

About ZIMCODD

Zimbabwe Coalition on Debt and Development (ZIMCODD) is a social and economic justice coalition established in February 2000. It is dedicated to facilitating citizens' involvement, through their sectors and as activists in making public policy and practice pro-people and sustainable.

ZIMCODD views indebtedness, the unfair local and global trade regime, tax injustices, unsustainable natural resource exploitation and lack of democratic, people-centred social economic and political governance as root causes of the socio-economic crises in Zimbabwe and the world at large. Drawing from community-based livelihood experiences of its membership, ZIMCODD implements programmes aimed at delivering the following objectives;

- To raise the level of economic literacy among ZIMCODD members and citizens to include views and participation of grassroots and marginalised communities.
- To facilitate research, lobbying and advocacy in order to raise the level of economic literacy of citizens.
- To formulate credible and sustainable economic and social policy alternatives.
- To develop a national coalition and facilitate the building of a vibrant movement for social and economic justice.

Vision

Sustainable socio-economic justice in Zimbabwe through a vibrant people based movement.

Mission

To take action in redressing the debt burden and social and economic injustices through formulation and promotion of alternative policies to the neo-liberal agenda.

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EXECUTIVE SUMMARY

This report presents findings from an open budget survey for Zimbabwe that was carried out by the Zimbabwe Coalition on Debt and Development (ZIMCODD) between May and July 2019. The study sought to understand national and local authority budgeting processes and suggest ways of increasing the participation of citizens in the budget cycle.

The Open Budget Survey (OBS) is a global research and advocacy program to promote public access to budget information and the adoption of accountable budget systems. An open budget is a fiscal statement of planned income and expenditure that is produced under a transparent and inclusive process which enables ownership by all stakeholders. An open budget process involves the disclosure of timely, accurate and understandable fiscal information in a transparent manner.

In Zimbabwe, the framework for budgeting is defined in the country's Constitution Section 298 (1) which establishes the principles of Public Financial Management as well as the Public Finance Management Act (Chapter 22:19) Section 7(2) which highlights the need to ensure transparency, accountability and sound management of revenue, expenditure, assets and liability of Government Ministries, designated corporate bodies and public entities.

The specific objectives of the open budget survey were:

- To gather opinions, perceptions and generate knowledge on local and national budgeting processes for the purposes of promoting fiscal transparency and accountability; and
- To suggest possible response mechanisms to ensure that the budget process involves transparency and increased citizen participation.

The survey utilised an applied mixed methods research study approach that used policy and legal analysis, questionnaires and key informants. The policy and legal analysis focused on frameworks that govern the national and local authority budget processes. Whilst the other tools focused on gathering information from the citizens, local authorities, parliament and residents' associations.

The study is based on the opinions and experiences of a total of 3298 citizens and 24 key informants selected from local authorities (elected and appointed officials), residents and ratepayers associations and Parliament.

Key Findings on the National Budget

On Participation during the pre-budget participation the study noted that only 1.7% of the respondents indicated that they have had access to the pre-budget strategy paper published by the Ministry of Finance before participating in the budget consultation. Some of the reasons for the limited access include sentiments that the document is too technical for the ordinary person to understand, with the economic terms also being considered too technical even for those that are educated. Secondly, it was pointed out that discussions on the budget strategy paper are usually communicated within government circles and membership organisations, with little extension of the discussions to the citizens. Thirdly, it was also pointed out that there is little or no awareness about the budget strategy paper except through the ministry of finance website.

The survey established that only 3.8% of the respondents have knowledge of the budget presentation period, especially the time and period in which the national budget is presented. The general implication is that Zimbabwe does not provide much information to citizens to enable them to participate meaningfully in the budget process.

The survey further established that 57.3% of the citizens have never participated in pre-budget consultations. However, while more than 40% have participated, most of them did so without having accessed the Budget Strategy Paper or having known about the timelines in advance, which would have enhanced the effectiveness of their participation. The survey revealed that participation in budget consultations is correlated with age

and gender with males and older people participating more. The participation is affected by limited interest, low ownership of property which disincentivises participation, pre-occupation with livelihoods, and the confrontational nature of meetings which at times are characterised by heckling and disagreements along political lines.

The majority of the respondents (56.1%) surveyed do not believe that their contributions during the pre-budget consultations sessions will be adopted in anyway by the central government. A disaggregation by gender shows that more males (54.49%) than females (35.76%) are of the opinion that their views are adopted by government. This can be one of the explanations of why there is generally higher participation among males than females in the budget processes.

A look at the distribution by age shows that older respondents are more confident that their recommendations are taken into account by government than the younger respondents, as 64.25% of those aged 54 years and above believe that their views will be adopted compared to 43.30% of the 36 to 53 years and 36.10% of the 18 to 35 years.

Almost half (51%) of respondents highlighted that they had no knowledge that once the executive budget has been presented before Parliament by the minister of finance, variations of allocations can be made before Parliament passes it.

Overall, citizens do not have access to the necessary documents that would enhance the quality of their participation, especially the Budget Strategy Paper (BSP), and neither do they have the knowledge about the time frames when the consultations take place. In addition, they are generally sceptical about the value of their contributions, which generally implies that they believe participation would just not be worthwhile.

During budget implementation stage, the study noted that there is generally limited scope for citizen engagement. The scope generally lies in feedback, especially citizens being informed about the performance of the budget in relation to plans. The study establishes that Only 25.8% of citizens engaged indicated that they have had access to budgetary performance reports.

At post budget processes, survey results show that only 2.4% of respondents have access to the Auditor General's report. This generally show that the majority of the citizens do not have much knowledge about the status of the budget implementation process.

On a scale of 1 to 5 with 1 being the lowest rating and 5 being the highest. Results show that generally citizens give a very poor rating with respect to central government services. Seventy percent of the respondents indicated limited satisfaction with government service, giving a rating of the service provision of 2 and below.

In terms of linkages between the local budget and the national budget, the study revealed a general divorce between the local authority process and the national level budget process.

Overall, the study noted that Zimbabwe has a well-coordinated and structured legislated national budget consultation process, with established institutions involved in the process. However, there are still a lot of challenges with respect to citizen participation and engagement. These challenges exist across all the stages of the budget process; pre-budget, budget implementation and post-budget. The interview results show that on average, Zimbabwe has an overall index score of only about 17.1%. However, the index was mainly weighed down by the post-budget participation, which is proxied by access or interest in Auditor-General's reports. The pre-budget participation is fairly high, with the only drawback being the limited access to the budget strategy paper

Recommendations on national budget process:

Although the Ministry is doing well with respect to meeting the timelines for the national budget, there is need for more effort in ensuring that the citizens get access to relevant papers. The Budget Strategy paper is not being utilised in the budget consultation process, while there are no collaborative efforts with structures that are closer to citizens.

There are a lot of awareness and knowledge gaps among residents concerning the national budget process. While parliament, local authorities and the Ministry of Finance may try to mobilise citizens to participate in the budget process, their efforts will only yield minimal response as citizens generally remain unaware of the processes. The role of ensuring that citizens are informed on the budget processes should be the primary objective of civil society organisations.

Parliament should ensure that there are deliberate efforts to inform the residents associations, local authorities and other locally based associations so that they help disseminate information about the budget consultation venues and timeframes as well as expand its consultation.

Given that government has currently adopted devolution as a key strategy of the country's development agenda, local authorities are also expected to play a pronounced role in development and governance within their jurisdiction. Local authorities should ensure that there is improved synchronisation between the national budget and their planning as well as ensure articulation of local citizens' aspirations.

Key Findings on the Local Budget

At the local level, the study revealed that residents did not have knowledge about the BSP as it is only presented to Cabinet and Parliament and ministries will then be expected to develop budget guidelines from the BSP. About 98.3% of the survey respondents indicated that they had not seen a BSP whereas less than 5% confirmed to have seen the BSP through the internet, of which 3% are women. (Fig 16) A further 93.7% had not seen the Ministry of Local Government, Public Works and National Housing (MLGPWNH) budget guidelines of which 46% were female and 47.3 were male.

At local authority level, Ninety percent of the chairpersons of the finance committees of local authorities under the study lacked knowledge of the BSP whereas only 10% who were aware of the BSP did not understand its utility to local government budgeting process.

Over 90% of the residents indicated that the content of their input in the budget is informed by substantive challenges they have e.g. poverty, unemployment, increasing commodities price and erosion of the value of earnings. The study therefore concludes that the input of citizens in the budget is neither a subject of the broad national economic scope presented in the BSP nor the budget guidelines of the MLGPWNH but ordinary daily challenges.

The survey results indicated that over 72% of the respondents did not understand the local authority budget process. Contrary to this, interviews conducted particularly with town clerks, directors of finance and leaders of resident's association demonstrated that this category of respondents is fully informed of the budget process. A gender analysis of the survey results reveals that of the 28% that understand the budget process, 16,4% were women whereas 11.6% were men and there are various factors that influence this which include how service delivery issues affects men and women differently.

Of the 28% with knowledge on the budget process, 18% felt that the consultation process lacks genuine and open engagement and are only meant to legitimise a council budget by meeting a statutory requirement which makes consultation obligatory. More than 70% of the issues raised at budget consultation meetings are not budget related. The results indicated that the meetings are usually attended by members of the councillor's political party, usually those who are in the party's ward structures

More than 72% of respondents have not accessed any council budget. Although current trends are promoting citizen versions of local budget, the survey results showed that none of the 10 studied local authorities has a citizen version of the budget. Further, the survey results showed that over 70% of the residents are not active in local government budgeting.

Over 80% of selected survey respondents did not understand the basis and justification of council's tariffs and user charges. Their general perception is that the tariff regime is unjustifiably high and not reflective of the quality of the service rendered.

Key informants to the study indicated that consultation meetings on the budget are advertised through council public notices, ward social media platforms, public address system or hailer in a council vehicle. The results of the survey indicated that over 95% of the disabled are technically excluded from budget consultation meetings. Physical barriers are also a major factor for limited participation in the budget making process. Survey results indicated that less than 5% of the youth and about 15% of the middle aged have attended the meetings which are usually dominated by the elderly. The reasons for such low attendance are varied from lack of interest (15%), lack of information on such meetings (25%), lack of appreciation of the importance of such meeting (30%), inconvenient venues and times for the meetings (11%).

Over 75% of the survey respondents stressed that budget consultation meetings have had a marginal influence on the final budget. With 82.44% of the respondents indicating that they have not managed to institute complaints to their local authorities due to limited interaction with the council on pertinent service delivery issues that affect them.

Almost 8 in 10 of the residents (75, 6%) indicated that they have not had access to a council budget. Of the 24.4% who had accessed the budgets, the media they used to access such budgets were council websites (29%), local newspapers (45%), buying a printed copy at council (17%) and other media (9%). Only 3.5% of the respondents accessed financial statements from council.

Seven out of the 10 local authorities under the study, representing 70% are doing financial statements for 2017 and/or before. The study also established that the Finance Committee chairperson presents financial statements to full council at the quarterly meetings. However, Councillors are not trained in public finance management, so they find it hard to comprehend budgetary issues.

The exchange rates, fluctuations of currencies and constant changes in prices are some of the factors that have been cited as affecting council's ability to work within the budgets that would have been approved. Over 80% of the residents indicated that there is noncompliance with budgets as they cited cases of council's expenditures that are not in line with budget and not sanctioned by council.

Over 80 % of the respondents in this research had never accessed any audit reports of local authorities and this compromises citizens ability to hold the local authorities accountable. Fifteen percent had accessed audit reports on the internet usually as excerpts of the Auditor General's reports. Five percent accessed the report through informal networks with council employees.

Recommendations on local authority budgets:

The study recommends that the central government should ensure that the Budget Strategy Paper and budget guidelines must be availed and made accessible to the public to improve their appreciation of the scope of budgeting hence the nature and quality of input in the budgeting process. Also, it should monitor the implementation of the Auditor General's findings and recommendations on financial management of local authorities. Central government should broaden the scope of the current legislation through a specific provision in the Public Finance Management Act and Urban Councils Act to make a requirement for local authorities to publish budgets and audited financial statements in the public media.

For local authorities, the study recommends that they should improve the generation and dissemination of budget performance reports and financial statements. It also notes that there is need to reconfigure budget consultative frameworks in order to create opportunities for genuine consultations while creating processes for ensuring that public input is captured in the budget. The need for councillor's capacity building and development in order to improve their knowledge and appreciation of budgeting and financial management was also emphasised. To enhance their accountability, the study also recommends that Local authorities should develop effective public complaints handling mechanisms.

For CSOs/RAs, the study recommended that there is need for capacity building in order to improve their appreciation of budgeting and financial management. Further on, CSOs/RAs should explore alternative models of financing their activities to compliment traditional sources.

The study recommended that residents should take an active interest in local governance affairs in general and budgeting and financial management in particular through active participation in council and budget consultation meetings.

I. INTRODUCTION

This report presents findings from an open budget survey for Zimbabwe that was carried out by the Zimbabwe Coalition on Debt and Development (ZIMCODD) between May and July 2019. The study sought to understand national and local authority budgeting processes and suggest ways of increasing the participation of citizens in the budget cycle.

I.1. Background and context

In 2006, the International Budget Partnership launched the Open Budget Survey (OBS) which is a global research and advocacy program to promote public access to budget information and the adoption of accountable budget systems¹. The OBS can be used as a reflection to identify the three critical tenets of an open budget, which are transparency, oversight and public participation. Budget transparency under the OBS is assessed based on the amount and timeliness of budget information which governments make available to the public. On the other hand, public participation is based on the opportunities that governments are providing to civil society and the public to allow them to engage in decisions on how public resources are raised as well as spent. Oversight focuses on the involvement of formal oversight institutions, which include supreme audit institutions and legislatures in the budget process².

For Zimbabwe, the framework for budgeting is defined in the country's Constitution Section 298 (1) which establishes the principles of Public Financial Management as well as the Public Finance Management Act (Chapter 22:19) Section 7(2) which highlights the need to ensure transparency, accountability and sound management of revenue, expenditure, assets and liability of Government Ministries, designated corporate bodies and public entities. An Open Budget Survey therefore becomes a critical tool for assessing whether Zimbabwe is adhering to the progressive constitutional provisions that promotes similar principles with the OBS.

An open budget can be defined as a fiscal statement of planned income and expenditure that is produced under a transparent and inclusive process which enables ownership by all stakeholders. An open budget process involves the disclosure of timely, accurate and understandable fiscal information in a transparent manner. It facilitates for concerned stakeholders to have opportunities to give opinions and provide feedback on how public resources are raised and spent. While business is normally involved in the budget process, citizens and civil society are often excluded. As such, discussions around open budgets generally tend to primarily focus on citizen engagement in the budget process as it is the main area of concern.

There are several benefits associated with an open budget which accrue to both the government and citizens. Firstly, having open budgets plugs loopholes in the budget circle and makes it easier to hold governments accountable for the effective use of public resources. This also motivates governments to work harder as their commitments and actions could be easily monitored. Secondly, the participation of citizens in the process as well as timely and accurate disclosure of information in a transparent manner creates an empowered citizenry which is able to oversee how resources are managed. This motivates government officials to efficiently use resources, which also lessens room for corruption and misappropriation of funds. Thirdly, open budgets allow for public and legislative scrutiny which reduces room for deviation from announced policy decisions and reversal of budget allocations to accommodate unbudgeted expenditures.³

In general, fiscal policy in countries with devolved or decentralised structures is enforced at two levels: the local government and central government levels. At the central government level, the national budget provides policy signals and priorities for a given year for the whole economy. This is mainly enforced through the Ministry responsible for Finance. However, local government budgeting is equally important, especially given that local authorities provide most of the social services upon which livelihoods are centred such as water and sanitation, waste disposal, public lighting, housing, basic health and education. It is therefore important

1 <https://www.internationalbudget.org/open-budget-survey/> accessed 19 June 2019

2 *Ibid*

3 "Open Budgeting Brings Better Development Results" by ONE at website <http://alanhudson.info/wp-content/uploads/2014/01/ONE-Open-Budgeting-Case-Studies-FINAL-11-Jan-13.pdf> accessed 19 June 2019

to ensure that government budgets at both central and local authority levels are produced under conditions which fulfil the open budget process.

1.2. Objectives of study

As an effort towards assessing open budgeting in Zimbabwe, the ZIMCODD commissioned this survey to understand national and local authority budgeting processes and suggest ways of increasing the participation of citizens in the budget cycle.

The Open Budget Survey assesses the openness and inclusivity of the budget making, budget funding, budget expenditure, budget report and audit reporting processes at national and local authority levels. It also assesses the opportunities that government provides to civil society and the public to engage in decisions on how public resources are raised and spent. The specific objectives of the survey were:

- To gather opinions, perceptions and generate knowledge on local and national budgeting processes for the purposes of promoting fiscal transparency and accountability; and
- To suggest possible response mechanisms to ensure that the budget process involves transparency and increased citizen participation.

1.3. Methodology

The survey utilised an applied mixed methods research approach that used policy and legal analysis, questionnaires and key informants. The policy and legal analysis focused on frameworks that govern the national and local authority budget processes. The Constitution of Zimbabwe, the Public Finance Management Act [Chapter 22:19] and the Urban Councils Act [Chapter 29:15] were the primary focus for this review. An in-depth literature review was also done to understand the framework of the 'open budget' as presented in various Open Budget Survey reports undertaken by the International Budget Partnership for Zimbabwe and other countries. The OBS survey instrument guidelines were the basis for developing instruments that were used to conduct key informant interviews and engaging citizens to understand the current budgeting processes at national and local authority levels.

The study utilised a questionnaire for engaging the residents on their experiences in the budget process. A key informant interview guide was used as the basis to engage local authorities, parliament and residents' associations. The instruments were used to obtain both qualitative and quantitative data which informed the findings and recommendations of the study. Interviews were conducted in 10 provincial capitals of Zimbabwe, which are Harare, Bindura, Bulawayo, Chinhoyi, Gwanda, Gweru, Hwange, Marondera, Masvingo and Mutare.

Targeted local authority level interviews were further split into two; the chairpersons of the finance committee (councillor) and the town clerks. Parliament was also engaged to get an understanding of the budget process, especially at the national level. Thus, the number of targeted key informants for the study was 31 including Parliament. However, challenges were encountered as some stakeholders could not be met within the time frame of the study. This resulted in a total of 24 key informant interviews being completed.

However, the extent of citizen engagement was assessed mainly based on face to face interviews with citizens. The targeted sample for citizens was 3500, distributed as 350 across the 10 urban local authorities. After data cleaning and analysis, the study is based on the opinions and experiences of a total of 3298 citizens and 24 key informants selected from local authorities (elected and appointed officials), residents and ratepayers associations and Parliament.

Table 1: Distribution of respondents by location

	Targeted of number respondents	Number of respondents	% Distribution
Chinhoyi	350	122	3.72
Gweru	350	228	6.94
Marondera	350	328	9.99
Bindura	350	348	10.60
Bulawayo	350	348	10.60
Masvingo	350	349	10.63
Mutare	350	349	10.63
Harare	350	350	10.66
Hwange	350	350	10.66
Gwanda	350	511	15.57
Total	3,500	3,283	100

Of the total respondents, 55.04% were females whilst 44.96% were males. In terms of age, respondents in the age category 18 to 35 accounted for 41.15% of total respondents whilst those in the category 36 to 53 years accounted for 41.82% while those aged above 54 accounted for 16.78% (Table.2)

Table 2: Distribution of respondents by Age and gender

	Female	Male	Number or respondents	% Distribution
18 to 35	714	637	1351	41.15
36 to 53	773	600	1373	41.82
54 and above	314	237	551	16.78
Not specified	6	2	8	0.24
Grand Total	1,807	1,476	3,283	100
% Distribution	55.04	44.96	100	

PART I: BUDGET PROCESS AT THE NATIONAL LEVEL

2. OVERVIEW OF THE ZIMBABWE NATIONAL BUDGET PROCESS

2.1. Legal and Institutional Framework for national budget

In order to assess the extent to which citizens are engaged in budget process, it was important for this study to establish whether there is a legal and institutional framework in place to provide for such engagement.

Constitutional provision and Public Finance Management Act

The national budget is the main fiscal policy tool that should ensure a sustainable and functional economy. For Zimbabwe, the national budget process is enshrined in the Constitution which demonstrates its centrality to the economy. Section 298 of the Constitution provides principles that guide all aspects of public finance in Zimbabwe. This is further complimented by Section 7 (1)(a) of the Public Finance Management Act (PFMA) which identifies the duty of the Minister of Finance and Economic Development as that of developing and implementing macroeconomic policies as well as to supervise, monitor and coordinate the finances of Zimbabwe.

The whole budget process, including dates and key activities of a budget process are set in Section 10(1) of the Public Finance Management (General) Regulations, 2019. The budget calendar starts with the preparation of the Budget Strategy Paper and ends with annual performance reports production (Table 3).

