capacity to do project monitoring.
6. Lack of incentive to attract and retain skilled and specialized workforce.
7. Lack of capacity in Leadership and management.
8. Dependence on donor funding in key programs and poor financial support towards transition for sustaining these programs.
9. Low enrollment of the citizens to health insurance leading to harmful health care spending.
10. Poor health seeking behavior leading to late first contact with the provider.
11. Poor male involvement in health care programs and services.
12. Low levels of education amongst the citizens affecting uptake of essential services.

Lessons learnt and recommendations

- Investment per ward in infrastructure, spreading thin the resources was not cost effective and brought no value for money. Next ADP to strengthen the listed or existing structures for improvement.
- Advocacy needed during change in strategy, to avoid conflict among stakeholders. Public participation to be more of dissemination of plans than listing of new projects.
- Other government sectors to collaborate with the health sector so that the sector invests mainly in health-related outcomes (Works, Water, Energy etc).
- Use of program-based planning and budgeting needs to be disseminated to the organs that approve such plans and budgets, so that approved budgets are aligned to the plans proposed. This would lead to rational resource allocation, as opposed to incremental approaches.

Figure 12: Baringo County ADP excerpt on challenges in implementation

15. What was the health budget actually spent on?

Purpose of the question: This question is meant to determine if the county is keeping its commitments by spending the budget on the programmes and projects that it said it would in the budget documents. It is not a guarantee that counties always spend funds on what they have budgeted for. During implementation some programmes are given priority over others. This should be compared to the priorities that were agreed upon during budget formulation.

Implication: If a county is not spending its health budget on the things it committed to, it could be an indicator of misappropriation of funds or disregarding the citizens' voice and inputs into the health budget and thus negating the public participation undertaken to influence the health budget. When citizens' inputs and voice is not honoured through implementation of their priorities it leads to apathy and therefore affects subsequent citizen participation forums because they see no value in these.

Relevant Budget Documents: This information can be found in various County Budget documents including programme-based budgets, implementation reports, Audit reports and County Budget Review and Outlook Paper, Office of the Controller of Budget -County Budget Implementation Review Reports.

The extract from the Nakuru County Programme Based Budget for the financial year 2019/20 shows that while the county planned to spend Kshs. 10.5 million on Reproductive Health it actually spent Kshs. 9.7 million. This could mean that there are some reproductive health projects and activities that were budgeted for but not implemented during the 2017/18 financial year. The public, in their advocacy need to seek for information to provide an explanation as to this disparity. It is worth noting that counties are required to provide an explanation, particularly in the quarterly implementation reports, as to why they did not spend their entire budgets.

Sub Programme (SP)	Approved Estimates 2017/2018	Actual Expenditure 2017/2018	Baseline Estimates 2018/19	Estimates 2019/20	Projected Estimates	
					2020/2021	2021/2022
Programme 1: Administration and Planning						
SP 1.1: Health Information System	14,000,000	6,894,266	9,850,000	6,926,840	7,619,524	8,381,476
SP 1.2: Governance and Leadership	417,765,551	390,971,971,725	559,887,408	345,118,902	379,630,793	417,593,872
SP 1.3: Human Resource Management	3,419,797,571	3,322,043,046	3,548,463,051	460,156,640	506,172,304	556,789,534
SP 1.4: Research and Development	2,500,000	1,913,966	2,750,000	2,000,000	2,200,000	2,420,000
SP 1.5: Health Infrastructure and Development	628,638,198	507,308,796	-	56,308,823	61,939,705	68,133,676
Total Expenditure Prog 1	**4,502,702,320**	**4,229,091,798**	**4,120,950,459**	**870,511,205**	**957,562,326**	**1,053,318,559**
Programme 2: (Health Preventive and Promotive Services)						
SP 2:1: Primary Health Care	644,707,880	141,300,357	135,249,583	620,323,647	682,356,012	750,591,613
SP 2.2: Environmental Health and Sanitation	12,625,000	6,860,240	8,110,000	6,517,791	7,169,570	7,886,527
SP 2:3: Human Resource	-	-	62,687,087	1,123,984,503	1,236,382,953	1,360,021,249
SP 2.4: Disease Surveillance and Emergency Response	7,360,483	5,244,683	1,400,000	1,000,000	1,100,000	1,210,000
SP 2.5: Health Promotive	1,890,000	1,681,600	1'100,000	1,150,000	1,265,000	1,391,500
SP 2:6: HIV Programme	-	-	6,100,000	3,000,000	3,300,000	3,630,000
SP 2:7: Nutrition	-	-	-	1,000,000	1,100,000	1,210,000
SP 2:8 Reproductive Health	10,504,106	9,721,765	1,750,000	3,450,000	3,795,000	4,174,500
SP 2:9 Immunization				6,050,000	6,655,000	7,320,500
Total Expenditure Prog 2	**677,087,469**	**164,808,645**	**216,396,670**	**1,766,475,941**	**1,943,123,535**	**2,137,435,889**
Programme 3: (Health Curative and Rehabilitative Services)						

