

Budgetary Allocations and Successful Implementation of County Government Projects a Survey of the County Government of Meru

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Abstract: Allocation of finances into the devolved governments has been growing all over the world as a process of decentralization of resources from the National governments to the grassroots. This study aimed at looking into the influence of public participation in budgetary allocations and successful implementation of county government projects. The reports stipulate that most of the County governments not be allocating enough funds which might have been caused by budgetary allocation related issues. The study employed descriptive survey research design. The target population was the County Public Service Board, Chief Officers (CO), members of the County Assembly (MCAs), Sub County administrators, County Legal Officer and County Executive Committee Members (CECMs), These totaled to 155; the sample size consisted of 112 respondents. Stratified sampling and simple random sampling procedure were used to select the study respondents for the study. The questionnaire was data collection instrument. From the findings of the study, it was found that public participation had a significant effect on the allocation of funds and hence affected the completion of projects. It is recommended that the County government should open itself to the public and hold open days in various parts of the county to educate the public on its functions. Also, the link between the members of the public and the County government should be well established to eliminate the disconnect between the development projects undertaken by the County and national government. It is important for the County fund managers to ensure that necessary information concerning funded projects is made available and accessible to the members of the public for accountability purposes.

Keywords: Public Participation, County government, Budgetary Allocations, Implementations

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I. Introduction

In worldwide, the adoption of decentralization is growing a guarantee against the discretionary use of power steadily. Historically, we have been experiencing a general trend towards the centralization of power by governments. In the 20th century, a number groups in the unitary and the governance systems intensively worked on the reduction of the power of the central governments by introducing the act of devolution of authority and authority to regional and local governments. For instance, the key supporters of states rights worked on a mission the ensure that power was diffused from Washington D.C to local authorities and the states. The ideology of federalism is the concept of devolution in the USA which occurred between the 1970s and 1980s under the keen directive of Republican President Nixon and Reagan. New federalism offers an opportunity to the states to reclaim and have power, and this enables them to be recognized as the highest government power (Victor, 2010). Kenya made a significant step on how governance should take shape in 2010 after the major promulgation of the new constitution from the national government to the local governments. It states how resources and power are to be shared and devolved to the grassroots level that is the local government which brought to birth devolution which is still struggling to pick up and performs its core functions reliably. According to the constitution devolved governance is found in chapter 11. It makes it possible for formation of 47 governments which are referred to as counties to be led by a governor and a deputy governor who are elected by the people in the set geographical boundaries as it is established by the county government act 2012 which brought into the realization of systematic structures for the success and implementation of devolved governance. The local governments in the devolved system have legislative authority and executive which may include mandates and powers, revenue collection, policies establishment, proper planning, preparation of the budget, and governance. Due to devolution in Kenya the local citizen in the village have been given an opportunity to participate in the running of the affairs of the county and also to play a major role in

ensuring that the projects initiated by the county government are the priorities of the resident due to the decentralization of power, N. M., & Kilika, S. (2013). Devolution has led to a significant increase in effectiveness and efficiency in service delivery to the citizens, by allowing for a closer match between public policies and the desires and needs of residents.

Statement of the Problem

County governments are decentralization initiatives which receive funds from the central government and local revenue collection to each County for expenditure on recurrent and development projects intended to address particular community needs. A key feature of County Government is that Members of County Assembly (MCAs) typically exert a tremendous degree of control over how funds are allocated to development projects in various wards in Counties. Despite the variety of forms and approaches in allocation of funds to different Counties, disparities in financial allocation to various Counties. For instance in 2013/2014 financial year Nairobi received the highest allocation at Ksh 9.9 billion, Turkana Ksh 7.9 billion, Meru Ksh.5.5 billion and Lamu County received the lowest allocation of Ksh 1.6 billion (Commission on Revenue Allocation, 2013). This skewed distribution of Funds is exhibited when it comes to allocation funds in County budgets. First, funds are raised by national government and local revenue collections and disbursed at local level. Second, funds are allocated per ward and MCAs have some degree of control over the allocation. The funds are intended for development projects which reflect localized needs and preferences.

The greatest concern among the citizenry is that some wards are receiving more funding for development projects than others in various wards in the same County leading to partial completed projects at the end of financial year. It's of great concern to the residents to understand the criteria used in budgetary allocations for the projects in Meru County. Studies have been carried out to determine relationship between allocation of funds in CDF and National Government budgets in Kenya (Tero ,2014,Jared et al,2012), but no studies have been carried out to determine the relationship between successful implementation of County projects and budgetary allocation in County Governments in Kenya. This study is aimed at bridging this knowledge gap between budgetary allocation and successful implementation of development projects.

Research Objective

The main purpose of this study was to evaluate the relationship between public participation and allocation of funds in County Governments.