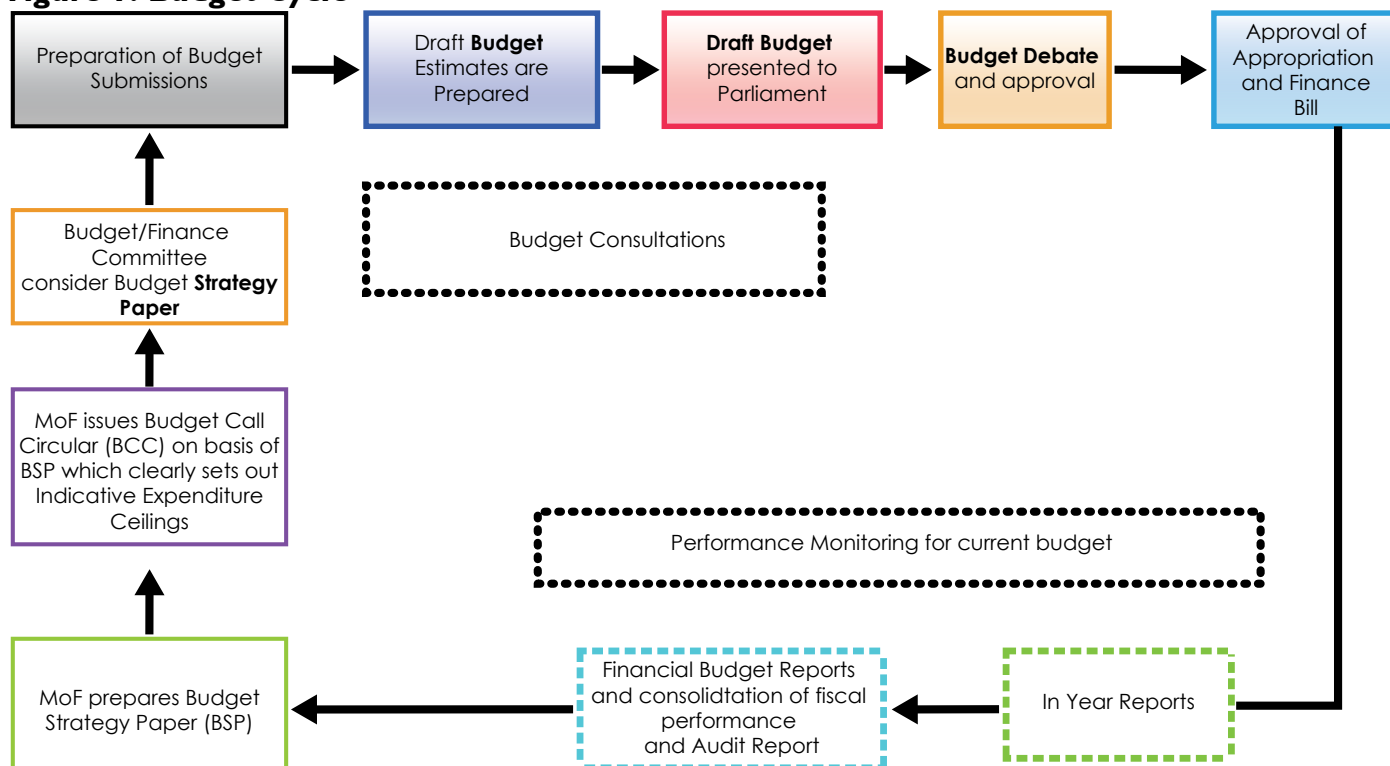
Table 3: Budget Calendar

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Ministries input into the Budget Strategy Paper												
Ministry of Finance sends the Budget Strategy Paper to Cabinet												
Ministry of Finance submits the Budget Strategy Paper to Parliament												
Cabinet approval of the Budget Strategy Paper												
Ministry of Finance issues Budget Call Circular												
Submission of Mid-Year Fiscal Review to Cabinet												
Ministries provide budget submissions to ministry of finance												
Ministry of Finance updates the macroeconomic and fiscal information and submits to cabinet												
Ministry of Finance completes review of budget submissions												
Ministry of Finance and other ministries hold budget discussions												
Ministry of Finance provides draft budget estimates to Cabinet												
Presentation of annual Budget to parliament												
Budget debate and approval /Publication of enacted budget												
Periodic Performance reports												

Source: Public Finance Management (General) Regulations, 2019

The national budget cycle, as provided for in Section 11(1) of the Public Finance Management (General) Regulations, 2019 can be presented as shown in Figure 1. The cycle involves the preparation of the Budget Strategy Paper, the issuance of the Budget Call Circular, the holding of budget discussions and presentation of the national budget to Parliament, followed by a mid-year fiscal review.

Figure 1: Budget Cycle



The Minister is also required by legislation to provide constant implementation progress updates of the national budget. Section 9 of the Regulations requires the Minister to produce half-year Budget Situation Analysis Report by 15th August of each year. Historically, a national Budget Review Statement has been produced routinely by the Ministry of Finance by July and this is currently being presented with the mid-term budget review. The Budget Review realigns expenditure allocations with developments particularly revenue performance that would have taken place over the course of the implementation of the budget over the first half of the year.

Parliamentary oversight and representation in budget making

In compliance with Section 28 (5) of the Public Finance Management Act, the minister of Finance and Economic Development solicits the views of members of Parliament in preparation and formulation of the national annual budget through the appropriate Portfolio Committee of Parliament. The appropriate Portfolio Committee is mandated to conduct public hearings to solicit the views and opinions of stakeholders. For inclusivity and representation, the consultations should ensure substantive incorporation of the views of the consulted stakeholders. To evaluate whether consultations are being held appropriately, the survey explored stakeholder perceptions on the effectiveness of the stakeholder engagement process.

At the pre-budget stage, Portfolio Committees consider Ministries' draft bids or sector priorities and hold public hearings, receive written submissions and make recommendations. The Parliament of Zimbabwe conducts national budget public consultations to ensure that the Executive is crafting a national budget that meets the priorities and needs of the citizens. Parliament plays a more pronounced role during the pre-budget process. The involvement of Parliament and, by extension, the generality of Zimbabweans at the formulation stage of the National Budget, has helped in the promotion of a participatory and transparent budget process as envisaged in Section 141 of the Constitution. When the budget is announced, Parliament invites Ministries to comment on the adequacy of the resources as well as possible suggestions which Parliament can use as the basis for rejecting or approving the budget subject to some modifications. All Ministries have a specific

Parliamentary Portfolio Committee that has an oversight role on its activities. Currently, the Parliament of Zimbabwe has 19 Portfolio Committees.

The Parliament of Zimbabwe carries out budget consultations in all the provincial capitals and other selected areas based on resource availability. Thus, at least 20 venues are visited of which 10 are provincial capitals whilst the other ten are districts (one in each province) that are selected under the criteria that the venues chosen would not have been visited in the last 2-3 years. Interviews with the resident's associations and local authorities reflect that the selection of venues and the number of meetings generally do not promote citizen participation. For example, only citizens resident in proximity to the provincial capitals get to participate, while those in remote areas where the consultations are not carried out are left behind. In addition, there is also a tendency to select venues in hotels and up marketplaces in the towns rather than in high density residential areas where most citizens would be residing.

On the monitoring and implementation stage, through the relevant Portfolio Committees, Parliament monitors government spending on a periodic basis by requesting for periodic performance update reports from Ministries as enshrined in the Public Finance Management Act. The reports are prepared using the guidelines, which provide indicators that Portfolio Committees can use to assess public expenditures and the achievements of specific public policy objectives. The Portfolio Committees can also embark on field visits to ascertain progress on the ground.

The Executive's role in budget making

Institutionally, the Minister of Finance, is mandated by law to craft the country's national budget. The Ministry of Finance is the main institution at the executive level that is responsible for initiating and managing the budget process. In crafting the national budget, the Ministry makes use of a top-down approach, initiated through the issuance of a pre-budget strategy paper that sets out the formal budget framework to be followed in the preparation of budget proposals by line ministries. However, all government Ministries also play a role in submitting requirements and sending any comments which they would see fit concerning the issues covered in the Budget Strategy Paper.

The Ministry of Finance and Economic Development has been producing Budget Strategy papers every year to guide the budget process, including citizen engagement. Of significance, is the extent to which the budget strategy paper is accessible to citizens and whether or not it is actually used as a reference document in the engagement process. To validate the budget strategy paper, stakeholders were asked to express their opinion on accessibility and usefulness of the budget strategy paper to inform their opinions on the budget during the budget consultation process.

The national budget process is also described under the Public Finance Management (General) Regulations, 2019 (Statutory Instrument 135 of 2019). Section 11(2) of the Public Finance Management (General) Regulations. Under this, the Minister of Finance is required to publish the Annual Budget documents on the internet on the same day when Annual Budget documents are presented to Parliament and also make available the documents to the public in printed format as soon as possible. This practice has been complied with by the different Ministers of Finance, especially since 2009. Following the increase in the usage of social media, it has generally been observed that the national budget is also widely circulated on various social media platforms on the same day that it is presented.

Section 8 (1) of the Public Finance Management (General) Regulations, 2019 has provisions guiding the preparation of the Budget Strategy Paper, which has to contain a medium-term macroeconomic forecast setting out actual, estimated and projected values of different economic variables for a period of not less than the previous two years, the current year and the next three years. This provision ensures that citizens are equally prepared before they engage in the budget process.

Auditor General's office and the budget

Section 309 of the constitution provides for the establishment and functions of an Office of the Auditor-General whose main duty is to audit the accounts, financial systems and financial management of all departments, institutions and agencies of the government in order to safeguard public funds and public entities. The functions of the Auditor-General are also stated in Section 83 of Public Finance Management Act, which requires annual reports and audited financial statements of Ministries, public entity, constitutional entity or statutory fund to be produced. These reports should show the activities, outputs and outcomes of the Ministry; particularly relating to losses arising through instances of unauthorized expenditure; irregular expenditure; fruitless and wasteful expenditure; as well as recoveries and write-offs. Furthermore, section 46 of the Regulations, requires all Accounting Officers of Ministries, Public Entities and Constitutional Entities to retain all financial information relating to one financial year for three years in their original form after the audit report for that financial year has been tabled in Parliament.

The Auditor-General has been producing reports for appropriation and fund accounts, state owned enterprises and local authorities. However, the reports for most years have not been produced in time. Moreover, what has been mainly lacking prior to 2017 were the follow up actions on the report. In 2019, there is increased pressure from citizens and parliament for the findings to be followed through to the letter and spirit. In 2018, ZIMCODD in its analysis of the Auditor General's report, recommended that consistent with the follow up reports from the Auditor General's report, the legislature should develop a comprehensive programme for monitoring and reviewing actions taken on the recommendations outlining clear timelines considering that some of the recommendations date back to 2014. If unchecked the government departments will be reluctant to address them. It is expected that going forward, there will be more visible follow up action aimed at addressing the flaws identified by the Auditor-General's reports.

The implication from the legislative framework review is that citizen engagement is provided for in all the three phases of the budget process, namely the budget consultation; in-year performance reporting; and the post budget period (auditing of performance). This forms the basis upon which citizen participation in the process would be assessed.

Civil Society in budget processes

Civil society organizations play a critical role of providing independent research and opinions on various policy aspects of the National Budget. This includes analysing the impacts of the budget on various interest groups such as women and children. Civil society organizations are also involved in civic education on the importance of participation in budget outreach, as well as synthesizing the budget into simple language for easier understanding by ordinary citizens.

Media and the budget process

The media has an important role to play in ensuring that the central issues in budgetary debates are widely understood. The media also covers discussions by Parliamentary Portfolio Committees during budget consultations as well as post budget review processes, especially submissions from Ministries to various Portfolio Committees during the period following the announcement of the national budget.

3. SURVEY FINDINGS AND DISCUSSION ON THE NATIONAL BUDGET

3.1. CITIZEN ENGAGEMENT DURING THE PRE-BUDGET STAGE

3.1.1. Access to budget strategy paper

In order to facilitate citizen participation in budget process at national level, it is important that there is access to the budget strategy paper, as it generally guides the manner in which the budget would be structured. When

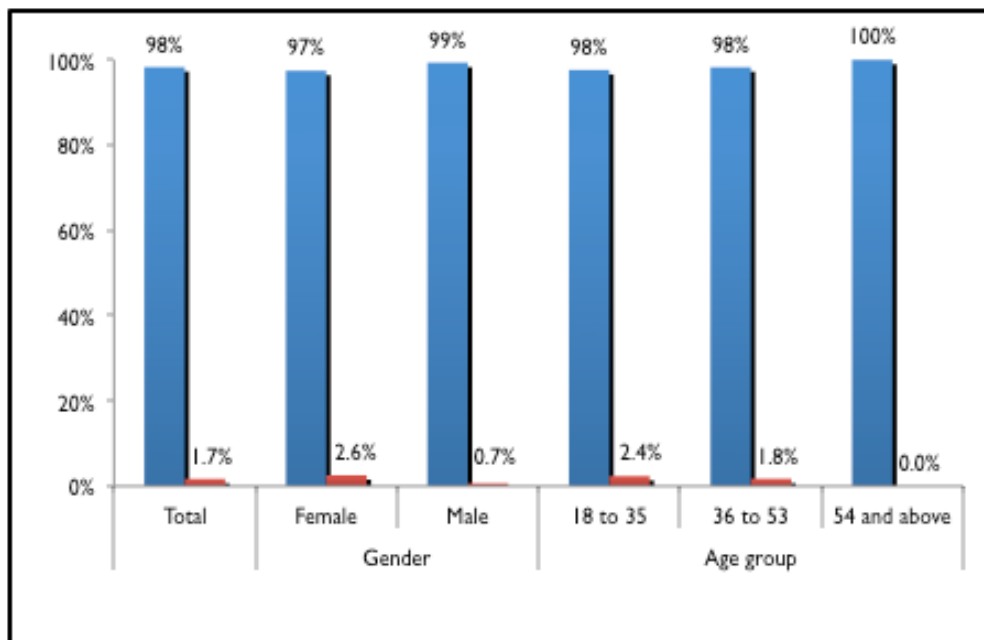
aware of the contents of the budget strategy paper, citizens are better positioned to contribute meaningfully in the engagement process. However, only 1.7% of the respondents indicated that they have had access to the pre-budget strategy paper published by the Ministry of Finance before participating in the budget consultation (Figure 2). This obviously affects the quality of the contributions during the debates, as these are anchored on the budget strategy paper.

During key informant interviews, a number of reasons were given for the low access to the budget strategy paper. This includes sentiments that the document is too technical for the ordinary person to understand, with the economic terms also being considered too technical even for those that are educated. Secondly, it was pointed out that discussions on the budget strategy paper are usually communicated within government circles and organised membership organisations, with little extension of the discussions to the citizens. Thirdly, it was also pointed out that there is little or no awareness about the budget strategy paper except through the ministry of finance website. In addition, there is no communication when budget strategy paper is readily available at the website, which implies that despite publishing the paper, awareness about the development is lagging behind.

Although access for both men and women are low, there are more women than males that have had access to the Budget Strategy Paper. About 2.6% of the women accessed the budget strategy paper compared to only 0.7% for men (Figure 2). This would generally, show that women make more effort at trying to enhance the quality of debate in budgeting at the national level as compared to men. However, the levels of access are still too low to make any enhancement to the quality of the discussions.

Results from the survey indicate that there are slight variations on access to the Budget Strategy Paper by different age groups. Access to the budget strategy paper is slightly higher for the youths (18-35 years) than adults (36-53 years) and the elderly (above 54 years). About 2.4% of the youths accessed the budget strategy paper, while only 1.8% of the adults accessed the paper (Figure 2). This also shows that the youths are more inclined to try and enrich the quality of their debates during the budget consultation process than the adults.

Figure 2: Access to budget strategy paper by gender and age



Source: Interview results

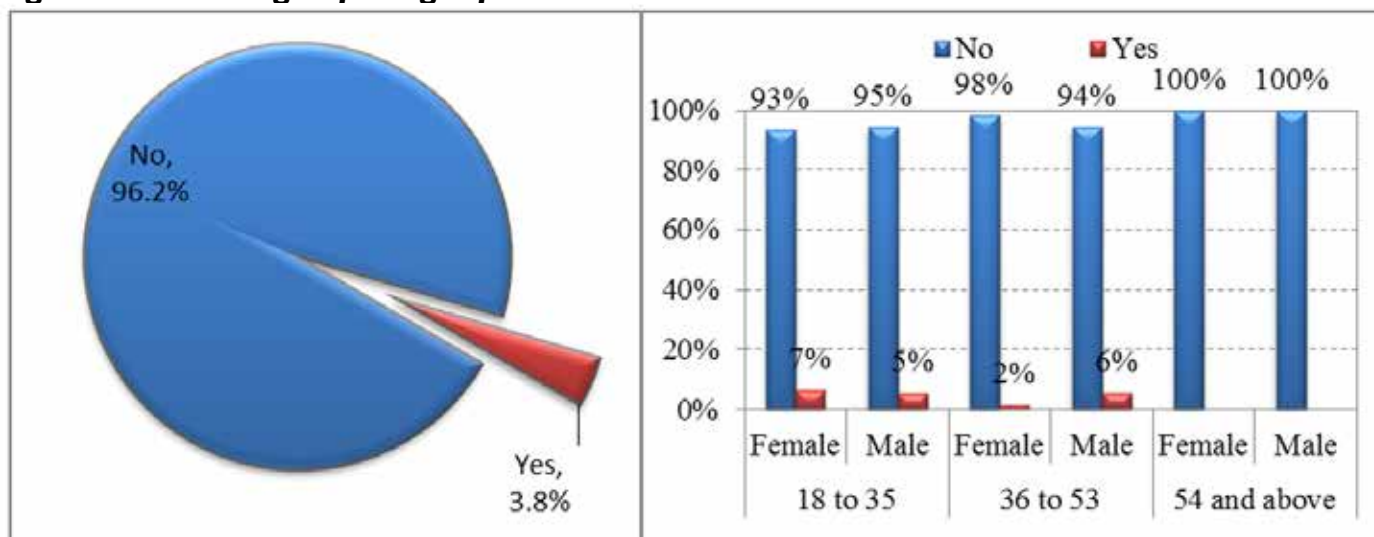
Although the Budget Strategy Paper can be prepared in time, most of the participants during the consultation process would not have read it. Key informant interviews revealed that even MPs leading the consultation process would not have read or understood the Budget Strategy Paper, which limits their effectiveness in coordinating the discussions.

3.1.2. Knowledge of budget presentation time

The survey established that only 3.8% of the respondents have knowledge of the budget presentation period, especially the time and period in which the national budget is presented (Figure 3). While it is possible to mobilise citizens without prior knowledge about the timeframes, the challenge comes out when the citizens had already made prior commitments which coincide with the period when the budget consultation process starts.

A disaggregation by gender and age shows that knowledge about the time frames remains lower across all the age groups and across gender. Only about 3.26% of females and 4.56% of males are knowledgeable about the budget presentation time. Only 6.05% of the youth are knowledgeable about the budget presentation time, whilst only 3.26% of those in the age group 36 to 53 years are knowledgeable. Further disaggregation shows that about 7% of the female youths have knowledge about the budget presentation time, which is slightly higher than the 5% for their male counterparts (Figure 3). However, knowledge is slightly higher for the male (6%) than the female (2%) among the middle age group. Thus, it is mainly youths aged between 18 and 35 years of age and middle-aged men who have knowledge about the budget presentation time, whilst the elderly respondents are not aware of the time and period in which the budget is presented.

Figure 3: Knowledge of budget presentation time



Source: Interview results

The general implication is that Zimbabwe does not provide much information to citizens to enable them to participate meaningfully in the budget process. A comparison with other regional countries shows that South Africa does better as it provides extensive budget information to the public, with a score of 89 out of 100 while Zimbabwe only has a score of 23 with respect to provision of information. However, Zimbabwe is ranked higher than Zambia (8 out of 100) and Rwanda (22), even though Kenya (46) and Namibia (50) perform better. Zambia is poorly ranked as the Pre-Budget Statement, Executive Budget statement and in year reports are not readily available to the public⁴.

3.1.3. Participation in pre-budget consultation

Given the limited access to the budget strategy paper and the limited knowledge on budget presentation times, it is naturally expected that participation in the pre-budget consultation process would be low. The survey established that 57.3% of the citizens have never participated in pre-budget consultations (Figure 4). However, while more than 40% have participated, as already confirmed, most of them did so without having accessed the Budget Strategy Paper or having known about the timelines in advance, which would have enhanced the effectiveness of their participation. A disaggregation by gender shows that the participation is higher for males than female respondents at 52.27% and 35.04% respectively. This shows that efforts to enhance participation in the budget process should be more towards female than male. While the participation rate is generally

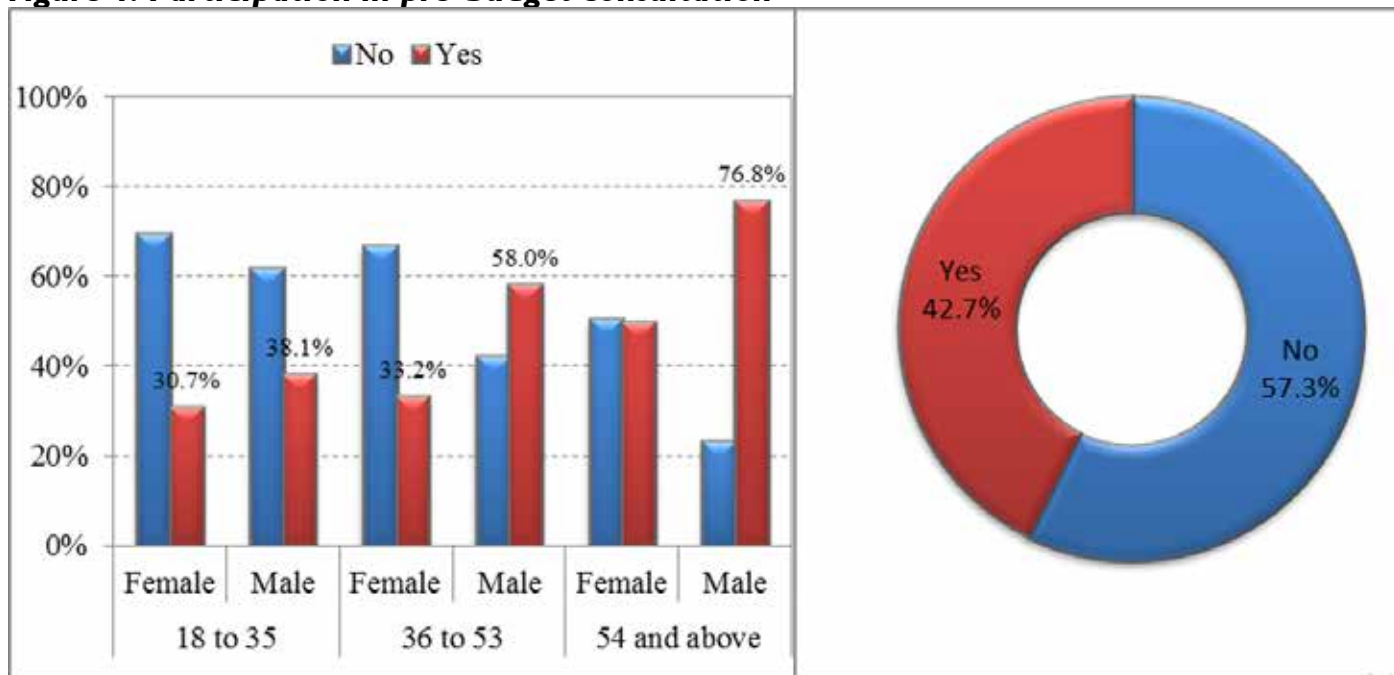
⁴ These country rankings have been obtained from the International Budget Partnership website at <https://www.internationalbudget.org/open-budget-survey/results-by-country/>, accessed 31 July 2019

higher for males than females across all the age groups (Figure 4), this is more pronounced among the elderly, where 76.8% of the male elderly indicate that they have participated in the budget process compared to their female counterparts at only 50%.

The survey revealed that participation in budget consultations is correlated with age and gender. Key informant interviews established that the low participation among the youths in the pre-budget consultation is mainly attributed to a general lack of interest in public finances. It is also due to the fact that the majority do not own properties and are not gainfully employed and as such they believe that they are not affected by government and council’s decisions on paying taxes and rates.