Figure 13: Nakuru County Government Programme Based Budget for 2019/20 FY excerpt

16. What is the implementation status of strategic health development projects?

Purpose: In this question, we want to establish whether health development projects are being implemented on time and according to the plans with regards to how much was allocated to the specific projects and the targets set. It also seeks to ascertain if the state of the implemented health project reflects value for money.

Implication: If counties do not implement health development projects as planned and projects are initiated but not completed on time, citizens will not receive health services as intended. This will lead to project rollovers and will be reflected as low absorption of funds in the department. This may have a bearing

on how much is allocated to the sector in subsequent financial years. To track progress in implementation of projects, it is imperative to compare what is in implementation reports and what is the actual reality of the projects.

Relevant Budget Documents: This information can be found in Quarterly implementation reports, PBB, state of the county address report and CoB, CBROP, Auditor General Report.

In the snippet below, Nyeri County had planned to complete construction of Karogoto Dispensary by 12th May 2019. However, the Fourth Quarter Budget Implementation Report for the FY 2018/19, shows that the project completion status was at 62% as at 30th June 2019. This implies that residents of Korogoto were yet to access health services at the facility as intended.

S/No.	Project/Programme Name (With clear description of activies)	Location of the project Name of Ward	Project Programme start date	Project Programme start date	Expected duration of the Project/Programme	Source of funds (County or Donor Funds	Estimated Budget amount for the Project/Programme	Actual Expenditure (Kshs.)	Status of the project/Programme (Give details and percentage of completion)	Remarks (Challenges/ Success)	Recommendations
	of New Naromoru Level 4 Hospital (Main Works)									Sums for sub-contracts	Works ongoing Main contractor paid Ksh. 9,995,492.64 for Phase I out of the Ksh. 10 million allocated.
	Road works at Mukurweini Hospital	Mukurweini Sub-county Hospital	14/5/2019	14/8/2019	90 days	CGN	3,400,000.00	3,298,106 .00	100% Complete	100%	complete and paid.
26	Renovation Works at Mukurweini Hospital	Mukurweini Sub-county Hospital	12/2/2019	12/5/2019	90 days	CGN	2,100,000.00	2,147,786.40	100% Complete	100%	Complete and paid. The hospital administrator says they are happy with the works.
	Completion of Karogoto Dispensary and Construction of Pit Latrine	Karogoto Dispensary	12/2/2019	12/5/2019	90 days	CGN	3,950,000.00	2,438,072.92	60% Complete	62%	Works on going 62% complete paid Ksh.2,438,072.92.
27	Proposed Completion of Zaina phase III Builders Work	Zaina dispensary	12/2/2019	12/5/2019	90 days	CGN	3,870,331.00	3,056,797.20	90% Complete	90%	Works ongoing 90% complete. Paid Ksh. 3,056,797.20

Figure 14: Excerpt from Nyeri County, Fourth Quarter Budget Implementation Report

17. What audit/ accountability issues have been raised in the past relating to health sector?

Purpose: In this question, we want to establish whether counties are spending public resources lawfully and whether they are adequately addressing queries raised by the Office of the Auditor General raised in previous audits, to ensure effective delivery of services. The law requires that financial statements from counties be subjected to an audit and a report published within 6 months after the end of each financial year.

Implications: Audit reports flag accountability issues and provide critical lessons that can inform subsequent budgeting and implementation processes in counties.[6] If counties do not spend resources allocated to the health sector lawfully and health projects fail to reflect value for money, it means that citizens will not have access to quality health services as intended by the Constitution.

AUDIT Issues	FY2015/16	FY2016/17	FY2017/18
Value for money	**Delayed Implementation of Projects:** The County in FY 2014/15 awarded contracts valued **Kshs. 207.5 Million** for construction of dispensaries, maternity and general wards but were not implemented within the stipulated timelines. *Why no Value for Money;* • All these 32 projects are incomplete with some having not taken off The project costs are likely to go up due to inflationary pressures	**Delayed Implementation of Projects:** Incomplete works at Mogotio Sub-County Hospital **– Kshs. 2.4 Million** out of the total contract value of Kshs.3.9 Million was paid for the construction of a Septic tank at Mogotio Sub-County Hospital for a 12-weeks contract but physical audit verification showed that the project had not been completed and the contractor was not on site despite the expiry of the contract period by three and half months. There was no evidence for request of extension of contract period made available for audit review No evidence has been availed to the OAG in form of site minutes to confirm resumption or explained how the contractor took possession of the site outside the contract period	**Delayed Implementation of Projects:** • The value of roll over projects stood at Kshs. 450 Million • Project Status report shows some projects have been rolled over since FY 2013/14 and no explanation on why they have not been completed • Current status of the project (whether in progress, stalled, abandoned or completed awaiting commissioning) not availed • Reasons for continued roll over not provided