Research Hypothesis

To achieve the research objective of this study the following are the research hypothesis:

H₀: There is a statistically significant positive relationship between public involvement and funds allocation during the budget-making process.

H₁: There is no a statistically significant positive relationship between public involvement and funds allocation during the budget-making process.

Significance of the Study

The study is important to the County government and the policy makers as it provides knowledge on the relationship between allocations of funds and completion of projects in Counties. This enables them to take appropriate financial policies and decision that would enhance accelerated development in Counties.

Scope of the study

The study was conducted in Meru County, Kenya. Meru County has been selected for the study because it is one of the top ten Counties that received the highest allocation from the National government. For the last two years skewed allocation of funds for projects has been observed in Sub Counties and at Wards level leading to various uncompleted projects at various wards by the end of the financial year. Meru County has high population and the level of public awareness is high. Finally Meru County has a high Local revenue collection in Comparison to other rural Counties.

Assumptions of the Study

The study assumed that the respondents are knowledgeable on the relationship between allocations of funds and successful implementation of county projects in Meru County.

Limitations of the Study

A key limitation the researcher encountered was the respondent's honesty and truthfulness. The researcher also encountered cases where the respondents were not truthful, and ended up providing what they think the researcher wanted to hear as opposed to what is the correct situation. Respondents also feared being victimized for painting the Governor in bad light for political reasons. To counter this, the researcher assured the respondents' anonymity and confidentiality, and re-assured them that the information sought was to be used for the study purpose only.

II. Review Of Literature

Theoretical Review

Agency Theory

This theory supports the development of budgeting. The residents of the County act as the Principals and have entrusted the County government personnel as the agents to allocate resources to development projects on their behalf. Berlie and Means initiated the main agency theory ideas in 1932. This theory argues that any organization should be looked at as a nexus of contracts between resource holders and managers. This agency relationship according to this theory occurs when one or more individuals (principals) hire one or more other persons(agents) to perform some service and then delegate decision-making authority to the agents (Bamberg, 1987). The primary agency relationships in government are those between the governor and the governed. The agent in this case who is the governor should perform his duties diligently simply because he is accountable and responsible for his actions. It is the responsibility of the governor to ensure that county resources are utilized and prioritized as per the needs and wants of the citizens within that specific county.

Institutional Theory

About Kraft's Public Policy (2007), This Theory is concerned about policy making. It emphasizes the formal and legal aspects of government structures. This theory is widely accepted theoretical posture that emphasizes rational myths, isomorphism, and legitimacy. It normally focuses on the more resilient aspects of the social structure of governance. It talks about the processes by which structures, including routines, rules, schemes, and norms are becoming more established as official guidelines for social behavior with an organization set up (Scott, 2004). Diverse sections of this theory elaborate on how these elements are created, diffused, adopted, and adapted over space and time; and how they fall into decline and disuse. Institutions are social structures that have attained a high degree of resilience.

Empirical Review

Public Participation in Budget Making Process

In the Kenyan Constitution, Article 201 states very clearly the core principles of public finance and states that they should be accountability and openness in public finance which includes public participation, (The Republic of Kenya, 2010). The general public should make sure they play a major role in the budget-making process. This may help them to ensure that there is prioritization of projects by the local county governments. Therefore the cabinet and county executive committees which are in charge of budget making should make sure they play a role in ensuring that the public is fully involved and participate in the making of the budget. A brief overview of the management of the constituency development fund, it has emerged that the biggest problem is facing the CDF that there are a weak legal framework and lack of oversight mechanisms which now limit citizen participation in decision-making and project implementation. Members of Parliament are the patrons of CDF, and they have taken advantage of the legal loopholes to use CDF as a political tool (Nyangathi and Oyugi, 2013). Public participation in decision making is still not defined, and no safeguards are in place to prioritize community needs. Important questions on how CDF links with decision making at the County level need to be addressed (Musumba et al., 2013).

III. Research Methodology

Research Design

Descriptive research design and correlational research design were used in this study. It involved the collection of data to answer questions concerning the subjects in the study. Therefore, data were collected from the field, recorded and analyzed to respond to the research hypothesis formulated for the study and as a result meet the objective without manipulation.

Target Population

The target population in the study was 155 Members of the Meru County government consisting of, the County Public Service Board, Chief Officers (CO), members of the County Assembly (MCAs), Sub County administrators, County Legal Officer and County Executive Committee Members (CECMs).

Sample Size and Sampling Procedure

Stratified sampling was used to identify the various strata, and simple random sampling was used to select the respondents from each stratum. The sample constituted 72% of the target population.

Data Collection Tools

Questionnaires were the main tool for collecting data for the study. The data was collected using well-structured questionnaire. The selection of this tool was guided by the nature of the data to be collected, the time available as well as the objective of the study. The overall aim of this study was to assess the relationship between public participation and successful completion of development projects in Meru County.