During key informant interviews, there were basically three reasons given for the low participation of women than men in the budget process. Firstly, the low participation of women was attributed to their engagement in informal business activities which more women than men are engaged in. Participation in budget processes is mainly believed to be an activity for those with spare time among the residents. Community members feel that participation in budget consultations would disadvantage them from potential earnings from their businesses. Secondly, residents’ associations believe that in most instances the confrontational nature of meetings, which at times are characterised by heckling and disagreements along political lines, often discourage women participation. Ensuring that there are more organised, issue specific and mature discussion platforms would go a long way in enhancing women participation in gatherings in general. Thirdly, there is a general consensus that participation in meetings reflects the general decision-making system at household level in general in Zimbabwe, where the choice of who to attend a meeting is likely to rest on the head of the household. In other words, it is more likely that the husband would decide to attend the meeting rather than delegating the wife to go and attend budget consultation meetings.

Figure 4: Participation in pre-budget consultation



Source: Interview results

3.1.4. Knowledge of whether views can be adopted

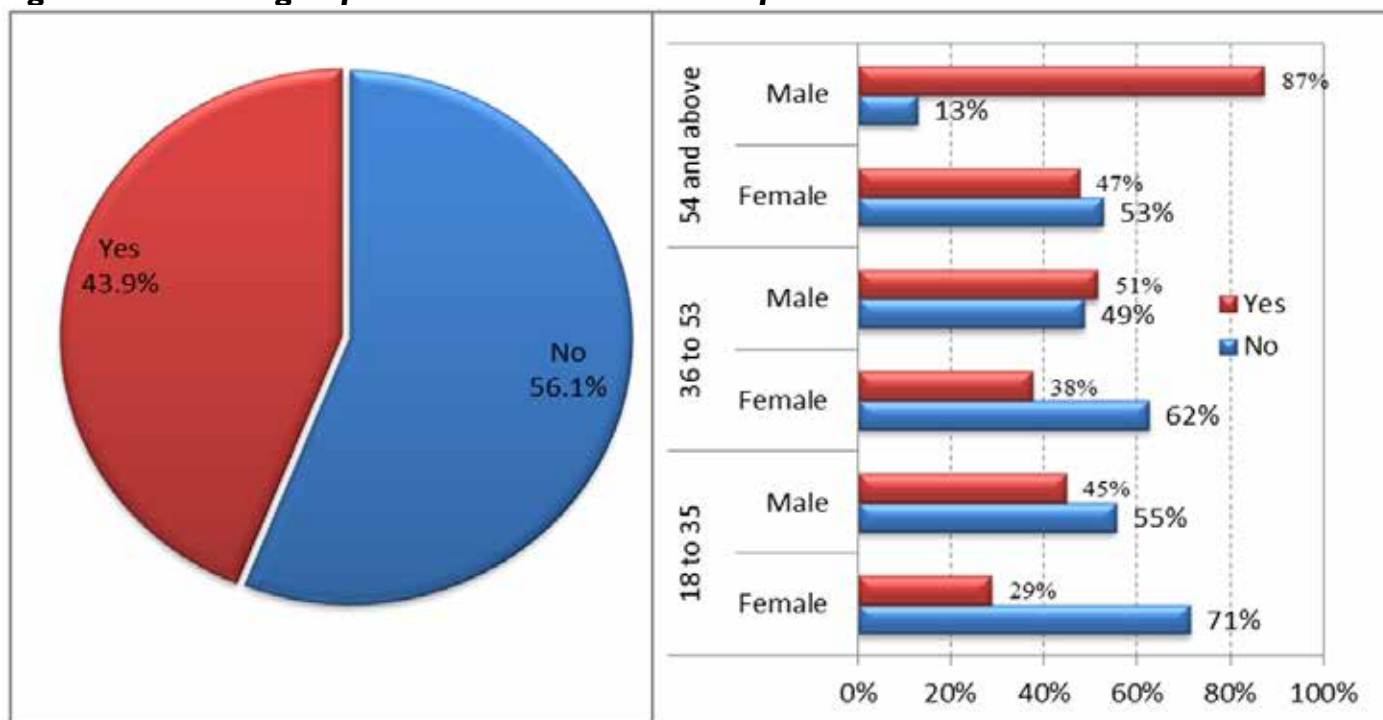
Participation in the national budget process is also dependent on the citizens’ knowledge on their ability to influence the process. Citizens who believe that their views would be taken into account are likely to participate compared to those that do not⁵. The majority of the respondents (56.1%) surveyed do not believe that their contributions during the pre- budget consultations sessions will be adopted in anyway by the central government. A disaggregation by gender shows that more males (54.49%) than females (35.76%) are of the opinion that their views are adopted by government. This can be one of the explanations of why there is generally higher participation among males than females in the budget processes. A look at the distribution

5 The Power Of Making It Simple: A Government Guide To Developing Citizens Budgets; International Budget Partnership; <https://www.internationalbudget.org/wp-content/uploads/Citizen-Budget-Guide.pdf>

by age shows that older respondents are more confident that their recommendations are taken into account by government than the younger respondents, as 64.25% of those aged 54 years and above believe that their views will be adopted compared to 43.30% of the 36 to 53 years and 36.10% of the 18 to 35 years. An explanation to this also is that generally Zimbabwe is a gerontocratic country where opinions and views of young people are not considered as important⁶.

Just as participation levels, female respondents generally expressed low confidence in the ability of their views to be adopted while the elderly have confidence with the consultation process. About 71% of young females aged between 18 to 35 years of age don't believe that their views matter in the budget making process, which is higher than the 55% level of their male counterparts. About 87% of men aged 54 and above are of the view that their voices are taken into account during the budget process, which is well above the 47% level of their female counterparts (Figure 5). This is also in line with the general participation level which is higher among male than female.

Figure 5: Knowledge of whether views can be adopted



Source: Interview results

A further analysis of respondents' views on whether government takes into account their views and participation in pre-budget consultations shows that about 61.9% of those who do not participate in pre-budget consultations do not believe that their voices will be taken seriously in the budget making process. On the other hand, 63.9% of respondents who cited that they have participated in the pre-budget consultations hold the view that their voices matter and will be taken into account during the budget making process. This explains why it is mainly among the elderly that have participated more in the budget consultation process where the confidence is also higher.

Table 4: Participation in pre-budget consultations and uptake of views by government

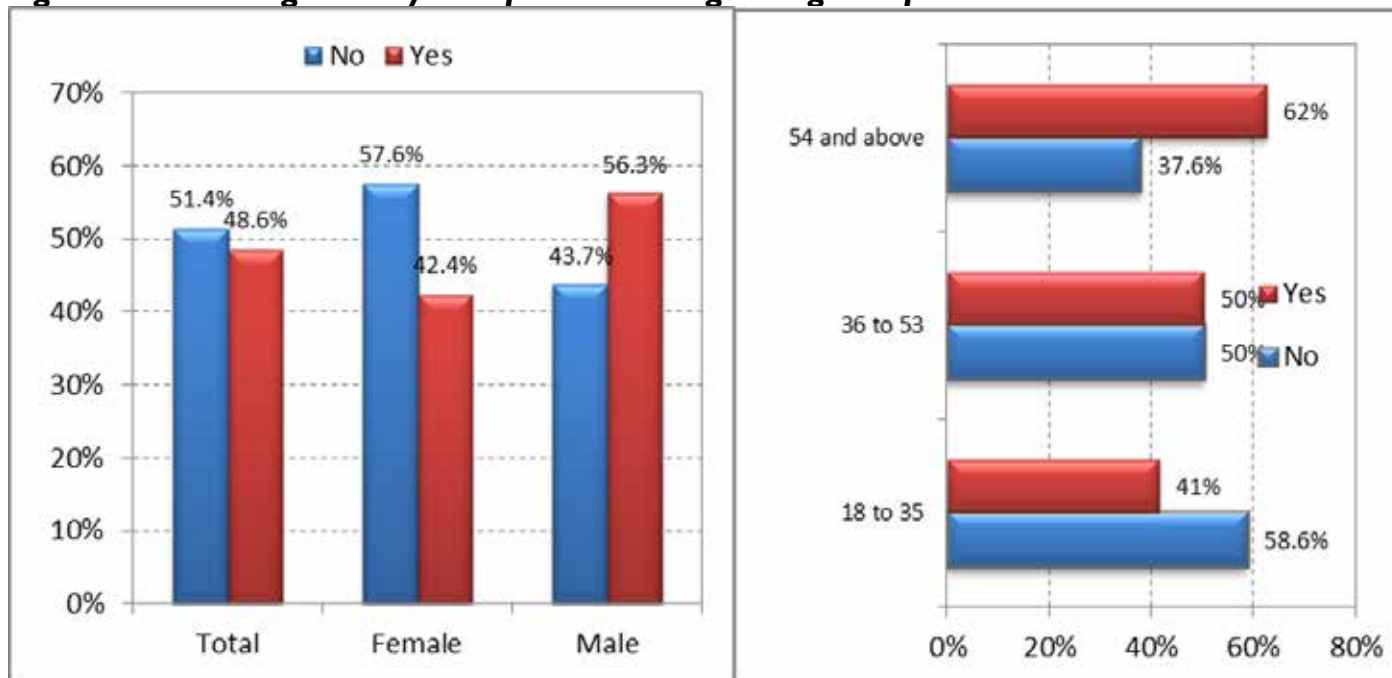
Participation in pre-budget consultations at national or local level			
Do you think government takes into account your views?			
	No	Yes	
No	61.9%		36.1%
Yes		38.1%	63.9%
Total		100%	100%

Source: Interview results

3.1.5. Knowledge of whether budget can be changed

Participation in the pre-budget implementation process goes beyond the presentation of the budget, as citizens can still be able to have influence the announced budget through their members of Parliament. Almost half (51%) of respondents highlighted that they had no knowledge that once the executive budget has been presented before Parliament by the minister of finance, variations of allocations can be made before Parliament passes it. Knowledge about possible changes to the budget was high among men (56.3%) compared to women (42.4%) (Figure 6), whilst an analysis by age shows that majority of youth (58.6%) were not aware that the budgetary allocations can be altered compared to only 37.6% of the older respondents.

Figure 6: Knowledge ability to influence/change budget before enactment



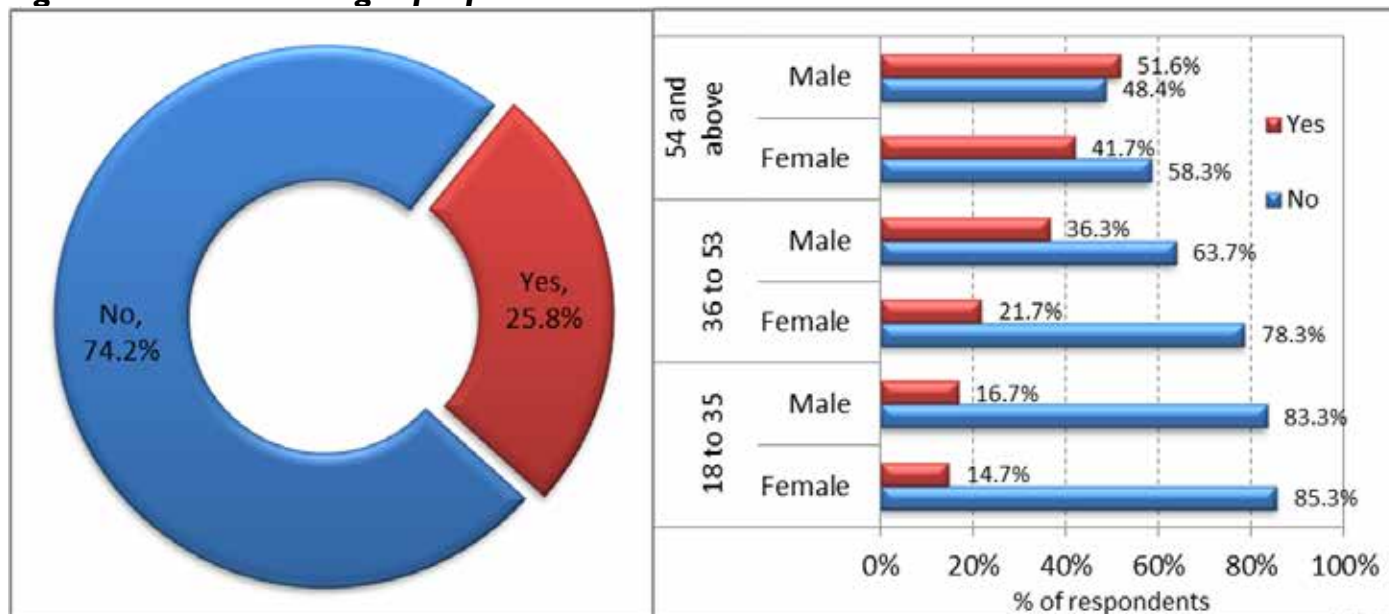
Source: Interview results

4. CITIZEN ENGAGEMENT DURING IMPLEMENTATION STAGE

There is generally limited scope for citizen engagement during the implementation stage of the national budget. The scope generally lies in feedback, especially citizens being informed about the performance of the budget in relation to plans. Thus, access to budget performance reports by citizens can be used as the basis to measure citizen engagement during the implementation stage. Budget performance which are produced in budget implementation include the mid-year budget review, quarterly economic review reports by the Ministry of Finance and Economic Development and any other regular and unscheduled reports that the Ministry prepares to give feedback on progress regarding the status of the economy and progress in attainment of objectives.

Only 25.8% of citizens engaged indicated that they have had access to budgetary performance reports (Figure 7). An analysis of access to performance report by gender shows that more males than females have had access to these reports at 29.88% and 22.61% respectively. While the access levels are low for both sexes, the high rate for male is in line to the general participation levels in the budget process, which is tilted towards men. Distribution by age shows that older respondents have had access to budget performance reports than younger respondents, at 45.57% of the 54 years and above compared to 27.98% of the 36 to 53 years and 15.63% of the 18 to 35 years. The survey results show that access to fiscal performance report is low among the youth particularly female youth with only 14.7% of female youth respondents having had access to budgetary performance reports, whilst access have been high (51.6%) among the males aged 54 years and above (Figure 7). Just like the participation rates, access to budgetary performance reports appears to be correlated with age; the older one is the high access to budgetary documents one has.

Figure 7: Access to budget performance documents

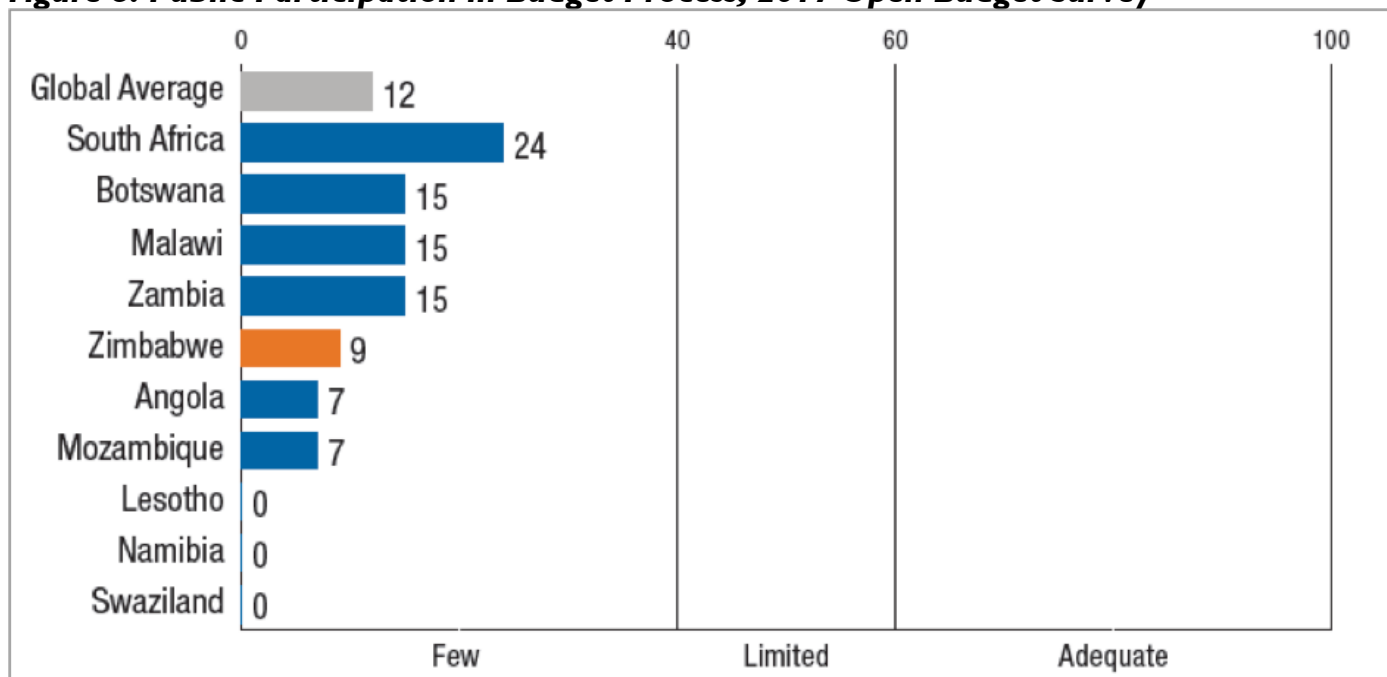


Source: Interview results

The ability of citizens to hold the Executive to account is therefore limited as they generally unaware of budget implementation progress. The lack of interest in searching for budget implementation or fiscal performance reports is similar to the general attitude towards participation in the pre-budget consultation processes. It is expected that it is only those citizens that have participated in the consultations who would develop an interest in monitoring the budget implementation process, according to the International Budget Partnership public participation can strengthen policy choices, increase public support for budget decisions, and strengthen oversight⁷. Mobilising citizens to participate in the consultation process is therefore expected to also result in demand for budget implementation progress reports.

Relative to other countries in the region, Zimbabwe's performance is not very satisfactory, even though many countries in the region also provide few opportunities for the public to participate and engage in the budget process. Countries such as Namibia, Lesotho and Swaziland are on the extreme as they do not provide the public with opportunity to participate in the budget process. Zimbabwe's score of 9 out of 100 on public participation in budget process on the International Open Budget Index is an indication that it provides few opportunities for the public to engage in the budget process, as it is only about 75% of the global average score of 12. Countries performing better than Zimbabwe in terms of overall participation in the budget process include South Africa, Botswana, Malawi and Zambia (Figure 8).

Figure 8: Public Participation in Budget Process; 2017 Open Budget Survey



Source: Open Budget Survey 2017

5. CITIZEN ENGAGEMENT IN POST BUDGET PROCESS

The post budget period refers to the period in which Government departments and statutory entities present their full financial reports and audited reports. Citizen engagement in the post budget process generally focuses on the extent to which citizens are appraised about how the actual performance of the national budget matches what was budgeted for. A citizen who is engaged in the post budget process relies on access to audited financial reports from the Office of the Auditor General (OAG) focusing on whether the resources were used in accordance with the purpose and amounts stated in the budget approved by Parliament. In addition, a citizen who is concerned with the post budget process would be interested in the extent to which service delivery is in line with what has been anticipated when the budget was being proposed.

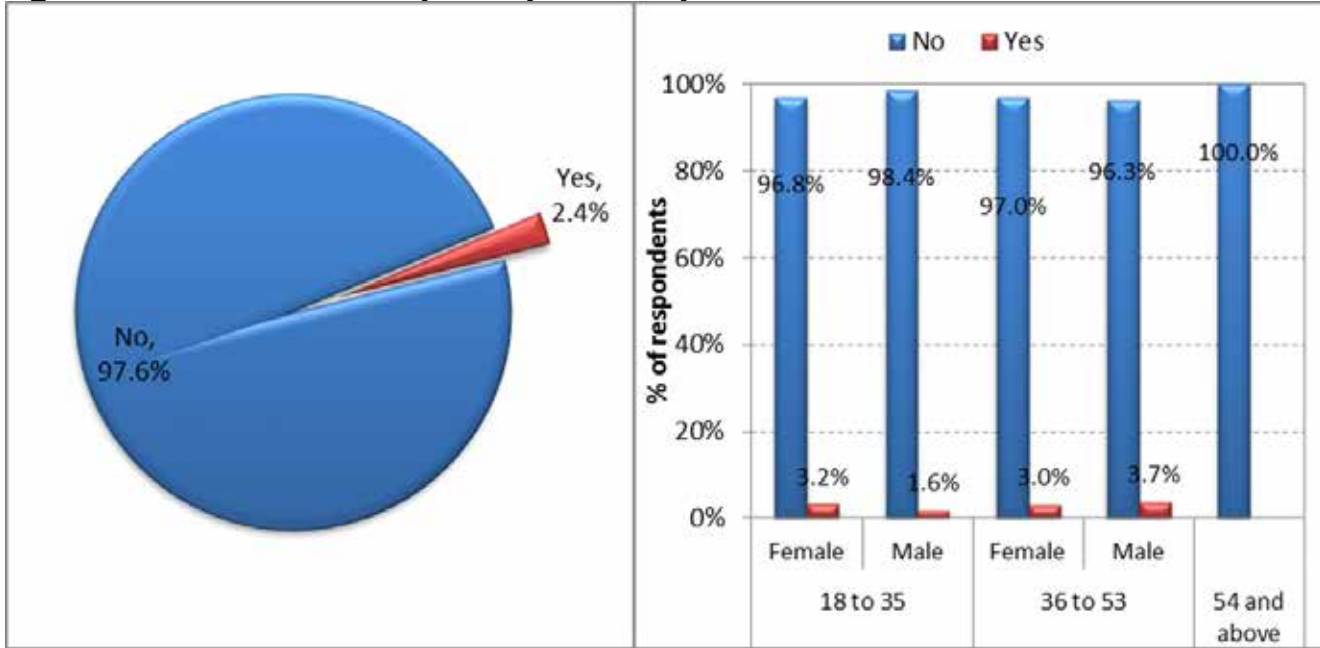
5.1. Access to audited public finance reports

Survey results show that only 2.4% of respondents have access to the Auditor General's report (Figure 9). This generally shows that the majority of the citizens do not have much knowledge about the status of the budget implementation process. Access to audited financial reports is lowest among the old aged respondents and the youth compared to the middle-aged group. About 3.31% of respondents aged 36 to 53 years have accessed audit reports compared to 2.46% for the 18 to 35 years. This is mainly a reflection of the manner in which information is disseminated, as this is more accessible in electronic means rather than hard copies, for which it is mainly the middle aged who are likely to have access to internet for the purpose compared to the aged and the youths⁸. With regards to gender, more females than males have had access to audit reports at 2.54% and 2.23% respectively. However, it is mainly among the youths where there are more female than male respondents with access to audited public finance reports (Figure 9).