Figure 15: An analysis of the Auditor General's Reports for Baringo County over a Three-year Period[7]

From the analysis above, we notice that over a 3-year period delayed implementation of development projects has consistently been cited as an audit issue. This raises a question on the County Government commitment towards effective and efficient service delivery if the issues is being raised again in subsequent audits.

[6] See Annex 1 for a list of audit terms

[7] CEDGG, Analysis of Auditor General's reports on Baringo County Executive Financial statements (201617-201718

18. How much is the County raising locally in comparison with targets and historical trends?

Purpose of the question: To determine a county's independence in funding its budget, specifically the health budget. Is the county committed to raising resources that could finance health service delivery? The commitment can be assessed by comparing what they targeted to raise against what they actually raised. This can also be assessed by whether the revenue is growing or declining over the years.

Implication: One of the sources for health funding is local revenue. If a county does not meet its local revenue targets, it implies a deficit in its budget and thus negatively affecting financing of the health functions.

Example: If a county fails to meet its local revenue targets by for example Ksh. 20 million it implies projects and programmes worth Ksh. 20 million are not implemented.

FY	Target (ksh.M)	Actual (ksh.M)	Variance (ksh.M)	Growth (%)
2013/2014	210	201	8	
2014/2015	255	249	5	24%
2015/2016	300	279	20	12%
2016/2017	330	286	43	2.5 %
2017/2018	350	301	49	5.2%
2018/2019	371	359	12	19.3%
2019/20	393			

Source: Various issues of Counties Implementation Reports, CBROP and Office of the Controller of Budget Annual County Budget Implementation Review Reports

Figure 16: Analysis of Local Revenue Trends in Baringo County

From analysis of local revenue performance as illustrated in figure 16 above, Baringo County has consistently fallen short of the set target with the highest variance being 49 million in 2017/18. The implication of this is that in the FY 2017/18 programmes worth 49 million were possibly not implemented given this shortfall in local revenue.

If a county is not spending its health budget on the things it committed to, it could be an indicator of misappropriation of funds or disregarding the citizens' voice and inputs into the health budget and thus negating the public participation undertaken to influence the health budget.

Annexes

Annex 1: Glossary of terms

Revenue:	A government's total annual amount of available resources, i.e., its income collected from taxes on salaries, company profits, sales, etc., as well from loans and foreign aid. Revenue is usually divided into tax revenue (i.e., money collected from direct and indirect taxation of individuals and companies) and non-tax revenue (i.e., government revenue not generated from taxes, such as aid, revenue from state owned enterprises, rents/concessions/royalties, fees, etc.).
Expenditure:	The spending of money by the government or the amount of money spent.
Recurrent Expenditure:	Expenditure that does not result in the acquisition of long-term assets. It consists mainly of expenditure on salaries, goods and services, maintenance, etc.
Development/Capital:	Funds spent for the acquisition of a long-term asset; the total spending on such asset would be divided over several years. This includes expenditure on equipment, land, buildings, legal expenses, and other transfer costs associated with property. Note that in Kenya, "development expenditure" has traditionally included both capital and recurrent expenditure, but the Public Finance Management Act 2012 actually defines development expenditure as "capital expenditure." In practice, however, there is some confusion about this.
Operations & maintenance:	As distinguished from "capital expenditures," are expenses of ongoing, day-to-day or routine operations of a department.
Personnel Emoluments:	Compensation (wages and salaries) for civil servants.

Grants/Loans:	Grants are transfers made in cash, goods, or services for which no repayment is required by the government, while loans are transfers for which repayment is required by the government.
Conditional Grants:	Conditional grants are monetary transfers from one level of government to another, which place conditions on the use of the transferred funds by the recipient government.
Unconditional Grants:	These are grants that have no restrictions or conditions placed on them.
Programme Based budget:	Programme based budgets is budgeting prepared specifically for a project or programme. This type of budget includes expenses and revenues clustered according to the specific project or programme the expenses and revenues contribute to. No revenues or expenses of any other projects are mixed with this particular project.
Programmes & Projects:	A program is a portfolio comprised of multiple projects that are managed and coordinated as one unit with the objective of achieving (often intangible) outcomes and benefits for the organization. A project on the other hand is a temporary venture established to deliver specific (often tangible) outputs in line with predefined time, cost and quality constraints
Baselines:	the situation prior to a development intervention, against which progress can be assessed or comparisons made.
Indicators:	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.
Targets:	A particular value, or range of values, that is desired in relation to one performance indicator by a specific date in the future.

