



BUDGET MONITORING FRAMEWORK

A GUIDE TO MONITOR
NATIONAL & LOCAL
BUDGETS



ZIMCodd
ZIMBABWE COALITION ON DEBT & DEVELOPMENT

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1. WHAT IS A NATIONAL BUDGET?

- A national budget is a financial statement that gives any estimate of the planned revenue and planned expenditure of the government for one particular financial year.
- A plan on how a government raise and spend money in a year.
- A national budget sets out government`s expenditure priorities.

2. OBJECTIVES OF THE NATIONAL BUDGET

- **Planning:** To set out a formal planning framework that provides specific deadlines to achieve certain target (i.e. public service delivery-construction of roads, hospitals, industries).
- **Coordination:** To coordinate various government projects and plans.
- **Communication:** To communicate governments intentions, ambitions and priorities.
- **Control And Performance Evaluation:** To control and examine the performance of the government.
- **Reallocation of Resources:** Through the budget, government can reallocate resources in line with economic and social priorities of the nation.
- **Reducing Income and Wealth Inequality:** Government influence distribution of income by imposing taxes on the rich and spend more on welfare of the poor.
- **Reducing Regional Disparities:** Budget aims to reduce regional disparities through tax and expenditure policy -fiscal transfers/devolution funds.
- **Economic Stability:** Policies of deficit budget during deflation and surplus budget during inflation helps to maintain stability of prices in the economy.
- **Economic Growth:** The budget has various provisions to raise the overall rate of savings and investment in the country.

3.WHY THE BUDGET MATTERS TO CITIZENS

- Because it enables them to understand government`s purposive course of action (significant policy initiatives).
- It is a strategic document that addresses citizens concerns.
- Because it outlines mechanisms and ways that the government is going to use to generate its revenue.
- It enhances citizens understanding of underlying budget economic assumptions.
- It presents a glimpse of government spending allocations and programs being prioritized.
- A budget mitigates economic divide- contains public and economic welfare policies for vulnerable and marginalized communities.
- It promotes transparency and is used to hold the government accountable.

4. WHY MONITORING THE NATIONAL BUDGET

- Budget monitoring helps to control national expenditure.
- Budget monitoring allows the citizens to follow the money.
- Budget monitoring empowers the citizens to examine government expenditure vis-a-viz the set objectives.
- Budget monitoring helps the nation to avoid or manage debt contraction.
- Budget monitoring enables the government to stay on course, thus enhancing financial discipline.

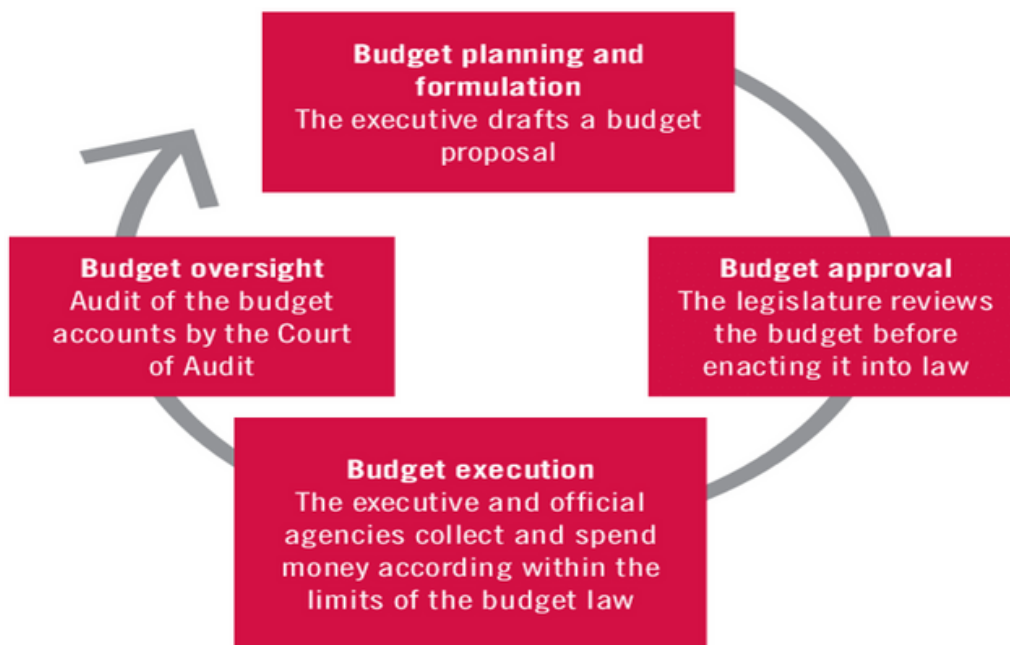
5. UNDERSTANDING INTERNATIONAL COMMITMENTS MADE BY ZIMBABWE FOR BUDGET MONITORING

- In monitoring the budget it is critical to take note of international commitments made by the government.
- They function as benchmarks of governments expenditure towards various service delivery.
- Therefore, examining whether the government has fulfilled its international commitment is critical in determining the politics surrounding public resources.
- A figure below presents a sample of an evaluation of government budget allocations versus international commitments.