Interviews with the resident's associations also revealed that the associations do not give much importance to audit reports focusing on the national level. They are mainly interested in following up on issues raised by the Auditor General when it comes to local authority level budget issues. Thus, there is need for a campaign to generally showcase why it is important for citizens to develop an interest first so as to create a demand for the reports among the citizens.

⁸ According to the 2015 DHS Survey results, middle aged people are more likely to use the internet frequently than the aged and the youths pp49-50; <https://dhsprogram.com/pubs/pdf/FR322/FR322.pdf>

Figure 9: Access to audited public finance reports

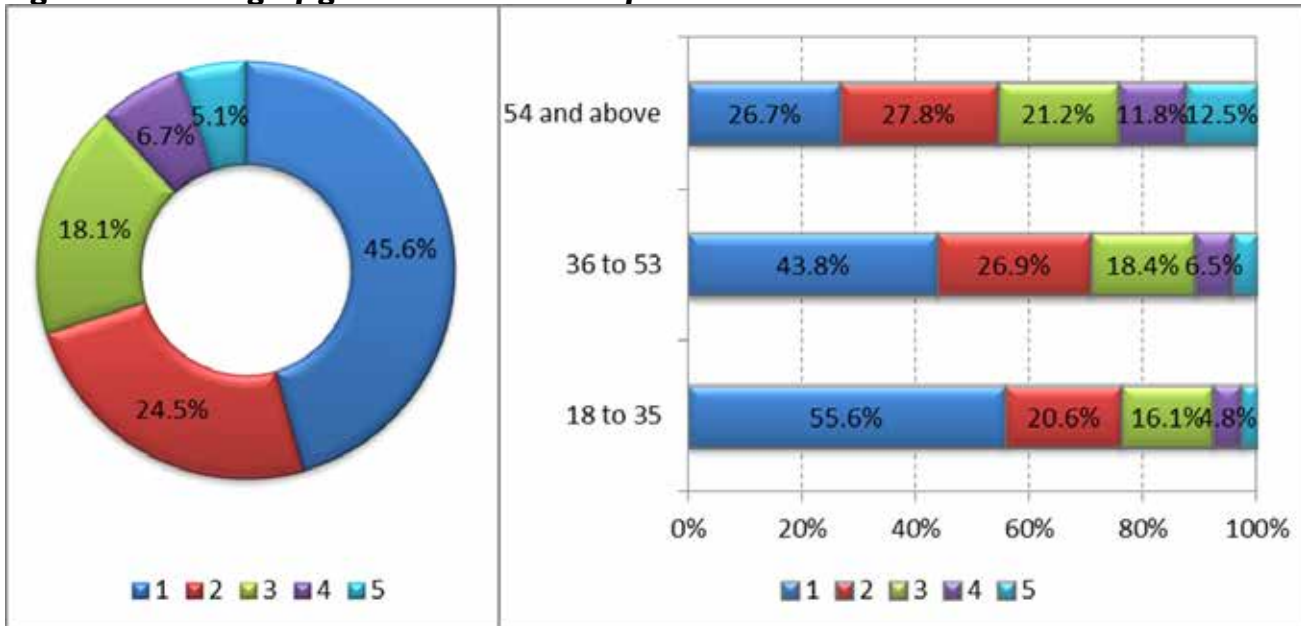


Source: Interview results

5.2. Rating of government service provision

Respondents were asked to rate central government services delivery on scale of 1 to 5 with 1 being the lowest rating and 5 being the highest. Results show that generally citizens give a very poor rating with respect to central government services. Seventy percent of the respondents indicated limited satisfaction with government service, giving a rating of the service provision of 2 and below (Figure 10). Only 11.8% of respondents gave a favourable rating of 4 and above with respect to service delivery. The youthful respondents were the most dissatisfied group; as 76.2% of youth respondents gave government service provision a rating of 2 and below. The old age group had the highest respondents who approved of government service delivery, with 24.3% of respondents rating government service delivery 4 and above.

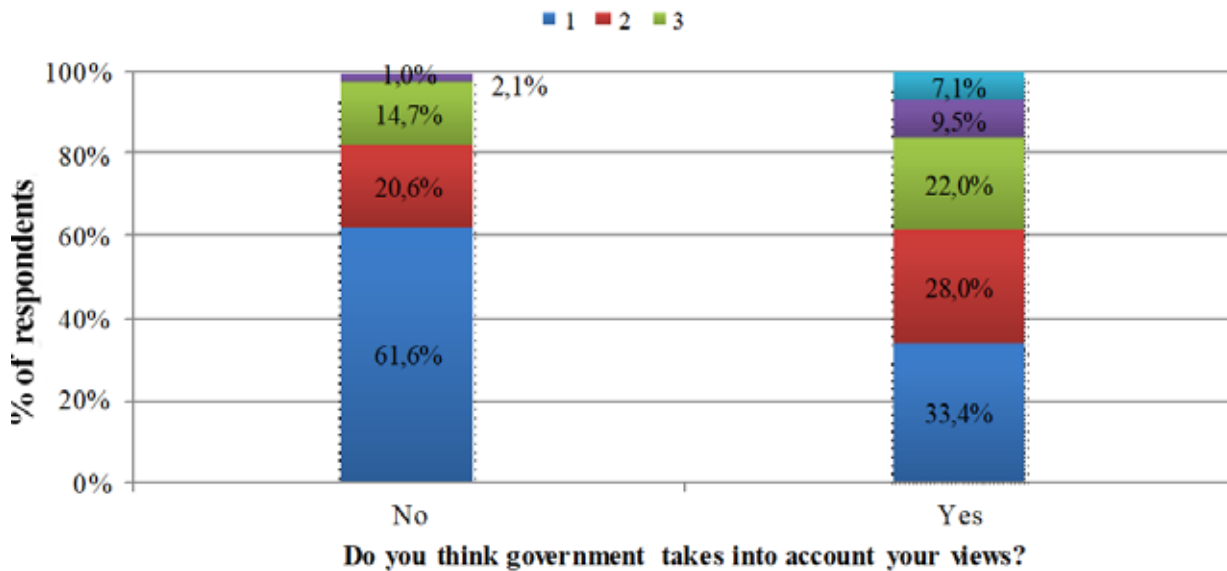
Figure 10: Rating of government service provision



Source: Interview results

A look at the ratings shows that 48.6% of the respondents who think government takes into account their views gave a favourable rating in services delivery of 3 and above, whilst only 17.8% of those that think government does not take into account their views gave a rating of government service of 3 and above (Figure 11). The study findings point to a correlation between the confidence in the consultation process and appreciation of the various challenges which government faces in service delivery.

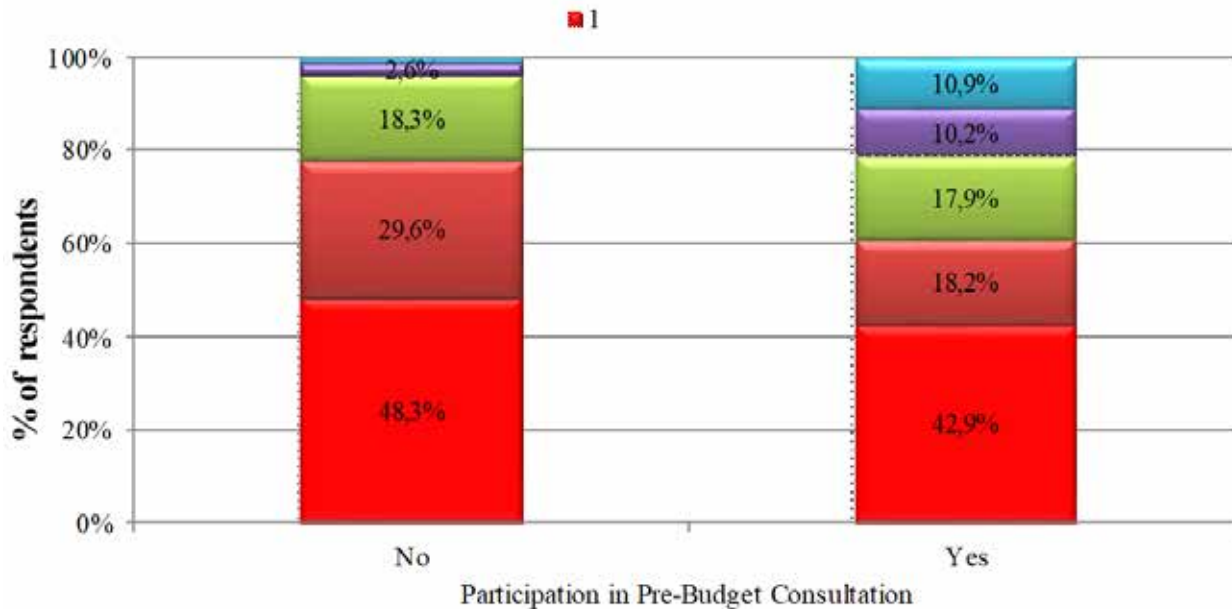
Figure 11: Ranking of government service provision by opinion on uptake of budgetary contribution



Source: Interview results

A further analysis of government service provision ranking by participation in pre-budget consultations shows that 38.9% of those that participate in pre-budget consultation process gave a favourable rating to government services delivery provision of 3 and above, compared to 22.1% of those that do not participate in budget consultation process (Figure 12). Participation in the budget process thus increases chances of a positive appreciation of efforts by government by the citizens.

Figure 12: Ranking of government service provision and participation in pre-budget consultations



Source: Interview results

6. LINKAGE WITH LOCAL AUTHORITY BUDGET PROCESS

The national level budget consultation process would stand a better chance of including more citizen participation if it is harmonised with the local authority budget process. Local authorities generally serve as the first contact point between citizens and government, and the structures at the local authority level tend to be more effective in facilitating citizen engagements compared to the central government process⁹. Thus, the extent to which the national budget implementation process is linked with the local authority budget process also has a bearing on the level of citizen engagement at the national level. Interviews with the local authorities, however, show a general divorce between the local authority process and the national level budget process. Firstly, while some few local authorities indicated knowledge of the Budget Strategy Paper, almost all of them indicated that they have not used it in their budget consultation and formulation processes. The budget process at the local level is mainly influenced by the Ministry of Local Government, which guides the process. As a result, the national level process cannot leverage of the local level. In this regard, local authorities generally play no role in the consultation process at the national level. The national budget process needs to incorporate structures at the local government level to ensure that there is enhanced access and reach to citizens. This is particularly more relevant within the context of devolution. As outlined in the Transitional Stabilisation Programme (TSP), implementation of devolution would see Provincial Councils and Local Authorities producing economic development plans at the province and local authority level which they would need to implement. This process has to be influenced by the national economic policies, for which the national budget is important. Thus, there is need for local authorities to mainstream the national budget process in their own budget consultation processes.

Local authorities indicated that they would only get to know about a national level budget process when they see adverts informing that a venue, which is mainly a local hotel, would be used for the budget consultations. There is scope for harmonisation of the processes as well as ensuring that the budget consultation processes use the same structures to ensure that citizens remain privy to developments at both the national and local level.

Experiences in countries across the world can offer some lessons for Zimbabwe on how a concurrent approach towards governance involving local authorities and central government can be applied, especially within the context of devolution. These examples are given in Box 1. The main implication from these examples is that there is need for a formal engagement process between central government, especially the Ministry of Finance and Economic Development, and local authorities. This formal engagement process would be the avenue through which harmony between the local authority and central government budget process would be ensured.

Box 1: A review of international experiences in enhancing harmony between central government and local authority processes

Belgium

Formal consultation structures have been established to facilitate co-operation between the local authorities and central government in all the domains of responsibility, including the budget process. These consultations are mandatory.

Czech Republic

The Czech Republic has institutionalised regular consultation forums between central and local authorities. Political representatives or professional officials.

Bulgaria

The National Association of Municipalities takes an active role in ensuring that local authorities interact with central government as well as parliament on matters affecting local governance. The Council of Ministers also set up an Interdepartmental Council, where the National Association of Municipalities also participate by exchanging specialised information with central government on matters of concern.

Finland

An Advisory Board on Municipal Economy and Administration facilitates negotiations between central government and the local authorities (represented by the Association of Finnish Local Authorities).

Norway

In Norway, four meetings held annually between the ministers and the political leadership of the Norwegian Association of Local and Regional Authorities formalises consultations between the central and local governments.

Netherlands

There is a Government Authorities Consultative Meeting held twice each year and chaired by the Prime Minister under the Code of Inter-administrative Relationship Provisions, which facilitate interactions between local authorities and central government.

Switzerland

In line with the Federal Constitution provision for the Confederation to take into account the effects of its activity on municipalities, explicit guidelines governing collaboration between the Confederation and municipalities were produced. The guidelines give municipal consultation rights on local issues when federal measures with an impact on municipalities are undertaken.

Source: European Committee on Local and Regional Democracy (CDLR), 2007, 'The relationship between central and local authorities', Report of the European Committee on Local and Regional Democracy

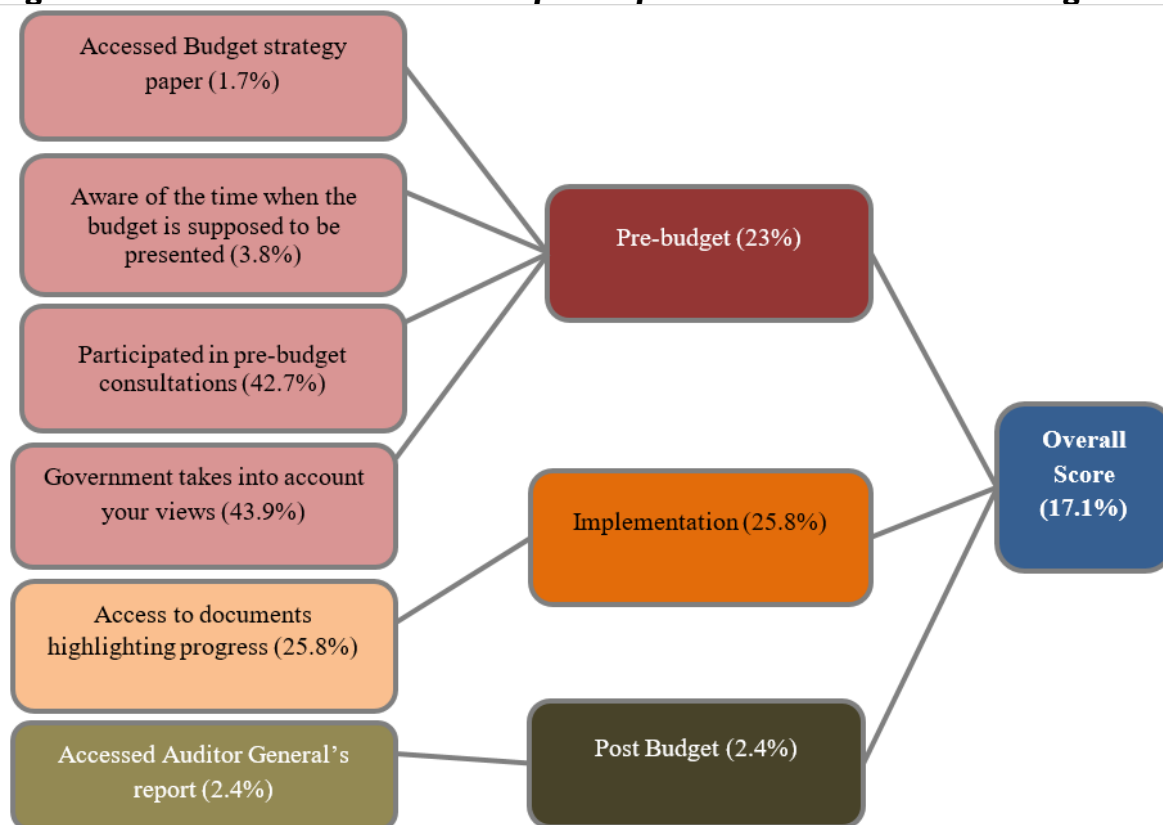
7. CONCLUSION AND RECOMMENDATIONS

Zimbabwe has a well-coordinated and structured legislated national budget consultation process, with established institutions involved in the process. However, there are still a lot of challenges with respect to citizen participation and engagement. These challenges exist across all the stages of the budget process; pre-budget, budget implementation and post-budget. The citizens are ill-prepared to participate, with little knowledge about what is involved and how they are expected to contribute in the budget formulation process. This implies that the current mobilization efforts have not been realizing the intended objectives of having citizens enriching the quality of the national budget. Awareness and access to necessary paperwork to prepare the citizens for effective participation during the budget consultation process is limited. This affects the quality of the discussions and inputs from the citizens during the consultations. In addition, while attempts are made to conduct consultation throughout the country, only a few people can be accommodated at the

meetings. This is mainly because preferred venues accommodate a less than representative sample of the citizens at a particular time. Only about two consultation meetings are held per province, leaving many of the citizens without any opportunity to participate.

Based on the overall findings, there is still a long way to go for Zimbabwe as far as enhancing citizen participation at the national level is concerned. The interview results show that on average, Zimbabwe has an overall index score of only about 17.1%, which is very low (Figure 14). However, the index was mainly weighed down by the post-budget participation, which is proxied by access or interest in Auditor-General's reports. The pre-budget participation is fairly high, with the only drawback being the limited access to the budget strategy paper, which has the lowest score among all the rated attributes.

Figure 13: Overall Index on citizen participation at national level budget



Source: Authors' calculations from Interview results

However, there is scope for increasing citizen participation, by leveraging on platforms and decentralised structures of local authorities and other non-state actors with grassroots representation. The following can be regarded as the key recommendations to enhance citizen engagement in the budget process:

Recommendations for Ministry of Finance and Economic Development

Although the Ministry is doing well with respect to meeting the timelines for the national budget, there is need for more effort in ensuring that the citizens get access to relevant papers. The Budget Strategy paper is not being utilised in the budget consultation process, while there are no collaborative efforts with structures that are closer to citizens. It is therefore recommended that:

- The Ministry of Finance should engage local authorities and residents' associations in dissemination of the Budget Strategy Paper as well as other critical updates and help explain the main thrust of the budget to enrich residents' participation process. There is need to ensure that not only should citizens get access to the Budget Strategy paper but also ensuring that it is accessible in simplified language which is understandable to citizens;
- While Parliament embarks on budget consultations, the budget consultation process by the Ministry of Finance and Economic Development is not conducted in a more visible manner. The Ministry can also utilise residents' associations as platforms to mobilise residents in budget consultation processes;

and;

- There is also need for the Ministry to inculcate a culture of transparency and accountability on the budget process to citizens that will enhance citizen participation in the entire budget process taking into consideration that their input is valued and considered in the budget/policy propositions adopted by government.

Recommendations for civil society organisations

There are a lot of awareness and knowledge gaps among residents concerning the national budget process. While parliament, local authorities and the Ministry of Finance may try to mobilise citizens to participate in the budget process, their efforts will only yield minimal response as citizens generally remain unaware of the processes. In addition, the resident's associations also lack the capacity to adequately play a mobilisation role due to both financial and technical challenges. It is therefore recommended that:

- Civil society organisations should engage in a comprehensive awareness campaign on the national budget and why it is important for citizens to engage in the process;
- Civil society organisations working on social and economic justice should build the capacity of resident's associations to adequately play the mobilisation role. This includes capacity building of citizens to understand the national budget process itself as well as partnering with the resident's associations to prepare position papers on issues emanating from their constituency that they would want to be considered during the budget consultation process;
- There is need for civil society organisations to adopt evidence-based advocacy strategies/campaigns to articulate critical socio-economic issues relevant to citizens that they want Government to consider during the budget formulation process or in other economic policy formulation processes;
- Civil society organisations should also undertake programmes aiming to ensure that there is more participation by women, youth and people with disability in the budget process. The current participation level for the national budget process is skewed towards older men; and
- Civil society organisations should leverage on their grassroots presence and play a more pronounced role in unpacking and popularising budget strategy papers, national budgets, budget reviews and other economic policy blueprints to empower citizens for active engagement with the budget and other economic policy processes. This include capacity building about the national budget cycle, the national budget time frames as well as the necessary preparatory papers that citizens would need to read in order to improve the quality of their participation.

Recommendations to Parliament

The national budget consultation process is mainly spearheaded by Parliament with little involvement of representatives of residents and local authorities. There are no deliberate efforts to inform the residents associations so that they help disseminate information about the budget consultation venues and timeframes. It is recommended that:

- Parliament should expand its consultation by conducting the hearings for the national budget in venues that are more accessible to the public rather than a central venue, mainly in the central business districts. There is also a need to ensure wide sensitisation to residents about the hearings to enhance more participation of residents; and
- Parliament should work with existing structures within local authorities and residents' associations in conducting public hearings on the national budget. These structures are more effective and have a wider reach to residents. Broad based engagement of citizens will further enhance the representative, legislative and oversight roles of Parliament.

Recommendations to local authorities

Given that government has currently adopted devolution as a key strategy of the country's development agenda, local authorities are also expected to play a pronounced role in development and governance within their jurisdiction. Currently there is little or no involvement of local authorities in the national budget consultation process. The Budget Strategy Paper is either not read or where it is read, is not mainstreamed into local authority's development plans and budget. The National Budget sets out government policy priorities and the

macroeconomic framework that anchors the country's development trajectory for the year. The transmission and impact of the fiscal policy measures have implications on the operations and viability of local authorities. In this regard it is recommended that:

- Local authorities as the tier of government closer to citizens should synchronise their planning and budgetary processes with policy guidelines within the national budget. They should play a critical role to articulate developmental issues within their jurisdiction for consideration in government's policy priorities, particularly on capital expenditures and infrastructure development. National and local government planning and budgetary process should be complimentary as they seek to respond to the needs of the same citizens;
- Local authorities should ensure that the national budget consultation process leverages on structures that exist at the local authority level, especially in mobilizing citizens to meetings, since local authorities are closer to the people than central government; and
- Local authorities should take a cue on the policy priorities of government initially as articulated in the Budget Strategy Paper for them to make meaningful contribution for consideration by Central Government in the national budget formulation process. Effective engagement of central government by local authorities in the budget formulation process will further enhance their capacity as they develop local authorities' development plans and budgets within the context of devolution. Transparent and accountability required in the national economic planning and budgetary processes should also cascade to the local authorities planning and budgetary process.