Data Analysis and Interpretation

Descriptive data analysis techniques and inferential statistics were used to analyze the data. This involved descriptive tools such as means, mode, variance, standard deviation and frequency distribution. A simple regression model was used to test the relationship between the dependent and the independent variable identified for the study. Simple regression model applies to the linear prediction of one dependent from several predictors/ independent variable, (Kothari 2008). The general form of the Simple regression model. Where y is the predicted outcome value for the linear model with regression coefficients b_1 and Y intercept b_0 when the values for the predictor variable is x_1 The analysis was testing the simple regression functions:

$$y = \beta_0 + \beta_1 X_1 + e$$

IV. Data Analysis, Presentation And Interpretation

Reliability Statistics

The Cronbach alpha coefficient was used to determine the reliability of the data collection instrument. Cronbach alpha estimates the internal consistency of the toolkit which is expressed as a coefficient between 0 and 1.00. The higher the values of the coefficient, the more reliable the instrument. In this study, Cronbach alpha was used to test the reliability of the construct proposed for the study. The Findings indicated that public participation had 0.853. The value of the coefficient for the variable was above 0.7 which is the minimum recommendable value for a reliable instrument. It was by this reliability test that the scales used to capture the constructs under study were deemed acceptable.

Return Rate

Questionnaires used to collect data. A total of 112 questionnaires were distributed to CECs, directors, MCAs, Sub-County Administrators and ward administrators working within Meru County. Out of the 112 questionnaires sent to respondents, 103 were returned for analysis representing a response rate of 92% which is statistically acceptable.

Descriptive statistics on Public Participation

From the respondent's feedback, A majority 72.8% of the respondents agreed, 24.2% disagreed while a paltry 2.9% were undecided. These show that the County government involves communities when determining budgetary priority areas. This is done through public participation after budgetary estimates are made. Regarding whether the County government holds public education programs to educate the public. A majority 61.2% agreed that the County government hold civic education to inform the public, 25.2% disagreed. The results indicate that in by engaging in public

Participation, the free exercise their constitutional right and the decision-making process become more representative. Openness to the public provides a platform in which they represent their concerns. Insufficient public engagement limits the power of the people to participate in democratic governance (CoK, 2010). The respondents were asked whether forums are set in various places for the public to air their views. A majority 68.9% agreed while only 19.4% disagreed. This result shows that the County government has given the public the right to access information.

Regression Analysis

The study sought to determine the relationship between budgetary allocation and completion of development projects in County government of Meru. To achieve this objective, some hypotheses were formulated and tested using simple linear regression. A simple regression model was found to be appropriate in this study because the dependent variable was measured using a ratio scale. The implementation of projects was measured by the number of completed projects.

Test of Hypothesis on Public Participation

The researcher tested the directional hypothesis using one-tailed Pearson's correlation coefficient to determine whether there is a relationship between public participation and completion of development projects and the nature of the relationship. These results indicate that there is a statistically significant positive relationship between public involvement and completion of development projects in Meru county, $r = 0.393$, $n = 103$, $p = 0.000$. Since the p -value is less than 0.05 ($p < 0.05$) which is statistically significant then, it is concluded that there is a significant positive relationship between public participation and completion of development projects. The value 0.393 indicates a positive relationship between public participation and completion of development projects in Meru county.

V. Summary, Conclusions, And Recommendations

The aim of the study was to investigate whether public participation and level of public awareness affect the completion county government of projects and the budget allocations to this various projects. From the findings, it was found out that the County government has opened itself to the public and hold open days in different parts of the county to educate the public on its functions. However, the link between the citizens and the County government was not well established. There seemed to be a disconnect between the development projects undertaken by the County and national government. From the findings, it was determined that only 58% of the respondents were aware of the projects being undertaken by the County government and therefore there is a need to facilitate information diffusion to the grass root on the County development projects.

VI. Conclusions

The study concluded that most development projects in Meru County had not been completed due to various factors key among them lack of public participation. From the study findings, an increase in one unit of public involvement and evaluation increase effectiveness in the completion of the projects in Meru County. Also, it can be concluded that the poor performance in the finalization of projects was due to low and poor community participation when it comes to spending public funds under the county government. These were evident from the fact that community members knew less since the information was not well diffused and consequently they participated less thus showing less ownership of the projects.

VII. Recommendations

It is recommended that the County government should open itself to the public and hold open days in various parts of the county to educate the public on its functions. Also, the link between the citizens and the County government should be well established to eliminate the disconnect between the development projects undertaken by the County and national government. It is important for the County fund managers to ensure that vital information concerning funded projects is availed to the members of the public for accountability purposes.

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