Budget Ceiling:	A cap on budget spending set the maximum amount that a sector, ministry, department or a government agency can spend within a particular financial year.
Sector vs Department:	A sector comprises of various government ministries, departments or agencies implementing closely related or complimentary programmes while a department refers to a single government entity with a specific mandate... Refers to sectors, departments or programmes that government considers more important than others and thus receive the highest increase in the share of budget allocations in case of an increase in the total revenue or are smallest decline in case of a decline in the total revenue.
Public Finance:	Public finance refers to all monies raised and spent by government on behalf of its citizens.

Annex 2: Explanations of Key Audit Terms and Issues

Types of Audits

Performance Audits	Examines the economy, efficiency and effectiveness with which public money is spent. This applies to the overall county and specific county projects evaluating whether citizens have gotten value for their money.
Forensic Audits	These establish fraud, corruption or other financial improprieties.
Procurement Audits	Examines the public procurement and asset disposal process of a state organ or a public entity with a view to confirm as to whether procurements were done lawfully and in an effective way.
Compliance Audits	These look at the extent to which the relevant regulations and procedures have been followed.

Audit Queries

Unsupported Expenditure:	This is spending that lacks adequate documentation, such as: approvals, authorizations, receipts & vouchers etc. Although it is often equated to "unaccounted for" spending, that is not always the case. In some cases, it is very clear what the spending went for, but it was not authorized properly. A transaction is also unsupported where there are goods and services that cannot be verified as received.
Excess Expenditure:	This is overspending without authorisation. In this case spending is above the budget for a particular vote, but there is no supplementary budget or other authorisation to exceed the spending limit in law. This should be differentiated from spending on particular items. For example, if members of the County Assembly approve an increase in their own salaries and allowances violating the ceilings stipulated by the Salary and Remuneration Commission. This is illegal.

Pending Bills:	These are monies that have yet to be paid out to contractors/ suppliers for goods delivered or services rendered. The same could have been invoiced and supported by certain documentation. This is an audit query because it implies mandatory allocation of funds to offset the pending bills in the following financial year.
Management of Imprest:	This becomes an audit query where imprests (cash advances when government officers travel to attend meetings that must be returned of accounted for with proper records) are unaccounted for, or where officers receive new imprests while they still have outstanding imprests. Government officials must return receipts and other appropriate documentation showing expenditure or else surrender unused imprests.

Audit Opinions

Unqualified certificate:	A clean certificate. The auditor in this case is convinced that funds were managed properly and that there were no problems with the documentation.
Qualified certificate:	A statement that would have been considered clean but for a few audit queries. The queries are not pervasive or systemic and the problems identified can be rectified easily.
Adverse Certificate:	There are pervasive (systematic) problems with the financial operations of government agencies. These problems require considerable changes to rectify. This kind of finding should be of particular concern to oversight bodies.
Disclaimer Certificate:	This was identified as occurring when there is shoddy record keeping and the auditor is unable to fully review the entity's documentation to form an opinion. This is a serious lapse in compliance and should be of major concern to oversight bodies.

Other Audit Issues

Long outstanding balances:	Outstandingunderstated/ overstated imprest Long outstanding un-cleared debts
Failure to reconcile books of accounts:	Unexplained/un-realistic variances Variances in cash and bank balances
No value for money:	Abandoned/deserted projects Stalled projects ncomplete projects
Lack of supporting documents:	No documentary evidence Failure to provide records Failure to provide justifiable explanations
Violations of financial regulations:	Irregular expenditure Unbudgeted expenditure Unaccounted expenditure Violation of procurement procedure/regulations

Annex 3: List of Abbreviations

ADP	Annual Development Plan
AU	African Union
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CoB	Controller of Budget
CoK	Constitution of Kenya
CRA	Commission on Revenue Allocation
DHIS	District Health Information System
FY	Financial Year
KDHS	Kenya Demographic and Health Survey
KNBS	Kenya National Bureau of Statistics
MTP	Medium Term Plan
PBB	Programme Based Budget
PFM	Public Finance Management
SDG	Sustainable Development Goals
SIGs	Special Interest Groups
TA	Transition Authority
WHO	World Health Organisation

If counties are not applying lessons from previous budget implementation, it means they will keep repeating previous mistakes, leading to inefficient use of budgets and ultimately poor service delivery.

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Published in Nairobi, Kenya 2020

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