PART II: BUDGET PROCESS AT THE LOCAL GOVERNMENT LEVEL

This section is the second part of the report and presents findings on the budget process at the local government level. Among other key issues, the section locates findings reinforced by empirical evidence on the legal and institutional context of local government budgeting, residents' knowledge of local budgeting process, the magnitude of participation in local government budget cycle. The thrust is to extrapolate the extent to which the process of local government budgeting is underpinned by the principles of transparency and accountability, equity and inclusivity. Analysis of findings across the various demographic groups was meant to streamline and contextualise participation of different groups eg youth, people living with disabilities and women.

8. THE LEGAL AND INSTITUTIONAL FRAMEWORK FOR LOCAL GOVERNMENT BUDGETING IN ZIMBABWE

The development of a local government area is directly linked to the availability and efficient utilization of its fiscal resources. Budgeting and financial management in local authorities are therefore governed by the law. The thrust of the law is to ensure that public expenditure is meant to improve local livelihoods and hence a good life for citizens. Public expenditures defined are costs generally incurred by public institutions in the discharge of their constitutional mandates and are either of capital or current nature¹⁰. Capital expenditure entail those outlays that directly increase the physical productive capacity of the local government economy and as such, include expenditures on projects such as roads, water and sewer systems, health infrastructure and social services. Current expenditures, on the other hand, cover outlays of a recurrent, non-investment, non-discretionary and exhaustive nature.

This section provides an overview of constitutional provisions for local government budgeting and finance management, which are the Public Finance Management Act Chapter 22:19 and the Urban Councils Act Chapter 29:15.

Section 299 (1) of the Constitution empowers Parliament to monitor and oversee expenditure by the State and all commissions and institutions and agencies of government at every level, including statutory bodies, government-controlled entities, provincial and metropolitan councils and local authorities. Such oversight is intended to ensure that all revenue is accounted for, all expenditure has been properly incurred and any limits and conditions on appropriations have been observed. In the same context, Section 309 of the Constitution outlines one of the functions of the Auditor-General as that of ordering the taking of measures to rectify any defects in the management and safeguarding of public funds and public property. Public officers are therefore required to comply with orders given to them by the Auditor-General.

The Urban Councils Act Chapter 29:15 is the primary legislation detailing the governance of urban local authorities in Zimbabwe. Sections 284-307 of the Act contains provisions on financial management in terms of budgeting, accounting of revenues and expenditures, borrowing and auditing of council books. However, a salutary provision entails participatory budgeting and financial management. Participatory budgeting is a consultation mechanism which creates opportunities for local authorities to form networks and partnerships that put communities at the core of the decision-making process. It therefore promotes political and social inclusion of marginalised groups. In Zimbabwe, the process of participatory budgeting promotes public learning and active citizenship which enhances social justice through collective sharing of resources and improved policies¹¹. There are 32 urban councils and 60 Rural District Councils in Zimbabwe.

The Urban Councils Act provides that once established, an urban council assumes the status of a body corporate, with perpetual succession and in its name can sue or be sued. As can be found in various reports

10
11

ZIMCDD, 2001; Zhou, 2012
See the Urban Councils Association Report of 2006 on Best Practices in Participatory Budgeting for Five Cities

and media coverage, there are wide cases of gross financial mismanagement, misappropriation and financial indiscipline among urban local authorities. Others also concurred that Zimbabwe urban local authorities are plagued with challenges of poor service delivery and hyper corruption¹². In 2011, Zimbabwe had a Corruption Perception Index (CPI) score of 2.2 and an overall rank of 154 out of 182 countries assessed. In 2012, the CPI was presented on a scale of 0 to 100, with 0 being the most corrupt and 100 being the least corrupt, Zimbabwe was one of the countries assessed and it scored 20, on the CPI score¹³.

9. THE LOCAL GOVERNMENT BUDGET CYCLE

The local government budget undergoes a series of activities and these steps are depicted in figure 15 below:

Figure 14: Local government budget cycle



¹² Wafawarova (2011)

¹³ Transparency International Zimbabwe TI-Z, 2012

10. SURVEY FINDINGS AND DISCUSSION OF LOCAL BUDGETING

10.1 Access and usefulness of the Budget Strategy paper and budget guidelines

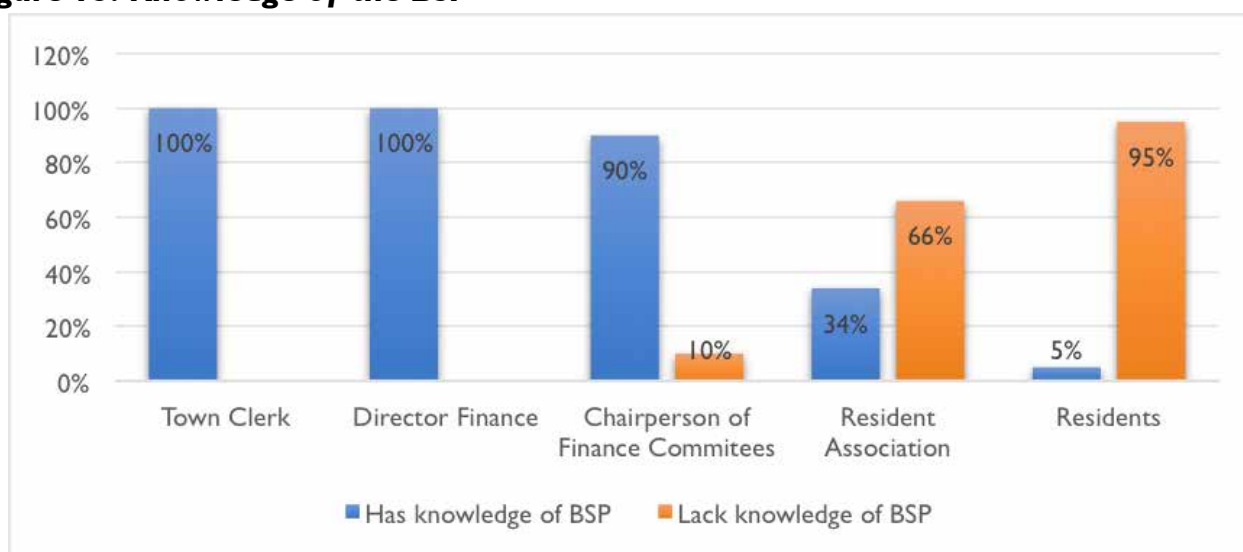
The issues around this theme were primarily focused on the utility of the budget strategy paper (BSP) prepared by the Ministry of Finance as the basis for public input into the budget and a guide to budget submissions of government ministries and departments. For purposes of clarity a BSP is prepared by the Ministry of Finance to underpin the formulation of the National budget. The BSP, in particular provides an assessment and review of the macro-economic and fiscal performances and a macroeconomic outlook for the coming year. In the preamble, the 2012 BSP for Zimbabwe, for instance, stressed that the paper is developed to anchor participatory democracy, promote inclusivity and ownership in policy formulation. It emphasised that as an important fiscal tool, the budget must be owned and should belong to the people. This is attained as the BSP serves to guarantee a bottom-up participatory approach in budget formulation.

A question was raised to assess the respondents' appreciation of the BSP. The survey results showed that residents did not have knowledge about the BSP as it is only presented to Cabinet and Parliament and ministries will then be expected to develop budget guidelines from the BSP. Over 98.3% of the survey respondents indicated that they had not seen a BSP whereas less than 5% confirmed to have seen the BSP through the internet, of which 3% are women. (Fig 16) A further 93.7% had not seen the Ministry of Local Governance Public Works and National Housing (MLGPWNH) budget guidelines of which 46% were female and 47.3 were male.

However, interviews with local authorities' Town Clerks and Directors of Finance revealed that while they have knowledge of the BSP, they do not get the strategy paper from the Ministry of Finance but rather they get budget guidelines prepared by the MLGPWNH. The MLGPWNH will analyse the BSP and prepare its own guidelines which are then used by local authorities in preparing their own budgets.

Ninety percent of the chairpersons of the finance committees of local authorities under the study lacked knowledge of the BSP whereas only 10% who were aware of the BSP did not understand its utility to local government budgeting process. Interviews with Directors of Finance revealed that they are neither availed with the BSP nor consulted by the MLGPWNH in the development of the budget guidelines. They only access the BSP on internet. Contrary to the Zimbabwe scenario, other nations are working on modalities for enhanced public access of the BSP and other important budget tools. Tunisia, for instance, started publishing Pre-Budget Statement, and the budgets of ministries and local authorities marking a significant step in promoting budget transparency¹⁴.

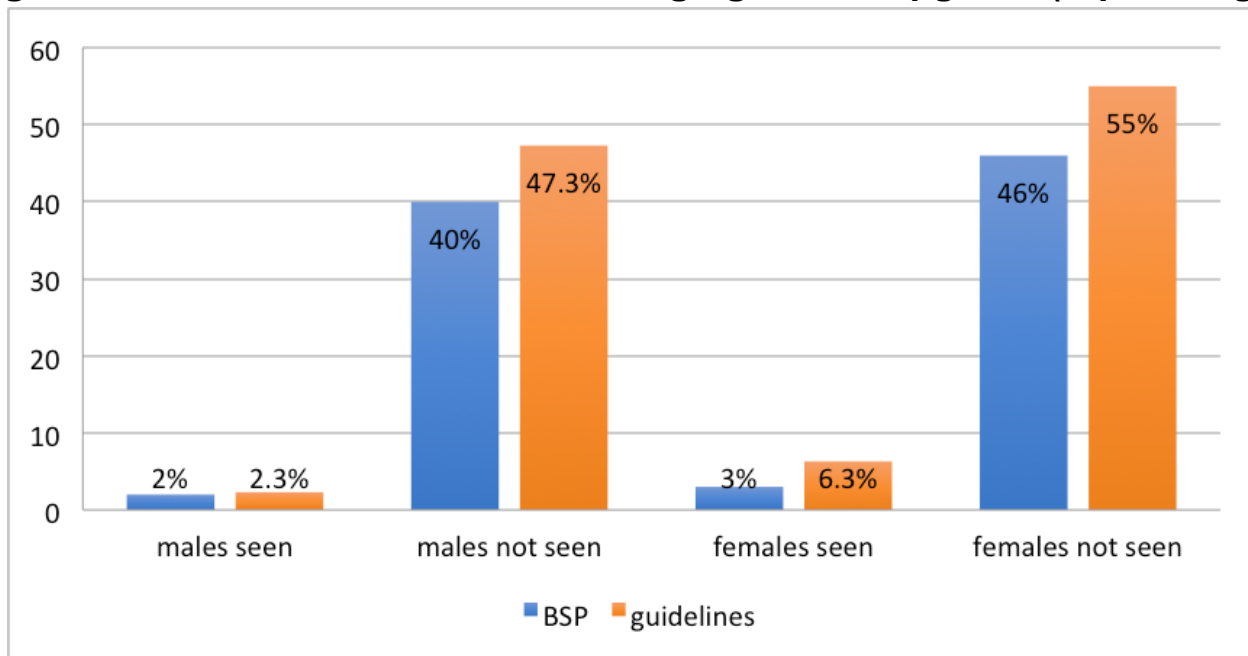
Figure 15: Knowledge of the BSP



Source: Interview results

The study identified that the major limitation of current approaches is that economic growth projections seems to focus on the national economy without extensive considerations of how local economic development can stimulate national economic growth potential. A local authority official in Bulawayo stressed that the major weakness of the budget guidelines is that they assume a global prescriptive position on 32 urban local authorities that are operating in different environments and with different challenges. Thus, despite the budget guidelines the study noted a disconnection between the national budget and local budgets.

Figure 16: Access to BSP and MLGPWNH budget guidelines by gender (in percentages)



Source: Interview results

In the same context, over 90% of the residents indicated that the content of their input in the budget is informed by substantive challenges they have e.g. poverty, unemployment, increasing commodities price and erosion of the value of earnings. The study therefore concludes that the input of citizens in the budget is neither a subject of the broad national economic scope presented in the BSP nor the budget guidelines of the MLGPWNH but ordinary daily challenges. In a related study, it was summed up that the major challenges encountered during budget consultation are that citizens use consultation meetings to express their problems and sometimes it is used as a political platform¹⁵. Interviews with officials of resident’s association and council officials in Masvingo and Gweru stressed the need for the publication of the BSP together with MLGNHPW budget guidelines and improving the accessibility of these two critical documents to citizens in order to guide the scope of budget consultation meetings.

The research accessed budget guidelines for the preparation of the 2019 budget that were circulated to local authorities on the 3rd of September 2018. As part of the economic outlook and forecasts, the budget guidelines for 2019 on page 2 stressed that local authorities must be cognisant of the devolution processes underway and budget accordingly for their duty to create enabling environments for investment through quality services...Budget estimates are expected to deal with the current operational challenges that the Local Government sphere is grappling with. Risk analysis and experience gained since the introduction of Service Level Benchmarking must be used to come up with realistic budgets and performance improvement plans... An analysis of the budget guidelines for the purposes of this study showed that they are a useful tool to guide local authority budget preparation despite the limitation that they give a generalised prescription to institutions that are operating in different environments and whose development challenges are fairly different.

10.2 Public knowledge of the local authority budgeting process

The survey results indicated that over 72% of the respondents did not understand the local authority budget process. Contrary to this, interviews conducted particularly with town clerks, directors of finance and leaders of resident’s association demonstrated that this category of respondents is fully informed of the budget

process. These results therefore show that residents who are expected to pay taxes, rates and service charges for services rendered do not fully appreciate the budget process.

The major concern of the residents appeared to be with the services and not the budget itself. The survey results also revealed that participation of the residents at budget consultation meetings cannot be used to determine either the residents' interests and/or knowledge of the budgeting process as such forums have been hijacked by political parties. More than 70% of the issues raised at budget consultation meetings are not budget related. The results indicated that the meetings are usually attended by members of the councillor's political party, usually those who are in the party's ward structures.

A gender analysis of the survey results reveals that of the 28% that understand the budget process, 16,4% were women whereas 11.6% were men. Key informant interviews established three factors that explains the disparity. Firstly, women are the worst affected by the erratic supply of key local government services such as water, sewer and refuse collection. The erratic supply of services will mean that they will have to look for alternative sources e.g borehole water where there are usually long queues or indiscriminate disposal of waste at undesignated sites usually at night to avoid arrest for violating municipal by-laws. Secondly, contemporary women are increasingly interested in budgeting and other council policy and governance processes as an avenue to fight patriarchy. Thirdly, men tend to consider local government policy processes as low order politics which should be given to women.

In a related research, the study found out that while budget consultations are necessary and useful, they tend to follow a political inclination and as such may not serve the intended purposes¹⁶. In the case of the current study, the negative paucity of knowledge realised from survey results tend to affect both the extent (in terms of numbers) and the quality of participation of residents in the budgeting process as knowledge is the basis for effective participation. Of the 28% with knowledge on the budget process, 18% felt that the consultation process lacks genuine and open engagement and are only meant to legitimise a council budget by meeting a statutory requirement which makes consultation obligatory.

Using Arnstein's ladder of participation, the form of participation in all local authorities under the study is classified as tokenism (see table 6 below)

Table 5: Arnstein's (1969) ladder of citizen participation

Citizen control	Citizens power
Delegated power	
Partnership	
Placation	Tokenism
Consulting	
Informing	
Therapy	Non- participation
Manipulation	

Source: Arnstein's (1969)

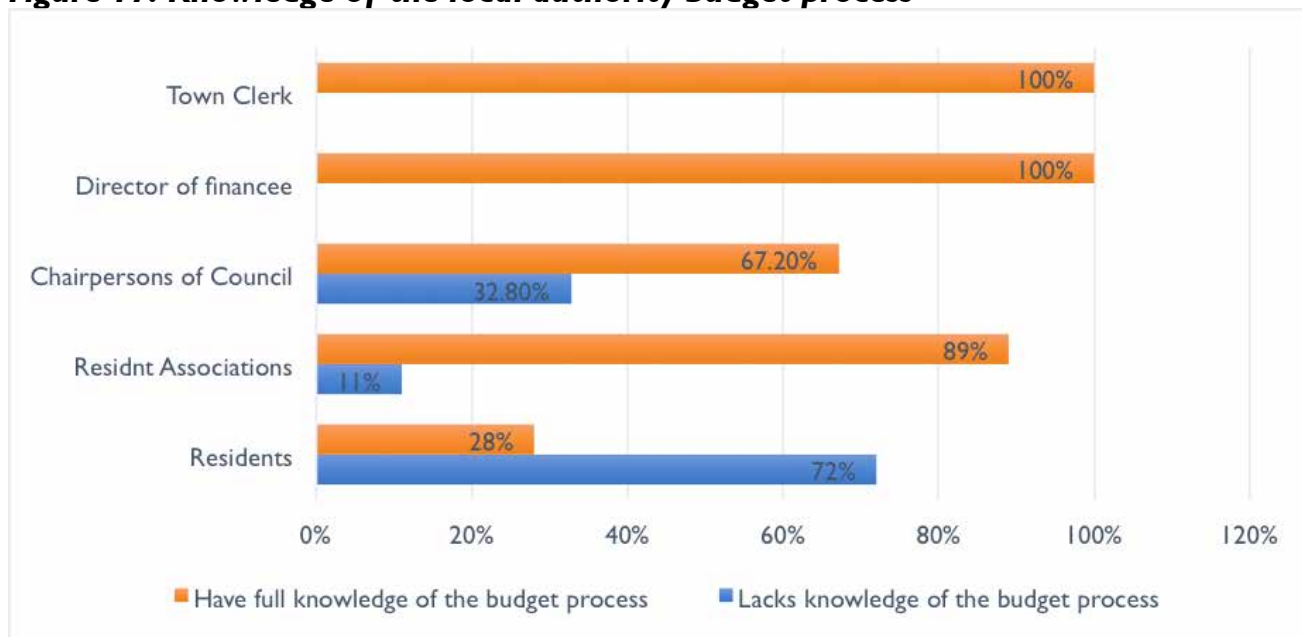
Arguing on tokenism, it has been submitted that the approach lacks in ensuring genuine participation and productive engagement of the public, in as much as they enhance the ability of the public to hear and be heard¹⁷. Others further added that when budgetary participation is restricted to tokenism, the public lack the ability to follow through on actual planning, formulation and implementation of the budget¹⁸. There is no actual power within the public to decide and enforce their decision in planning.

16 We Pay You Deliver Consortium (2018)

17 DeCaro and Stokes (2008)

18 Ostrom (2009)

Figure 17: Knowledge of the local authority budget process



Source: Interview results

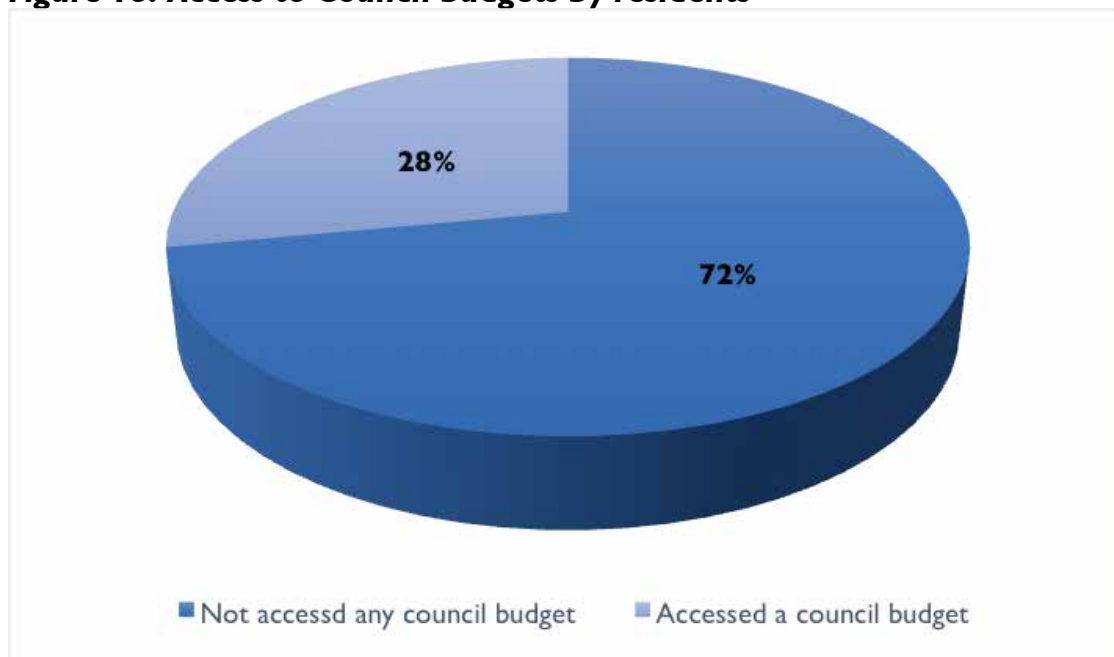
Interviews with officials of a residents association in Masvingo and Hwange revealed that besides a need for massive civic awareness on budgeting to improve appreciation of the process, there is need to reconfigure the consultation processes in order to create genuine opportunities for citizen participation while developing a yardstick to be used to measure the extent to which public input is captured in the budget. Five strategic dividends of citizen participation in local government budgeting include : a) informing decision making, b) educating participants about the budget, c) gaining support for budget proposals, d) influencing decision making, and e) enhancing trust and creating a sense of community¹⁹.

More than 72% of respondents have not accessed any council budget. (Fig 20) An official of the resident's association in Masvingo indicated that residents feel that a budget is an executive document for council managers which they use in financing service delivery areas as they may decide. Contrary to this, there is growing evidence of local and national governments not only increasing the accessibility of budgets but developing and publishing a citizen version of the budget. The survey results showed that none of the 10 studied local authorities has a citizen version of the budget. A citizens budget which in essence is a simplified version of the budget to facilitate discussion is defined as a non-technical presentation that 'can take many forms, but its distinguished feature is that it is designed to reach and be understood by as large a segment of the population as possible²⁰.

According to the IBP Survey²¹ over 15 African countries had citizen versions of public budgets and these include Botswana, Kenya, Mali, Democratic Republic of Congo and Nigeria. Government is accountable to the people for the use of public funds and hence making the budgets publicly available is one way to provide an account²².