Sector	%threshold & International commitment	% Total budget 2021	% Total budget 2022	% Total budget 2023
Education	20% Dakar Declaration (2000)	16.5%	13.4%	14.02%
Healthcare	15% Abuja Declaration (2001)	13%	14.9%	10.5%
Water & sanitation	1.5% Ethekeini Declaration (2008)	0.10%	0.20%	3.17%
Transport & Infrastructure	9.6 AU Declaration (2009)	7.1%	6.5%	3.2%
Social Protection	4.5% Social Policy for Africa (2008)	2.3%	2.1%	1.12%
Agriculture	10% Maputo Declaration (2003)	11%	13.3%	8.05%

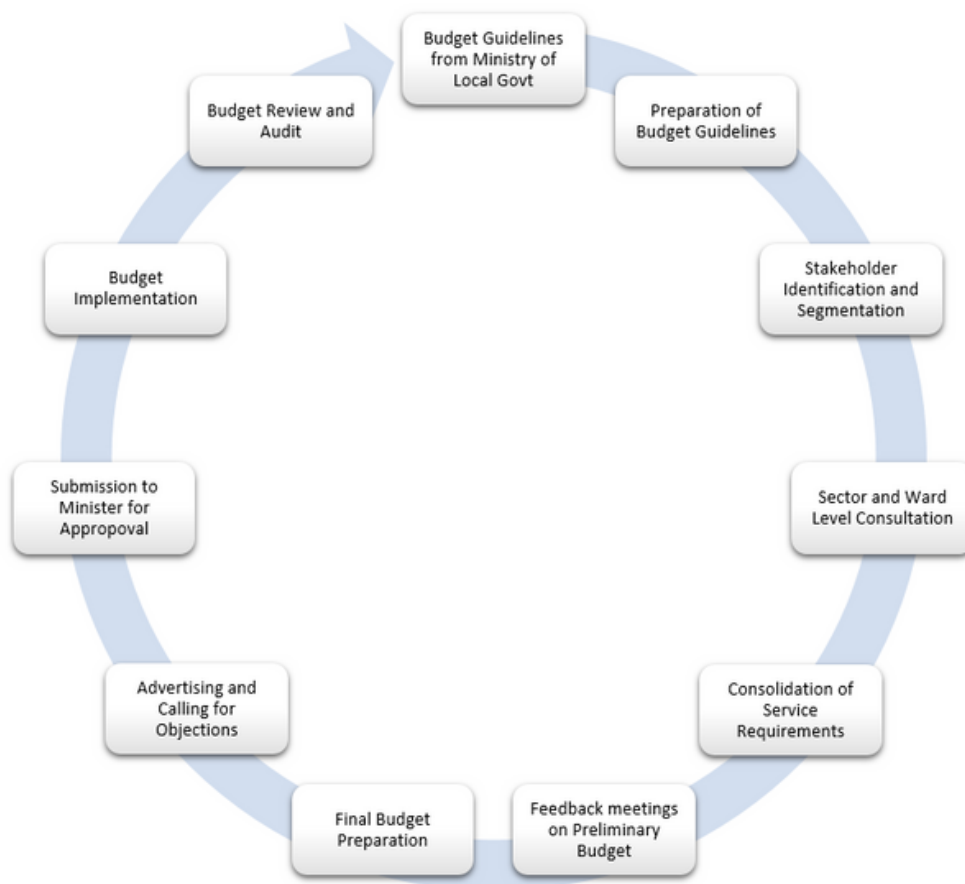
Source: Compiled by ZIMCODD from national budgets (2021 to 2023)

6.UNDERSTANDING NATIONAL BUDGET CYCLE FOR BUDGET MONITORING



- Understanding the budget cycle is critical in budget monitoring.
- It helps the citizens to know the processes involved in budget formulation, implementation and evaluation.
- Budget cycle helps to control costs, assist in the preparation of reports, and help authorities make more informed decisions.
- Following the budget cycle makes the whole process intelligent and accountable because the entire process uses research, past data, and estimates.
- Since the segments of the budget cycle are well defined, it encourages the Treasury to meet all the guidelines, such as constant input and revision, to come up with an accurate budget.
- In order to influence the budget, it is important to understand the budget cycle, the responsible authorities and their functions to engage in policy dialogue and monitoring of the budget at various stages.
- Regular budget monitoring provides the opportunity to promptly adjust for any significant variances to ensure continuity of program/service delivery.

7. UNDERSTANDING LOCAL AUTHORITIES BUDGET CYCLE FOR BUDGET MONITORING



8. BUDGET MONITORING – KEY ITEMS

A. Elements to be reviewed

- Revenues;
- Expenditures;
- Operations;
- Capital;
- Economic trends;
- Performance measures.