19 Ebdon and Franklin (2006, 441)
 20 Petrie and Shields (2010, 5)
 21 IBP Survey (2012)
 22 Bilge (2015)

Figure 18: Access to Council budgets by residents



Source: Interview results

In the same context another report on municipal budgeting and financial management conducted in 10 urban councils indicated that in over 50% of the studied cases, there is still very weak demand of financial prudence and accountability by residents²³. A review of 10 budgets for 5 local authorities in this study revealed that the budgets are fairly easy to comprehend and should therefore be availed to residents. However, considering the heterogeneous nature of society, providing a citizen version of the budget adds to citizens' appreciation of this important policy tool and hence their participation. Budgets and other financial information remain very difficult to access from local authorities. However, access to such financial information is critical in enhancing a trustworthy relationship between councils and local residents²⁴. Thus, local authorities should improve distribution and sharing of budgets to residents through their websites or social media platforms. In the United States, for instance, both the state, federal bodies and local government entities such as counties and municipalities responsible for the budget publish their own citizens' guides. In the same context the Government of Kazakhstan passed a law in 2011 covering the development of citizens budgets at both central and local levels²⁵.

10.3 The Extent of Public participation in Council Budgeting (Pre, During and Post Phases)

Participatory budgeting is emerging as an innovative urban management practice with a high proclivity of unlocking citizen potential to contribute meaningfully to governance issues as well as promoting principles of good urban governance. The concept has been well received and embraced by many developed countries but in Africa it is an emerging phenomenon whose application can best be described as being at infancy stage. It has been stressed that in Africa, participatory budgeting is gaining traction as an innovative way of strengthening citizens' voice in budgeting and the delivery of public goods and services²⁶.

In Zimbabwe, public participation is enshrined in the law and hence should generally be conceived as a human right. The Constitution of Zimbabwe Amendment 20 provides frameworks for public participation in budgeting. The study revealed that public participation in the council budgeting process has contextual, demographic, political and administrative underpinnings' and equally contends that factors such as cultural norms on decision-making such as class, gender and education levels influence levels of public participation²⁷. The research targeted women, the youth and disabled. An official of the residents' association in Gwanda stressed that breaking the process into three phases (pre, during and post) is only a principle of the law. He

23 We Pay You Deliver Consortium (2018)

24 Manduna, Zinyama and Nhema (2015) and We Pay You Deliver Consortium (2018)

25 (Bilge (2015)

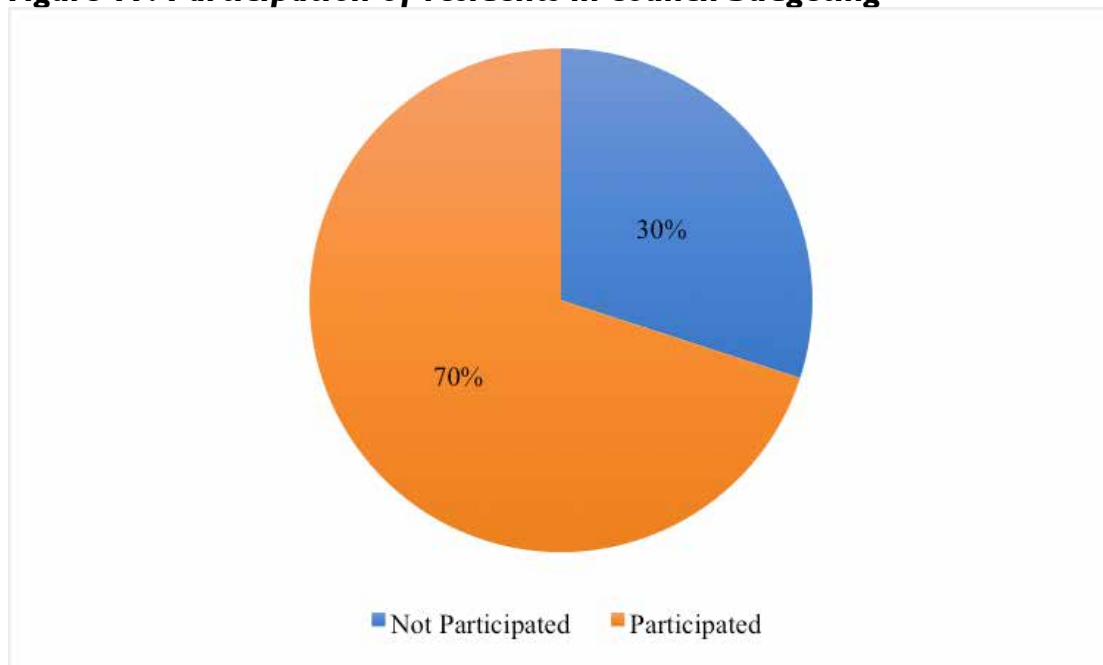
26 Anna Kajumulo Tibajuka (2008)

27 Redzuan, (2009)

argued that the meagre level of public participation is throughout the budget making process. In Hwange an official of the resident's association submitted that residents are only called to the budget making process without any background to the performance of previous budgets which ideally should be given through regular reporting of financial statements.

The survey results showed that over 70% of the residents are not active in local government budgeting. (Fig 20)

Figure 19: Participation of residents in council budgeting



Source: Interview results

To further compound the situation after the disabled, the youth are the most inactive demographic group despite constituting over 36% of the adult population²⁸. A consolidation of reasons given by council officials and residents associations interviewed showed that the youth lacked interest to participate in budgeting due to political exclusion, loss of trust and confidence in local government matters partly as a result of widespread allegations of corruption. At the same time, high unemployment due to deindustrialisation pushed the youth into the informal sector where there is high competition and hence may lack time to attend the meetings.

In the same context about 4% of the respondents were disabled. At the local authority budget making process, over 82% of the disabled argued that there is limited participation in the budgeting process due to attitudinal and physical barriers. In terms of the attitudinal barriers there was the general sentiment that 'people want to make decisions on our behalf as if we do not know our priority needs'. In the same vein the venues where the budget meetings are convened have physical barriers. Studies have revealed various factors affecting public participation in governance in general and budgeting in particular. In order to achieve effective participation, there is need to strike a balance between citizen's participation mechanisms and the local social-ecological context within which the citizens participate²⁹. There is therefore a direct correlation between the level of public participation and the degree to which the public perceives participation as a goodness fit³⁰. Citizens' subjective perceptions of participation by sub-national government units therefore do influence the level of their participation in budget process within the defined local government units.

An interview with councillors in Gweru, Masvingo and Hwange revealed that their consultation meetings are usually dominated by the elderly who appear fairly interested to participate in local government issues. Whilst public participation is generally underwhelming, it is important to note that local authorities have not

28 ZIMSTATS (2012)
29 Yang (2008)
30 To Deci and Ryan, (2008)

been availing sufficient information to equip the public for productive input in consultation meetings. Records availed by a councillor of one of the wards in Gweru showed that one of the 2019 budget consultation meetings were attended by less than 30 people in a ward with over 1000 active voters.

An analysis of results showed that over 80% of selected survey respondents did not understand the basis and justification of council's tariffs and user charges. Their general perception is that the tariff regime is unjustifiably high and not reflective of the quality of the service rendered. Interviews with council officials equally indicated that local authorities did not exhaustively mobilise residents and explain to them the basis of the tariff levels and possibly how previous budgetary allocations improved service delivery. An instance is the alleged abuse of the \$144 million loan for the upgrading of water works in Harare. As a result, there has been a growing mistrust leading to service delivery protests usually manifested through low levels of payment for services rendered. The table below shows debtors accounts among five of the studied councils and this is strongly attributed to a low citizen participation in budgets. The debtors have ballooned and as at October 31st 2018 the debtor's book for Gweru city council has risen to over 62 million.

Table 6: Trends in Debtors (2015-2016) Amount (\$)

City	2015	2016	change
Bulawayo	125 001 004	139 031 898	11%
Gweru	34 050 511	25 893 080	(34%)
Harare	405 300 000	535 200 000	32%
Masvingo	25 693 424	32 116 780	25%
Mutare	28 175 114	34 925 488	24%
Total	618 220 053	767 167 246	24%

Source: Adapted from We Pay You Deliver Consortium Report (2018)

Both the survey results and key informant interview findings concurred that participation is a viable tool of enhancing citizen input and ownership of budgets as it aligns budgetary decisions with the actual priorities and values of citizens. In the same context, available literature shows that participation is a viable feed for useful information into budgeting as cities with citizens who are active in budgeting are often less cynical and more supportive of their local governments³¹.

International experiences show growing levels of citizen-local government engagement. In Africa, a study on citizen participation in the budget process in local government using EThekweni municipality as a case study revealed that there is a growing belief that electoral politics and representative democracy have become passive, making way for more inclusive and deliberative forms of engagement between citizen and state institutions³². In Zimbabwe, various studies have revealed very low and stage-managed levels of citizen participation (tokenism) especially for the youth, women and the disabled. In local authorities where it seems to be highly pronounced, it was found to be political gimmicking. In the majority of cases the disabled would be used as bait to attract the much-needed foreign funding³³.

10.4 Budgeting and participation approaches in local authorities

The study showed that local authorities have different budgeting approaches. Although all the approaches are within the context of the legislative framework, they vary significantly on the extent to which they create opportunities for their various stakeholders to participate in the budget process. The table below show the 10 studied local authorities and their budgeting approaches

31 Muchadenyika, 2018, Zhou, (2012)

32 Govender (2006)

33 Chikerema, 2013, Muchadenyika, (2018)

Table 7: Budgeting and participation approaches in local authorities

City	Budget Approach	Key Stakeholders
Gweru	Thematic approach whereby there is the creation of various thematic committees	Residents Associations, WADCOs, Council Officials, Academia, Business, Communities
Bulawayo	Conventional budgeting system fused with Participatory budgeting	Residents Associations, Council Officials, Business, Communities
Gwanda	Conventional budgeting process	Residents associations, youth organisations, communities, council officials
Chinhoyi	Conventional budgeting process fused with flexible operating environments	Residents associations, residents, workers unions, communities
Hwange	Conventional budgeting process	Residents associations, residents' associations, workers unions, communities
Bindura	Conventional budgeting process	Residents associations, council officials, business, communities
Masvingo	Conventional budgeting process fused with sector Specific meetings such as women ,youth and the disabled	Residents associations, youth organisations, council employees
Harare	Conventional budget process	Residents associations, youth organisations, council employees
Mutare	Conventional budget process	Residents associations, youth organisations, council employees, business
Marondera	Conventional budget process	Residents associations, youth organisations, council employees, business

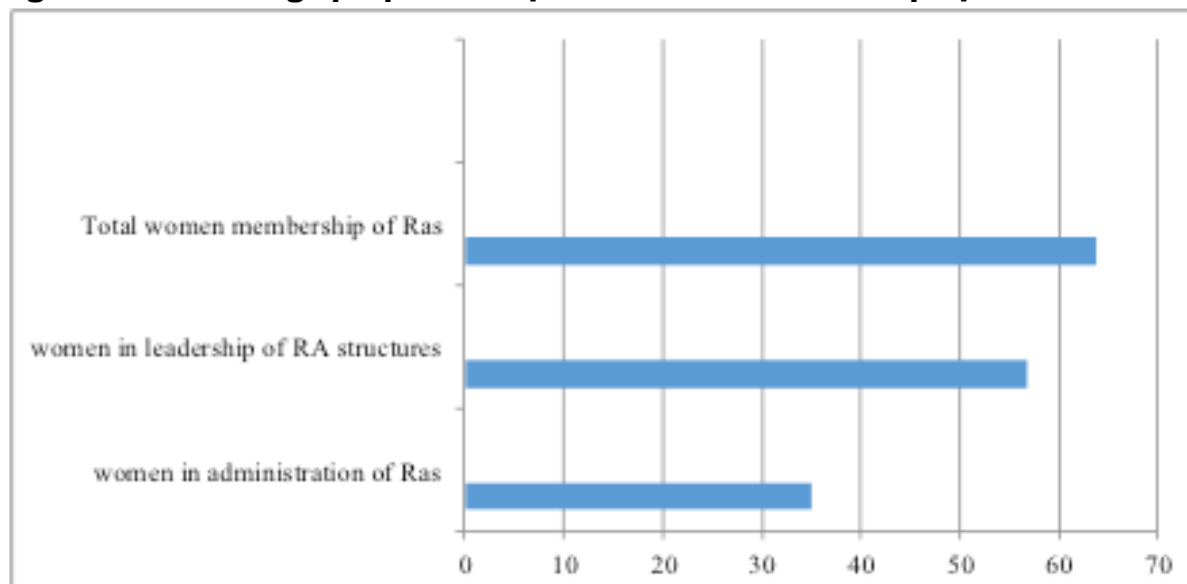
Source: Interview results

10.5 Role and Impact of Residents Associations and other Non-State Actors in Financial accountability and Transparency at Local Level.

The role of Residents Associations (RAs) and Civic Society Organizations (CSOs) in engendering social accountability, transparency and integrity is well documented and appreciated. As public watchdogs on good governance, their interaction with local authorities has left landmarks and permanent footprints and has led to stronger budgetary oversight by both sets of institutions and that such interaction will forever strengthen a country's governance framework and the effectiveness and efficiency of its anti-poverty programs. From the survey results there was consensus that residents' associations have a role in improving accountability of public service providers. However, about 35% of the resident's associations are not institutionalised due to limited financial resources. As such their efforts to hold the duty bearers accountable remain minimal as they do not have significant contribution to the local authority governance processes. Whilst CSOs/RAs have the potential to be a viable voice and the eyes and ears of the urban citizenry, the research results indicated that there is often a discord in the policy direction of resident's associations' in areas where there is more than one resident association.

In all the studied local authorities, the study found that there were more than one RA and a number of CSOs which are competing for space rather than building coalitions for effective oversight on council processes. Key informant interviews with leaders of resident's associations revealed that there is less policy process integration among the wider civil society spectrum and competition among these institutions was rife. This has weakened their capacity to leverage on collective potential in advocating for a better local government system. In the same context, a gender analysis of the leadership of residents' associations showed that all RAs are led by men with only 35% women in the administration of RAs. However, the ward structures showed that women constitute 64% of the total membership where they chair 57% of these structures.

Figure 20 Percentage proportion of women in the leadership of RAs



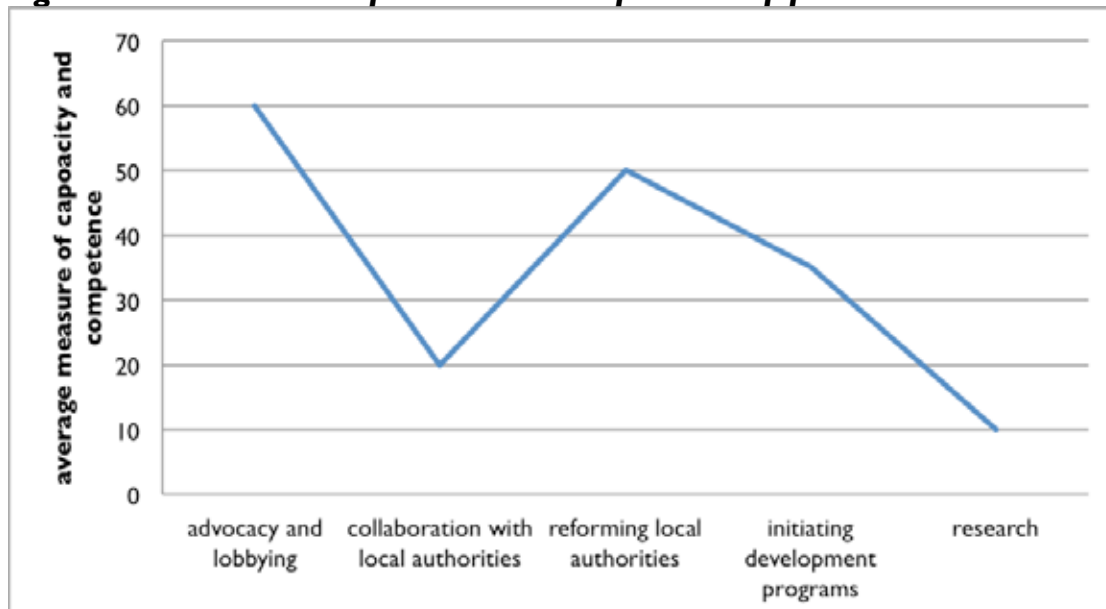
Source: Interview results

Analysis of study findings in the context of empirical evidence (Bilge, 2015, Hong, 2015, Namukoro, 2011, De Caro and Stokes, 2008) shows the following as the core functions of civil society in local governance:

- Advocacy and lobbying were identified by respondents as one of the effective tools of enhancing budgeting and financial accountability through attempts to influence the financial decisions of local authorities' institutional elites on behalf of residents. However, officials from local authorities indicated that most RAs in particular have often turned out to be confrontational without sufficient information. RAs have been active in lobbying and advocating for low rates, tariffs and user charges. This is against a strongly held perception that council rates are unjustifiably high and hence a huge debtor's book. A case in point is where RAs in Gweru, Mutare and Bulawayo opposed the purchase of executive mayoral cars. Council officials stressed that this is necessary to ensure the integrity of the office of the mayor while RAs said that priority should be given to service delivery.
- Research was also considered to be an important area for CSOs/RAs to scientifically influence local government processes. Local authority officials in Gwanda, Mutare and Bindura insisted that they expected CSOs/RAs to propose scientific models of improving budgeting and financial management anchored on international best practices. However, a study of the structural organisation and process of most RAs for the purposes of this report revealed that 80% of these organisations did not have a properly structured research unit or lacked key research skills. There is need for RAs to conduct researches on council value chains as the basis for a productive discussion on tariffs and service charges.
- Initiating development programs is also a key area for CSOs/RAs. RAs indicated that they have a number of community development programs they are spearheading. In Gweru, Gweru Residents Forum is working on modalities for a chicken project with the local community funded by USAID.
- CSOs/RAs also have an important function of reforming state and local authorities' institutions through education, confrontation, petitioning, litigation etc. However, research results indicated that because of mistrust between local authorities and RAs, much of the activities of RAs have centred around petitioning and confrontation. While litigation has been preferred by 65% of the RAs officials interviewed, they cited lack of resources as a hindrance to instituting legal action against illegal behaviours of local authorities eg implementing budgets before their approval.

The following table shows the average results on the rating of the competences of five RAs (Masvingo Residents and Ratepayers Association, Gweru Residents Association, Bulawayo Progressive Urban Residents Association, Gwanda Residents Association and Mutare United Residents Association) under this study. The ratings are derived from the analysis of study findings on the stated key competence areas of RAs.

Figure 21: Assessed competences and capacities of five RAs



Source: Interview results

In local authorities where there is more than one resident's association, for example, Gweru, Harare and Bulawayo, 74.3% of the selected local respondents noted growing conflicts among the residents' institutions themselves and in the process weakening their ability to hold councils accountable. In Gweru, a case is noted where a council employee is a director of a residents' association, presenting a classic case of conflict of interest. Such a scenario makes their representative role compromised. A majority of resident's associations are also weakly institutionalised as noted above. From the research results, about 15% of the resident's associations from the studied cities are by and large 'briefcase organisations' which do not have the capacity to effectively lobby the public service authorities to account for their actions along the service delivery continuum. The above argument is supported by a set of case studies which highlight the innovative work of residents' associations and civil society organizations around the world.

A study CSO participation in state government budgeting in the Odisha State in India submitted that Indian state governments lack formal assigned spaces to participate and communicate the issues of local level communities to the state administration. At the same time, state legislators lack the information and skills required to productively engage in a critical discourse of the matter. Resultantly, the government becomes a de-facto exclusive decision maker, where the executive decides the expenditure priorities alone. The role of CSOs is limited by lack of access to information, unavailability of a database and absence of formal or informal spaces for participation and debating budget issues. To further compound the issues, the educated masses, which are often ignorant of the intricacies of the process, are reluctant to question the functioning of the state's governance. At the same time, the media which is a key civil society actor was found to lack the essential expertise to delve deeply into budgetary implications. Crippled by a lack of timely and accurate information, the media fails to provide good, in-depth coverage on critical budget issues that affect the lives of the poor. As a result, any limited debate of issues that take place continues to be opaque and obscure in nature.

However, despite the weaknesses (as aforementioned), civil society have the potential to play a vital role in both national and local government budgeting. From the key informant interviews, the following were identified as some strategic areas that CSOs/RAs can contribute towards financial transparency and accountability:

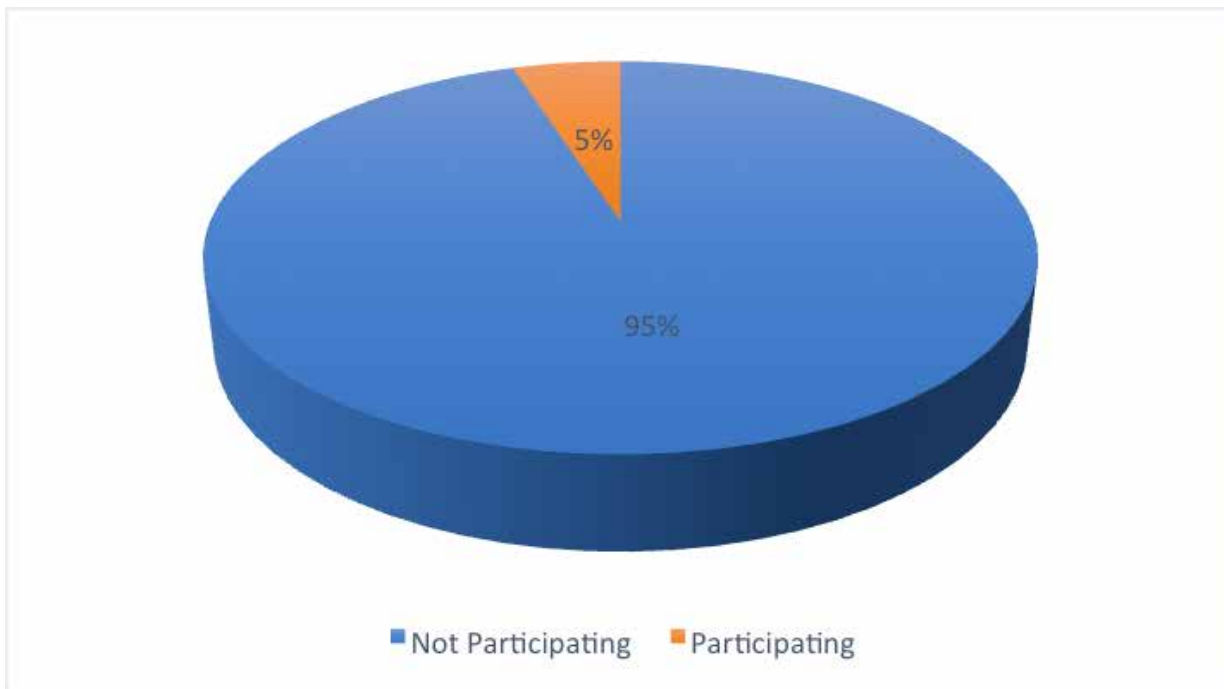
- Contributing positively to public expenditure management and oversight, since they are strategic sources of critical and independent information on the impact of the budget.
- Building literacy on public finances among citizens and facilitating discussions and debates on budgetary issues.
- Adding new data into the budget process by collecting, synthesizing, and disseminating information on public finances

- Providing training on public finances to citizen groups, the media, and legislature. This strengthens the capacity of all these groups for oversight and to demand accountability from government agencies.
- Examining the passage of the budget through the legislature and its subsequent implementation.

10.6 Measures and mechanisms in place to facilitate Public participation in Local Government Budget Process

Budget consultation meetings are usually conducted in wards and council head offices with the purpose of harnessing residents’ input into the budget. Council officials interviewed indicated that such meetings are advertised through council public notices, ward social media platforms, public address system or hailer in a council vehicle. A councillor in Gweru confirmed to be administering a social media platform with 280 ward residents that he uses to communicate meetings and other critical development issues. Whereas some of these approaches are effective, modalities and considerations for the disabled and the elderly to participate remains acutely weak. The results of the survey indicated that over 95% of the disabled are technically excluded from budget consultation meetings. For example, for the visually impaired, all councils under this study did not have a braille version of the budget. There are also no technical persons for sign language in all the local authorities under the study. In all the councils, for instance Gweru and Masvingo city councils, the elevators are either not functional or are not there to facilitate access for those using wheelchairs to council chambers where such meetings are usually conducted. Five percent of people with a disability indicated that they are represented in consultation meetings by members drawn from their representative structures.

Figure 22: Extent of the participation of people living with disabilities in council budget processes



Source: Interview results

However, Masvingo city council presents an important lesson on engagement modalities. Interviews with the Town Clerk and an official of the resident’s association in Masvingo revealed that in 2018, the city council introduced a consultation platform specifically for women. Whereas this was targeted at improving women participation, it is recommended that such platforms be targeted at other groups such as the disabled, youth and the elderly in order to enhance their voice in budgeting particularly and local governance matters in general. Having a separate framework for women engagement is an important step towards gender equity in budgeting and a key in an open budget system. Whereas a structured study into the contributions of this into the quality of the local budget is yet to be undertaken, officials interviewed in Masvingo revealed that the separate consultation framework for women has generated robust debate which could not happen previously where women were consulted together with men.

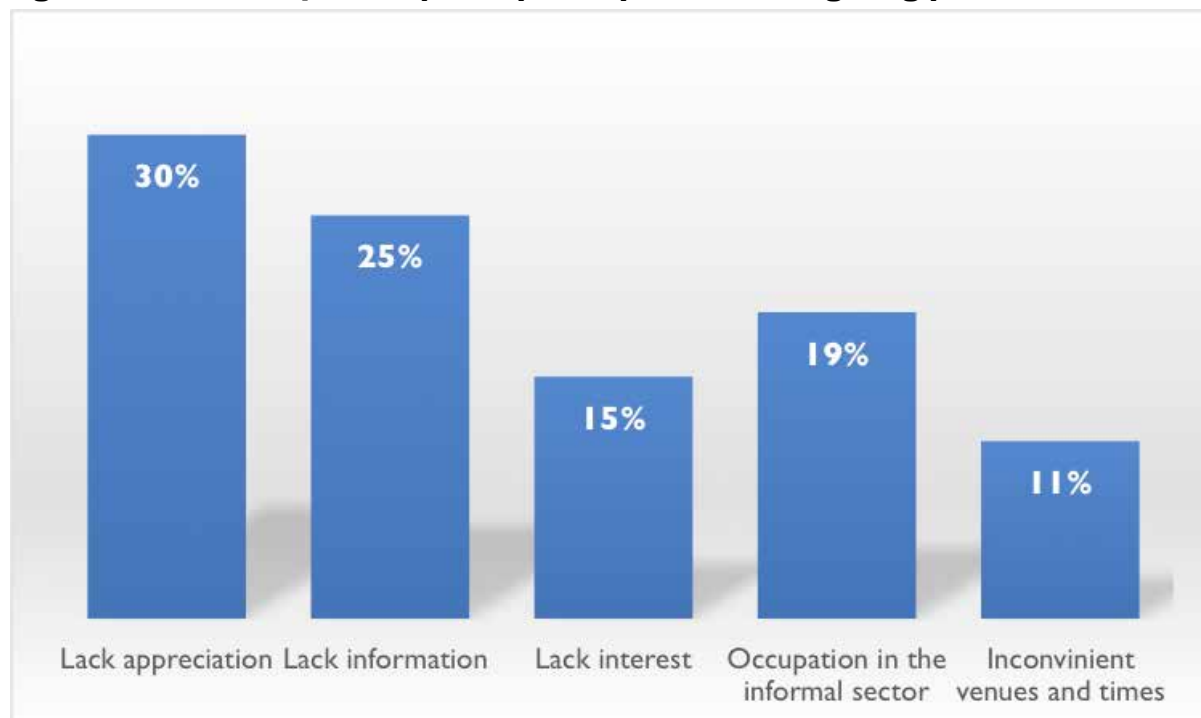
A study on the Pukhtoon Society, of District Dir Lower, in Pakistan, stressed that the importance of women

empowerment and political participation cannot be neglected in modern world ³⁴. The report cited vast empirical evidence where women are considered secondary and dealt as second-class citizens. The central point in their argument is that women face tremendous socio-cultural, economic and legal obstacles in their development and hence institutions should find strategies to enhance their participation in governance. This disengagement of women from policy processes have deep roots in local traditions which require structured approaches to dismantle and hence the Masvingo City council case presents a classical lesson.

Although budget consultation meetings are held in each ward, the attendance remains surprisingly very low. Survey results indicated that less than 5% of the youth and about 15% of the middle aged have attended the meetings which are usually dominated by the elderly. The reasons for such low attendance are varied from lack of interest (15%), lack of information on such meetings (25%), lack of appreciation of the importance of such meeting (30%), inconvenient venues and times for the meetings (11%). However, 19% of the respondents stressed that they were in the informal sector where competition is cutthroat and generally have no time for such meetings.

Available empirical evidence shows that the level of youth participation in budgeting is very low, particularly in Sub-Saharan Africa (Bilge, 2015, Hong, 2015, Wafawarova, 2011). Whereas the factors are wide, it is important for governments to create opportunities for extensive youth participation in governance. Encouraging though is that civil society is beginning to create spaces for the youth to identify opportunities for their participation in governance. A case in point is the Social and Economic Justice Activism Academy 2019 (SEJAA), organised by ZIMCODD. SEJAA seeks to explore mechanisms to improve youth participation in budgeting, public expenditure tracking, monitoring public service delivery, lobbying and embarking on advocacy campaigns. While these are important local initiatives, at the continental level, the African Youth Charter has been lobbying governments to “facilitate the creation or strengthening of platforms for youth participation in decision-making at local, national, regional and continental levels of governance³⁵.”

Figure 23: Reasons for low youth participation in budgeting processes

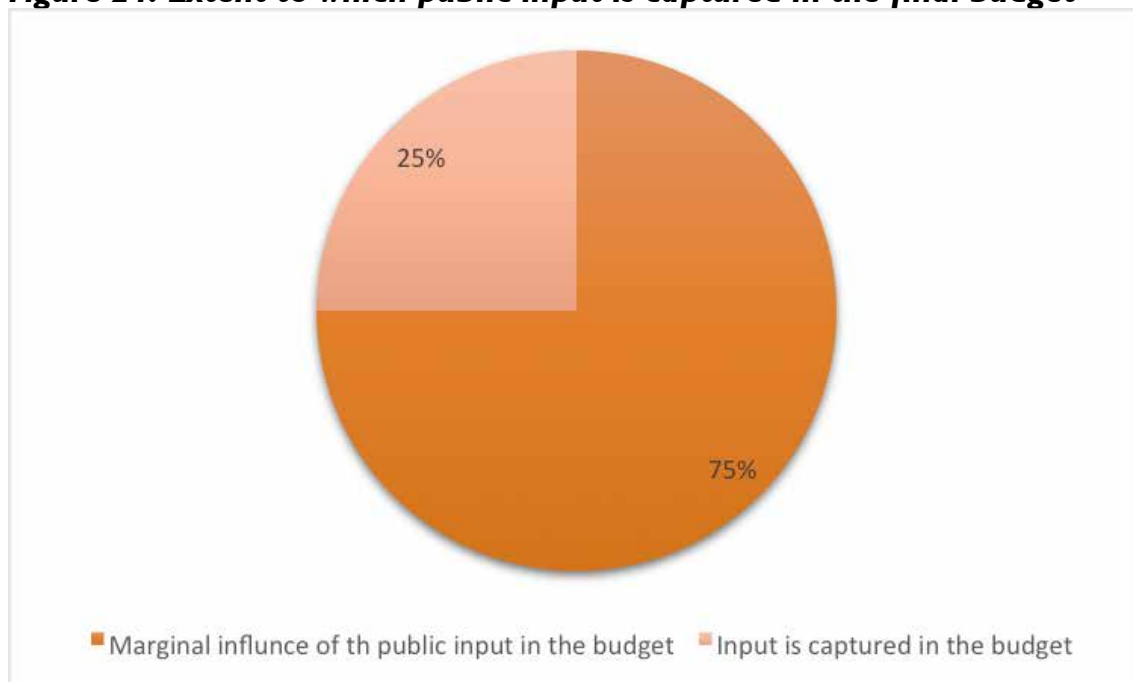


Source: Interview results

Over 75% of the survey respondents stressed that budget consultation meetings have had a marginal influence on the final budget. This position was largely supported by residents’ associations who stressed that the input of residents is ignored in the preparation of final budget. This has tended to dampen the interests of residents to attend meetings as they doubt if their input is ever going to be captured in the final budget.

³⁴ Asad et al (2017)
³⁵ African Youth Charter (2006)

Figure 24: Extent to which public input is captured in the final budget



Source: Interview results

In all the local authorities under the study, the level of financial feedback through periodic financial reporting is weak. In some wards in Gweru, Gwanda and Chinhoyi residents are yet to get any budget performance reports for 2019. In the 10 local authorities finance committees, meet at least once every month in terms of the Urban Councils Act. Financial statements should be generated and shared with citizens through ward development structures or such other meetings as called by the councillor of the area or initiated by council. The Urban Councils Act provide for quarterly council feedback meetings with residents at which meetings financial statements can be presented. This then places an obligation for at least quarterly feedback meetings where financial statements are presented. Officials from residents' associations were of the view that the quality of the input of residents can be enhanced only when there is intensive review of the performance of previous budgets which currently is not being done. They argued that residents are usually called to participate in budget making processes without a background to the performance of the previous budget. In order to bridge this gap, suggestions have been made that civil society organisations should invest in pre-budget consultations where residents are given the opportunity to interrogate the previous budget and set priorities for the coming financial year³⁶. What remains important and encouraging is a consensus among both officials of councils who participated in the study and residents that consultations are a necessary and viable mechanism of mainstreaming communities into local governance issues. The need to reconfigure them to improve efficiency of results remains necessary.

10.7 Public Complaints Handling Mechanisms on the Local Authority Budgeting Process

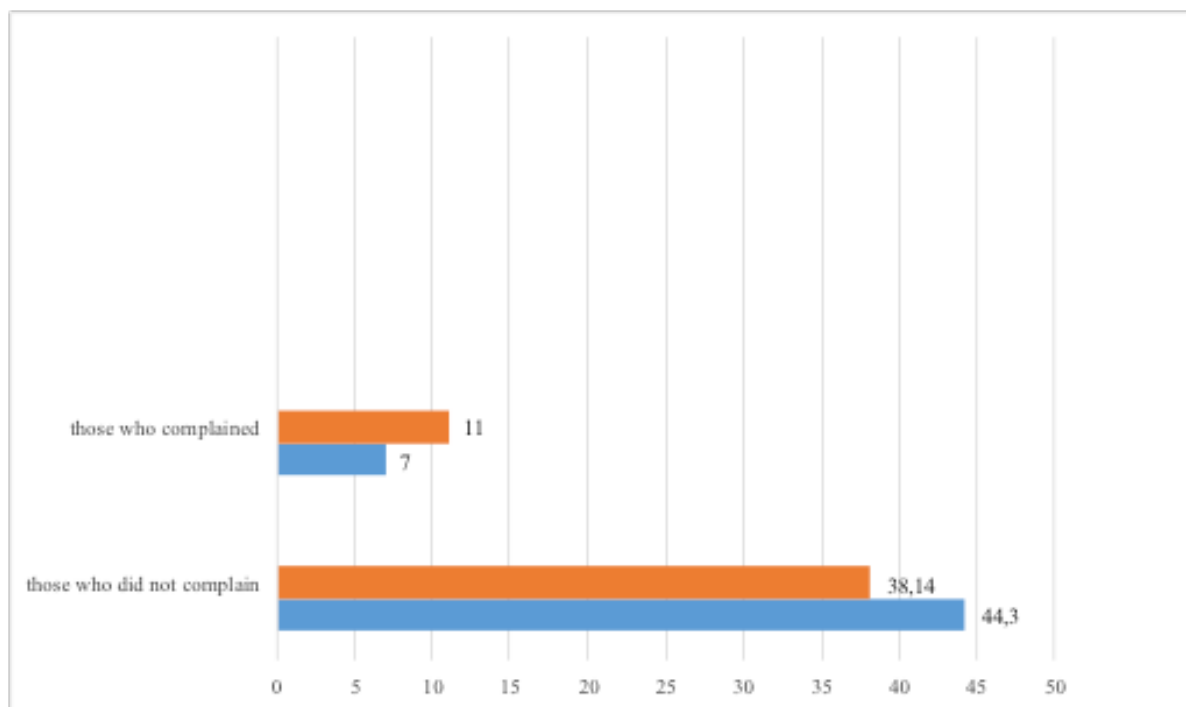
The issue of handling complaints is an important part of service delivery in local government. From the survey results, over 82.44% of the respondents indicated that they have not managed to institute complaints to their local authorities due to limited interaction with the council on pertinent service delivery issues that affect them. From the 82.44%, 44.3% were male while 38.14% were female. It is therefore pertinent for urban local authorities to put in place robust mechanisms to handle complaints from their stakeholders in order to champion inclusive service provision and enhancing citizen participation.

Handling feedback and complaints is an essential part of any organisation's commitment to being accountable to its stakeholders. The process is, however, a learnt skill whose judicious application is a mammoth and daunting task. From the survey results of the 18% (7% were male while 11% were female) of the respondents who had managed to register their complaints with the councils, limited feedback was provided to the residents rendering the complaints non effective and not relevant to the community needs for improved

service provision. The distribution of the results by gender above shows that more females have lodged complaints with councils. Most of the complaints related to the quality of water, inconsistent refuse collection, and erroneous meter readings. Though no reason was obtained from the survey results to explain this trend, interview results revealed that women suffer the challenges of an erratic public service delivery system more than men.

Based interviews with council officials, the most common public complaints mechanisms in local authorities are suggestion boxes, registering complains with council officials or using the public relations office. Out of the 18% who managed to lodge complaints, 5.2% used suggestion boxes, 11.6% submitted their complaints to council staff in the respective departments of which 45% were handled by the engineering department, 35% (finance department) and 20% other departments. The remaining 1.2% of the complaints were submitted through the Public Relations departments of the councils. This makes the public relations sections very unpopular and probably weak. 8 local authorities, except for Harare and Bulawayo city councils have relatively small public relations departments that are at infancy and therefore are largely unknown to the residents. However, studies have shown that generally the three mechanisms are rarely effective as suggestion boxes, for instance, are opened in privacy and the expected feedback is not usually given (Wafawarova,, 2011, Yang, 2008).

Figure 25: Complaints lodging statistics by gender



Source: Interview results

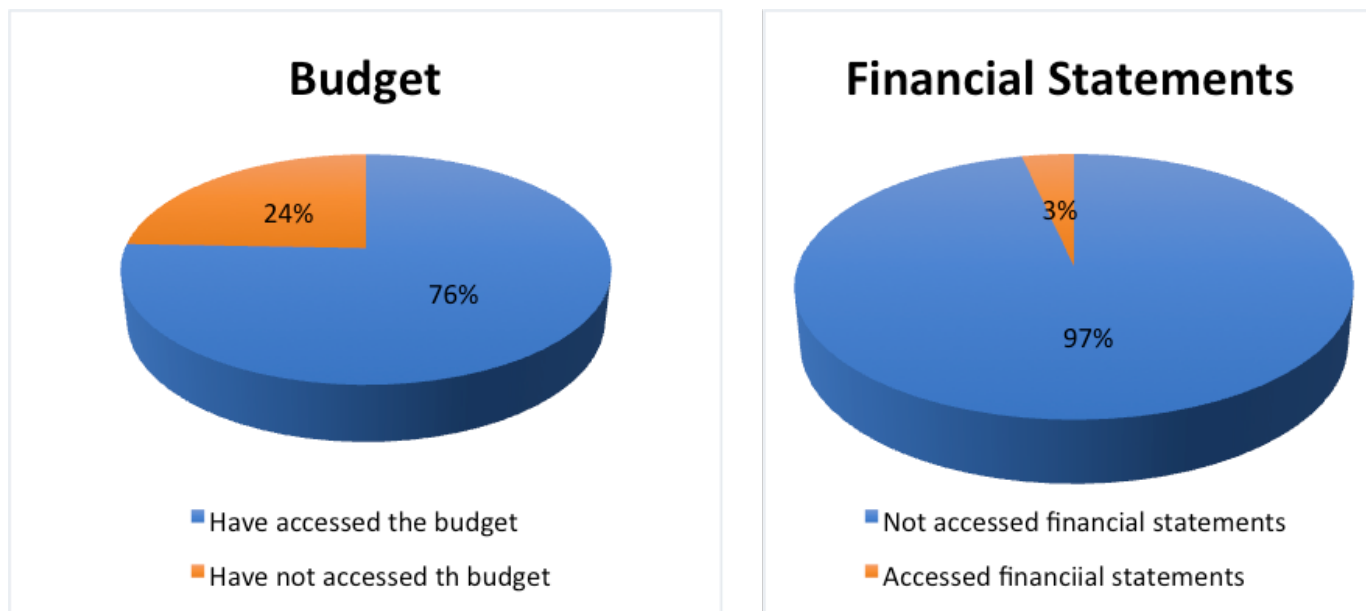
An effective Complaints Handling Mechanism (CHM) can serve to hold local authorities or partners to account against the promises and commitments made to beneficiaries and stakeholders. It can offer checks and balances as to whether specified goals are being met and can provide early warnings that things might be going wrong. Therefore, public complaints handling mechanisms on the local authority budgeting process must be culturally and contextually appropriate to the specific situation where programme activities are implemented. Local forms of communication and governance structures need to be taken into consideration when designing and implementing the same. If local ways to handle complaints exist, which are effective and safe for people to use, then, these can be used or can be integrated into complaints handling mechanisms.

10.8 Production and Dissemination of In Year Budget Performance Reports by Councils

The budget process involves various phases which should be followed by public officials, both elected and appointed and the residents. These phases, as illustrated in the budget cycle include administrative preparation, legislative approval, financial implementation, and annual year-end accounting and financial reporting. The results of the survey showed very weak financial reporting practices by councils. Almost 8 in 10 of the

residents (75, 6%) indicated that they have not had access to a council budget. Of the 24.4% who had accessed the budgets, the media they used to access such budgets were council websites (29%), local newspapers (45%), buying a printed copy at council (17%) and other media (9%). Only 3.5% of the respondents accessed financial statements from council. However, they could not clearly confirm the media used to access the financial statements. Interviews with council officials showed that councils generally do not share financial statements with the public.

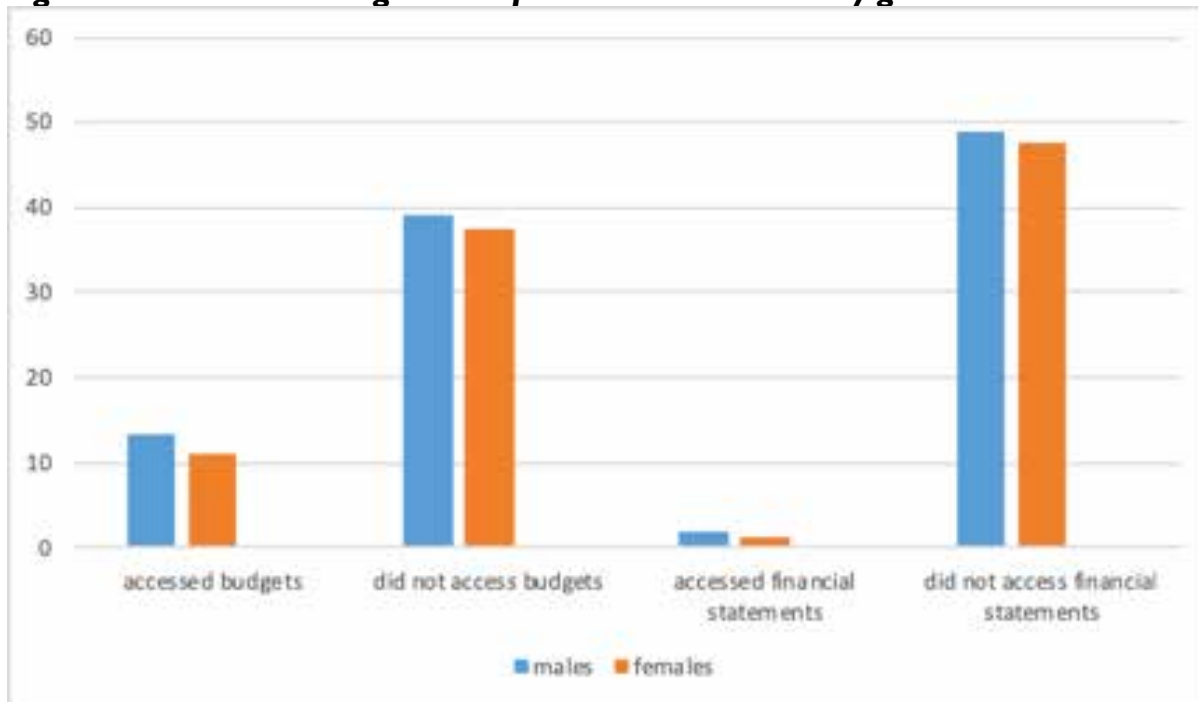
Figure 26: Accessibility of budget and monthly financial reports



While budgets are available for the public, monthly financial statements are inaccessible and were described by one official of a resident’s association as ‘sacred and not meant for the residents to see.’ While it a statutory requirement for local authorities as part of the public sector to generate accounts and financial statements for public expenditure through periodic financial reports, it seems most local authorities have not been complying with this requirement. Of the 3.5% who have accessed the financial statements, these were usually not for the current month.