B. How Elements Are Analysed

- Root cause;
- Time frame;
- Requirements;
- Basis of comparison- Previous year actuals, Averages of several previous year actuals, projections and forecasts.

9. APPROACHES TO BUDGET MONITORING

Budget Expenditure Tracking Survey

- Budget Expenditure Tracking Surveys (BETs) can also be known as Public Expenditure Tracking Surveys (PETs).
- PETs are designed to track the flow of resources through the administrative system, on a sample survey basis, in order to determine how much of the originally allocated resources reach each level.
- PETs are a useful tool for locating and quantifying political and bureaucratic capture, leakage of funds, and problems in the deployment of human and in-kind resources such as staff, textbooks, and drugs.
- PETs are used to ask important policy questions, the structure of public finances and the condition of public financial systems.
- They are used to analyse public sector financial management. PETs make use of variables such as;
 - Public Expenditure Reviews (PERs),
 - Country Financial Accountability Assessments (CFAAs),
 - Country Procurement Assessment Reviews (CPARs)
 - Quality of Service Delivery Surveys (QSDS)
 - Value for Money Audits (VMAs)
- Therefore, in monitoring the national budget, it is critical to make use of PETs measurement variables to determine whether public funds are used efficiently and effectively.

Social Accountability

- Social Accountability denotes various actions, tools and mechanisms that can be used by Civil Society Organizations (CSOs), the media, citizens and communities to hold elected public officials and non-elected public servants accountable for their actions.
- It is a community tool that can be used to build accountability and civic engagement.
- Social Accountability creates an empowering environment for residents, public service handlers and program receivers to claim better approachability and answerability from policy creators, program implementers, and public service benefactors.

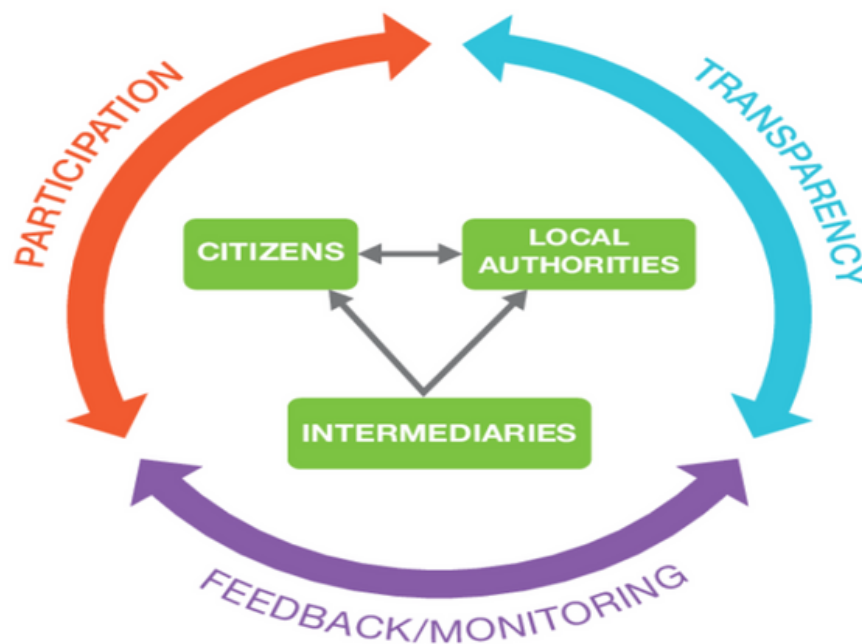
Social Accountability Tools

These are the tools and techniques that are used to track the national budget by fostering social accountability.

- Citizens' Charter: Citizen charter is a commitment letter provided by the public office to the citizens for public service delivery. A national budget fits squarely in this definition.
- Citizen charter includes description of services, process, cost, time, responsible officials for the activity.
- It promotes responsiveness and transparency in public service delivery.

- Corruption Surveys: These are the surveys conducted to assess the level of corruption in the government offices.
- It determines the number of times a person is compelled to pay bribe to receive a particular government service.
- Community Score Cards: A tool for local level monitoring of various projects and services of the government.
- It includes different techniques like social audit, community report cards and community monitoring.
- It assesses the satisfaction of the citizens regarding public services used by them
- Deploying Project Monitors: Project monitors are the people who monitor/assess the project implementation.
- They look at the quality, quantity, cost, and time taken to complete the project.
- They help to keep the project in track and assess help to rectify the discrepancies
- Monitoring Procurement: An assessment of government procurement.
- They are strategic in promoting transparency and accountability.
- They help the citizens to follow the money

The figure below gives a glimpse of an ideal Social Accountability



10.LESSONS LEARNED AND AREAS OF IMPROVEMENT

- After carrying out a budget monitoring training, list down all the lessons learned and areas of improvement.
- This is expedient in enhancing a culture of learning.