A gender-based analysis of the access to budgets and financial statements reveal that of the 75.6% who had not accessed council budgets, 39.1% were male and 37.4 were female. At the same time of the 24.4 who accessed the budgets, 11.2 were female and while 13.2 were male. These statistics show that a higher percentage of men did not access the budget whereas of those that accessed the budget there were more men than women. The survey results also show that of the 96.5% that did not access financial statements 49% were male while 47.5 were female. Whereas from the 3.5% that accessed financial statements, 2.1% were male and 1.4% were female. While participation of women in budget consultation meetings is higher than men, access to budgets and financial statements is lower than that of their male counterparts.

Figure 27: Access to budgets and financial statements by gender



Source: Interview results

Seven out of the 10 local authorities under the study, representing 70% are doing financial statements for 2017 and/or before. It appears there is a serious challenge with keeping updated books of accounts in most local authorities which compromise their financial viability and credit worthiness. This explains why some local authorities have in the past failed to get approval of borrowing powers by the MLGPWNH as it is a prerequisite to have up to date financial statements upon submission of application. At the same time financial institutions have also shown laxity to borrow local authorities that do not have audited financial statements. Failure to maintain up to date financial statements reduce the confidence levels while increasing risk of conducting business with a local authority. It then equally limits the interest of the private for public private partnerships. The Auditor General in a report for the year ended December 31, 2018 on local authorities made the following submissions:

“I note with concern that for the 2018 financial year, out of the 92 Local Authorities, only three (3), (Bindura Municipality, Tongogara Rural District Council and Marondera Rural District Council) had current (2018) financial statements audited and reported on, whilst nineteen (19) were in progress or at finalisation stage”.

The above report further noted that one local authority was still to submit financial statements dating back to 2014. Gweru City Council, for instance is currently working on 2016, 2017 monthly financial statements. This is being done with the view of getting their books audited. A question may however be asked: What is the material value of such financial statements and audits. One official from Masvingo city council indicated that despite the delay, auditing is a statutory requirement and so councils should get their books audited. An official at Gweru Residents Association was of the view that there is a tendency for councils to prepare financial statements only when they want to apply for borrowing powers or when under pressure from either the parent ministry or the Auditor General.

Financial data is useful in determining the content of residents’ input in the budget process. However, the results of the study indicated that such data is sparingly given or only afforded to those who have networks with key council officials or have privileges because of political or other connections. This has resulted in a combination of decreased participation of residents in budget meetings and at the same time weak quality of public input in the budget process.

10.9 Effectiveness of Councils in Ensuring Executive Compliance with Budgeted Expenditure

A budget is the formal expression of plans goals and objectives. It provides targets and direction for the organisation. Budgets facilitate control in organisations. A question was posed to assess the effectiveness of council in ensuring executive compliance with the budgeted expenditure. Councils are responsible for passing the budgets then management will implement the budgets and report back to council on progress. The report back is done through the Finance committee. Section 96(2) of the Urban Councils Act Chapter 29:15 provides that every council shall appoint a finance committee which shall be responsible for regulating the financial affairs of the council in accordance with the standing orders and by-laws of the council. The Audit Committee is also in place to monitor the execution of the budget through the internal auditor. Section 98 (1)(a) gives the audit committee power “to inquire into and report upon the manner in which the finances of the council, its assets and human resources are being used;”

Council officials under the study indicated that a Finance Committee chairperson presents financial statements to full council at the quarterly meetings. However, Councillors are not trained in public finance management, so they find it hard to comprehend budgetary issues. Town clerks and directors interviewed stressed that since there are no academic requirements to qualify to contest as a councillor, some councillors possess very weak qualifications to comprehend technical accounting and financial jargon. Residents association officials in Harare and Bulawayo’s views were that rampant cases of corruption and criminal abuse of office especially raised in external audit reports were indicative of the inability of council to monitor the behaviour of executive officials.

Five chairpersons of finance committees of five different local authorities interviewed indicated that their efforts to monitor executive compliance with budgeted expenditure is hampered by a number of factors which include a volatile macroeconomic environment, changes in exchange rates, inconsistency in government policy etc. An instance was given by a councillor in Hwange whereon she stated that the 2019 budget was prepared when the RTGS’ was put at par with the US dollar through government policy. This has since drastically changed and the average exchange rate of the currencies on the interbank market as at 4/7/19 is USD1 to RTGS 8.5. This has affected commodity price and rendered the implementation of council budget or control over it very difficult. The councillor also cited price changes that may occur at any time and should be accommodated to avoid disruptions to the activities of the agencies. These changes make it difficult for councils to comply with budgets. One local authority in the study budgeted \$100 000 RTGS for a pickup vehicle and yet five months into the budget cycle, the vehicle whose marked price is around USD\$45 000 is 8.5 more in the local RTGS currency.

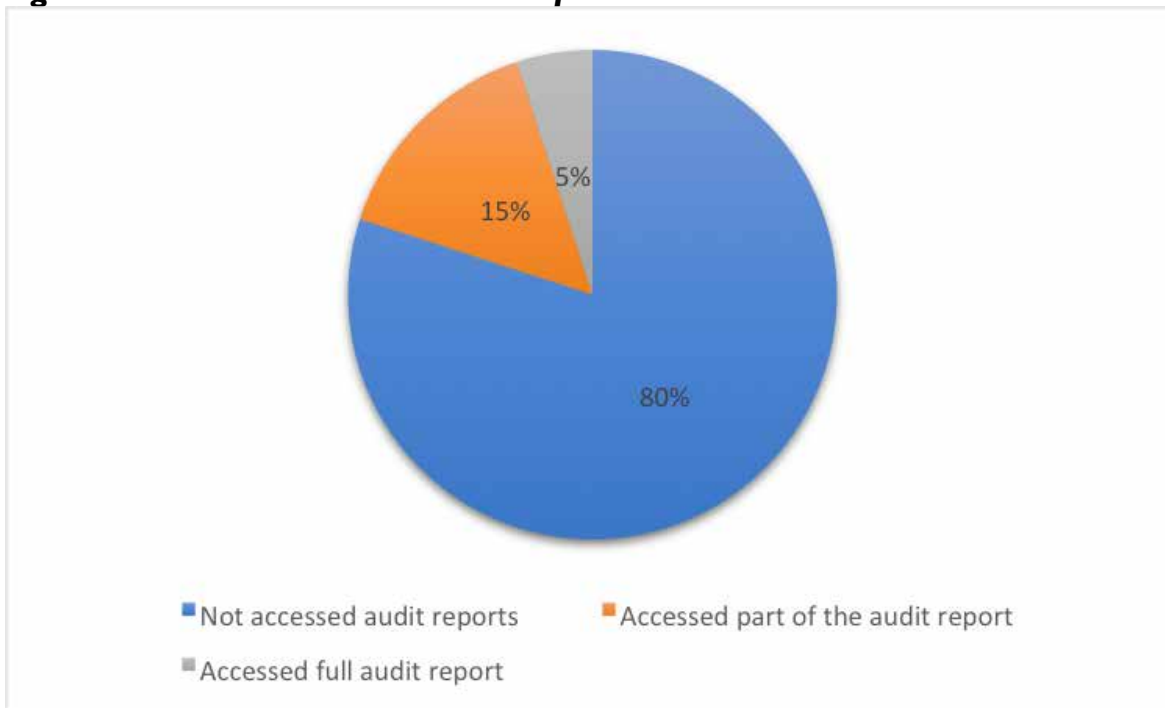
Over 80% of the residents indicated that there is noncompliance with budgets as they cited cases of council’s expenditures that are not in line with budget and not sanctioned by council. The Auditor General’s 2018 Report cited numerous cases of non-compliance from councils. Cases were noted where some of Gweru city council’s employees have not taken leave days in terms of the labour Act for between 14 and 24 years and this has huge implications on the budget once these employees are paid cash in lieu of their leave days. In the same context, respondents from the resident’s associations agreed that budget approval is delayed into the financial year and that fosters noncompliance. Gweru City council’s 2019 budget was approved by the Minister in March 2019, 3 months into the year and council only started using the budgeted tariffs in April.

The Auditor General’s Reports for 2015, 2016, 2017 and 2018 all revealed that local authorities do not have sound accounting and internal control systems in place. This was also reiterated by residents’ associations under the study. For instance, the 2018 Auditor General’s Report indicated that only 3 out of 92 local authorities had updated financial statements. 70 local authorities had not yet submitted their financial statements for auditing (OAG 2019). The completion of books of accounts is several years behind and this negatively affect the monitoring of budgets.

10.10 External Auditing of Local Authorities and public access to audit reports

Section 309 of the Constitution of Zimbabwe Amendment No. 20 of 2013 provides for the duties of the Auditor General: 2 (a) To audit the accounts, financial systems and financial management of all departments, institutions and agencies of government, all provincial and metropolitan councils and all local authorities. The Auditor General may also delegate the responsibility to audit local authorities to private audit firms or to UDCORP who will then provide a report when the audit is done. The Auditor General will provide a report to council. Chairpersons of the finance committee indicated that the public can get audit information at full council meetings or the Auditor General’s report can also be found at Print flow. So, the public can buy the report from the bookshop. Over 80 % of the respondents in this research had never accessed any audit reports.

Figure 28: Access to council audit reports

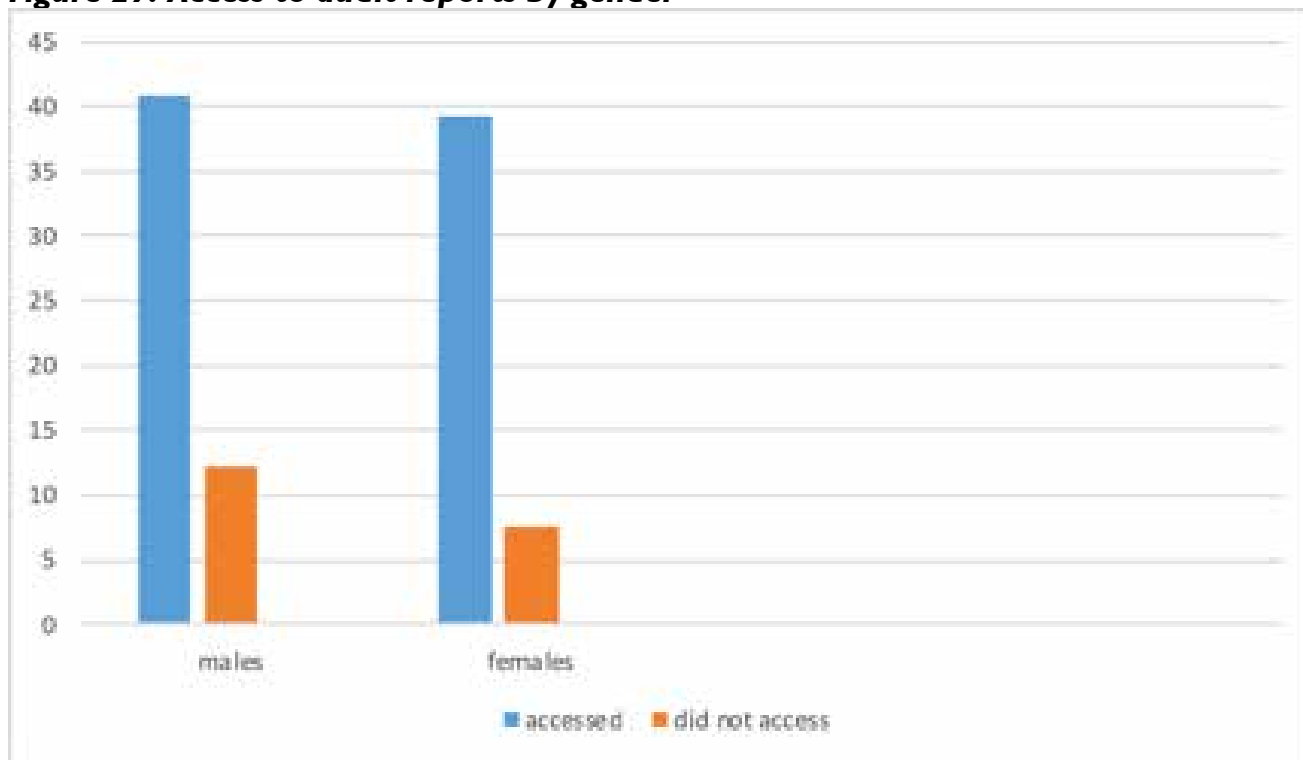


Source: Interview results

Interviews with council officials revealed that they do not publish audited financial statements as is the case with private and listed companies and this means that the audit reports are not available to the public with ease. Fifteen percent had accessed audit reports on the internet usually as excerpts of the Auditor General’s reports. Five percent accessed the report through informal networks with council employees. In the Republic of Korea the Bureau of Audit Inspection (BAI) was appointed and the BAI started implementing an Advanced Audit Notice System (AANS) to inform citizens of the direction and period of the audit of a particular institution. Several local governments have also introduced the Citizen Audit System where civil society leaders serve as auditors for a period³⁷.

A gender analysis of access of the audit reports show that of the 80% who had not accessed audit reports, 39.2% were female and 40.8% were male whereas of the 20% who had accessed audit reports, 12.3% were male while 7.7 were female.

Figure 29: Access to audit reports by gender



Source: Interview results

Table 8: State of audits in Cities (2012-15)

City	2012	2013	2014	2015
Bulawayo	Not audited	Not audited	Not audited	Not audited
Gweru	Audited	Audited	Not audited	Not audited
Harare	Audited	Audited	Not audited	Not audited
Masvingo	Audited	Audited	Not audited	Not audited
Mutare	Audited	Not audited	Not audited	Not audited

Source: Adapted from MLGPWNH, 2017

Interviews and survey results concurred on the utility of publishing audited financial statements. Respondents proposed that councils can use websites and newspapers to publish the audited statements. It enhances trustworthiness, improves accountability and transparency of local authorities to the public.

II. CONCLUSIONS AND RECOMMENDATIONS

Local government budgeting is a very important process in determining the allocation of scarce resources and improvement of the quality of life of a heterogeneous citizenry. Whereas, the legislative and institutional framework for local budgeting and financial management is fairly robust, the study concluded that the participation of residents in local authority budgeting remains weak. Local residents' influence on budget allocations is thus marginal. The BSP and ministerial budget guidelines which are important national policy tools to shape the public input in both the national and local budgeting processes are not availed to the public. Civil society organisations which should be at the centre of people mobilisation have a weak financial resource base to the extent that some are not institutionalised. This compromises their potential to collectively organise, lobby and advocate for an accountable and transparent local government system. Key demographic groups, the youth, women and people living with disabilities are either inactive, lack knowledge and/or interest or are technically excluded in the budgeting process. In the same context, local authorities have failed to comply with the legislative requirements to generate and disseminate financial statements and audit reports timeously. As a way forward, this report submits the following recommendations to the national government, local authorities, civil society and the local residents. A proposed ideal open budget framework is also made for consideration.

Central government

- The BSP and budget guidelines must be availed and made accessible to the public to improve their appreciation of the scope of budgeting hence the nature and quality of input in the budgeting process. At the same time, the national government should broaden the scope of the development of the BSP and budget guidelines by mainstreaming local authorities in the process. This will result in the integration of local economies into the national economic grid.
- The national government should monitor the implementation of the Auditor General's findings and recommendations on financial management of local authorities. The thrust is to ensure that local authorities generate and disseminate financial information timeously.
- Central government should broaden the scope of the current legislation through a specific provision in the Public Finance Management Act and Urban Councils Act to make a requirement for local authorities to publish budgets and audited financial statements in the public media. This is meant to improve the accountability and transparency of local authorities to their stakeholders and accessibility of these financial tools to wider public at a relatively lower cost.

Local authorities

- Local authorities should improve the generation and dissemination of budget performance reports and financial statements. Publication of budgets and related financial information is necessary to ensure productive consultation meetings through relevant public input into the financial management process.
- There is need to reconfigure budget consultative frameworks in order to create opportunities for genuine consultations while creating processes for ensuring that public input is captured in the budget. To improve the value and outcomes of consultative meetings, local authorities are recommended to create dedicated consultation platforms targeting specific demographic groups such as women, youth, people living with disabilities etc. In the same context, local authorities should strengthen junior councils in order to fertilise viable debate among the youth on local governance issues
- There is need for councillor's capacity building and development in order to improve their knowledge and appreciation of budgeting and financial management. There is strong evidence pointing to the inefficiencies and inadequacies of council in holding the executive accountable and this is largely attributed to knowledge and policy capacity gaps among the elected officials.
- Local authorities should develop effective public complaints handling mechanisms. In coming up with effective guidelines, local authorities should bear in mind the key principles of a complaints handling system which are accessibility, simplicity, fairness and independence, confidentiality and impartiality, speed, effectiveness and flexibility. From the survey, the results revealed that CSOs plays a critical role in addressing complaints raised by citizens in the budgeting process and it appears that public authorities are not easily accessible by citizens and are institutionally weak in addressing or responding to complaints raised by heterogeneous citizens. Therefore, urban local governments are implored to come up with comprehensive and participatory complaints handling policies that would improve their capacity to address citizens' complaints timeously and effectively as enshrined in the principles of good public administration in the 2013 Zimbabwean constitution.

Civil Society Organisations/ Residents and Ratepayers' Associations

- There is need for capacity building of CSOs/RAs in order to improve their appreciation of budgeting and financial management. This will improve their ability to analyse budgets and financial statements and interrogate councils on compliance with legislative requirements and best practice.
- CSOs/RAs should explore alternative models of financing their activities to compliment traditional sources. This is meant to improve programming and their capacity to lobby and advocate for best practices in local governance.

Residents

- The local people should take an active interest in local governance affairs in general and budgeting and financial management in particular through active participation in council and budget consultation meetings. This ensures their ability to influence budgets and financial decisions to achieve key

development priorities and the felt need of their community

Ideal Open Budget Process

The ideal open budgeting process encompasses open citizen participation accountability and transparency mechanisms that allow for the unfettered access to decision making in the budgeting process continuum. Consolidation of the findings of this study and the IBP benchmarks are the basis of the proposed open budget framework below. The key issues, steps and indicators of the open budget hereby suggested are as following:

- a) Monthly budget performance reports shared to RAs/CSOs and residents.
- b) Quarterly Council sector specific report back meetings on budget performance (sharing of quarterly budget performance reports). These meetings are organised and structured targeting different sectors which are women, youth, disabled, and the elderly. The venues and time should be convenient to allow for productive engagement without fear, prejudice or intimidation.
- c) RAs/CSOs must undertake extensive policy research on open and participatory budgeting processes in order to educate their constituencies.
- d) Local authorities must be compelled through a statutory instrument to timely share accurate information to residents in a simplified way understandable to the residents so that they meaningfully participate in the process.
- e) Enhanced awareness and access of the BSP and budget guidelines.
- f) Budget preparatory meetings by CSOs must be done timeously with extensive consultation of their constituencies and building coalitions among themselves in order to ensure that a critical mass of citizens is mobilised.
- g) Joint RAs/CSOs and residents weighting of budget priorities.
- h) Ward based budget consultation meetings
- i) Revision of budget to incorporate substantive representations raised during budget consultation meetings.
- j) Presentation of the draft budget for public inspection and objections.
- k) Presentation of budget in Full Council meetings.
- l) Adoption of budget by Full Council.
- m) Sending the budget to the Minister of LGPWNH for his/her input and the expert view of the technical at ministry head office level.
- n) Publication of budget in various media for wider access by the public.
- o) Budget Implementation, Monitoring and Review.
- p) Public Knowledge on Local Authority Budget Processes.

Appendix I: Openness of Council Budget Process

Open budget indicators	City		Gweru	Bulawayo	Gwanda	Chinhoyi	Hwange	Bindura	Masvingo	Harare	Mutare	Marondera
	Gweru	City										
Ward based monthly budget performance reports shared to RAs/ CS and residents												
Quarterly council sector specific report back meetings	X		x					x			x	
A citizen version of budget, financial statements and related budget instruments												
Access and awareness of BSP and budget guidelines												
Ward based budget preparatory meetings by CS and mobilisation of residents												
Ward based joint RAs/CS and residents weighting of budget priorities	X		x				x	x		x		
Ward based budget consultation meetings (covering all wards)	X		x	X		X	x	x		x		x
Revision of budgets to incorporate substantive representations	X		x	X		X	x	x		x		x
Presentation of draft budget for public inspection and objections	X		x	X		X	x	x		x		x
Adoption of budget by full council (meeting open to the public)	X		x	X		X	x	x		x		x
Timely presentation of budget to the minister for approval	X		x	X		X	x	x		x		x
Publication of budget in various media for wider access	X		x	X		X	x	x		x		x
Budget implementation/ monitoring and review	X		x	X		X	x	x		x		x
Public knowledge on local authority budget process												
Other innovative ways of enhancing citizen participation in budgeting			x						x			
	60%		66.6%	46.6%	46.6%	46.6%	53.3%	60%	66.6%	53.3%	60%	46.6%

Appendix 2: Ranking of local authority for openness of budget process

Name of local authority	Openness index	Ranking/ Position
Bulawayo City Council Masvingo City Council	66.6%	1
Gweru City Council Bindura Municipality Mutare City Council	60%	2
Hwange Local Board Harare City council	53.3	3
Gwanda Municipality Chinhoyi Municipality Marondera Municipality	46.6%	4

Appendix 1 and 2 above ranks the openness of council budget process. The ranking is based on an objective evaluation of the survey findings on council specific budget process. The indicators of openness are derived from the recommended open budget processes such as ward based reporting, ward based preparatory meeting, citizen version of budgets and financial statements and public knowledge of budget processes. Local authorities scored on aspects that are statutory that are the budget processes and conditions set in the law. However, councils are recommended to consider openness beyond the limitations of the law eg tapping best practises from other sectors such as listed companies and other international public budgeting best practices. Such best practices may include among others, publication of budgets, financial statements, audit reports etc. The highest score is 66.6% (Bulawayo and Masvingo) and the lowest score is 46.6% (Gwanda, Chinhoyi and Marondera). Local authorities are encouraged to assess themselves against their score and develop frameworks to improve the index in successive budget periods. This is possible by adopting the recommended ideal open budget framework recommended in this paper (see appendix 1 above).

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