

**SERVICE DELIVERY, PUBLIC PARTICIPATION, HUMAN RESOURCE
CAPACITY AND REVENUE MOBILIZATION IN THE BUDGET
PREPARATION PROCESS AMONG COUNTY GOVERNMENTS IN KENYA (A
CASE STUDY OF ELGEYO MARAKWET COUNTY GOVERNMENT)**

BY

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DECLARATION

This Research Proposal is my original work and has not been presented for a degree or any other study Programme in any other university.

SIGNATURE.....

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This Research Proposal has been submitted for examination with my approval as the University supervisor.

SIGNATURE.....

DATE.....

MR. JAMES NGANGA

DEDICATION

This work is dedicated to my loving parents, relatives and family members for their material and moral support towards the success of this course. Special dedication goes to my wife Mrs. Emily Murkeu, my children Caren, Collins, Whitney, Winnie, Princes and James for their prayers, material and moral support towards the success of my course, and not to forget my late dad Jairo Murkeu and Mum Fridah Murkeu for their greatest inspiration through this entire course. This research project is also dedicated to my friends for their support throughout our course.

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LIST OF ABBREVIATIONS

CARA	-	County Allocation of Revenue Act
COG	-	Council of Governors
CPSB	-	County Public Service Board
CRA	-	Commission on Revenue Allocation
D V C	-	Deputy Vice Chancellor
EMC	-	Elgeyo Marakwet County
GOK	-	Government of Kenya
IA	-	Internal Audit
IBP	-	International Budget Partnership
JKUAT	-	Jomo Kenyatta University of Agriculture and Technology
KENAO	-	Kenya National Audit Office
KU	-	Kenyatta University
L.A's	-	Local Authorities
M & E	-	Monitoring and Evaluation
MOLG	-	Ministry Of Local Government
MTEF	-	Medium Term Expenditure Framework
OAG	-	Office of the Auditor General
OECD	-	Organizations for Economic Cooperation and Development
OSA	-	Organizational Structure Approach
PFM	-	Public Finance Management
PSC	-	Public Service Commission
SBP	-	Single Business Permit
SCA	-	Sub County Administrators
SRC	-	Salaries and Remuneration Commission
TA	-	Transition Authority
UON	-	University of Nairobi
VC	-	Vice Chancellor

ABSTRACT

The promulgation of the Constitution of Kenya on 27 August 2010 was a clear way of ensuring that the devolved governance system is realized. In this case, the constitution in Chapter Eleven (Cap 11) states the provisions on how to come up with a fully constituted county government. In the process transiting from the national government to the county governments, the county governments took over the projects, records, the staff and the offices that were previously used by the provincial and district officers (GoK, 2013). This development replaced the local authorities in the provision of services such as water, sewerage and drainage facilities, housing, street lighting, firefighting services, markets, estate roads, basic education and public health among others. Local Authorities (LAs) were however, unable to efficiently provide these services to citizens living within their jurisdiction. This had been credited to several factors including, inadequate financial resources, lack of trained human resource, political interference and bureaucracy. The fulfillment of these functions by devolved units, now called County Governments mainly depends on governance on one hand and adequacy of financial resources at their disposal on the other hand. Issues of finance management at county levels consist essentially of two fundamental aspects, namely the raising of adequate revenue and the expenditure of the revenue received/ raised. However, real and lasting improvement will occur if and or when Counties fully involve their residents in decision about how resources are generated and used, and are accountable as guided by the Public Finance Management Act (PFMAs).

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Budgeting is the key to financial management in any organisation. Budgeting crafts a plan on how money should be spent or saved (Anderson, 2006). Therefore, as a concept in the field of microeconomics, it which utilizes the concept of a budget line in order to demonstrate the trade-offs between two or more goods. Companies are reviewing their model of service delivery due to the mounting pressure on budgets. This will help them to make the costs affordable and increase the level of efficiency in their business. According to Marxen (2010), the operational budget is being faced with challenges including the reduction in purchasing power of the acquisitions budget. Therefore, it is important to understand how the challenge should be countered. As such, the references used address the challenges of advocating for and allocating the necessary resources, which are needed for the purposes of dealing with the increasing level of cost and even satisfying the expectations for the electronic resources. Therefore, it becomes important to ensure the challenges incurred in the process of budge preparation are addressed comprehensively.

Researchers have proposed different theories to explain the concept of budget preparation and how it is carried out in different organizations. The current study utilizes the Budgetary Incremental Theory, Goal Setting Theory and Cognitive Evaluation Theory. According to Reddick (2003), the proposed Budgetary Incremental Theory is used to describe the process through which the different policy makers will utilize the policy on the rule of the thumb to unlock the complexities of the expenditure decisions. On the other hand, Locke and Latham (2002), demonstrate that the Goal setting theory and how it was used in the industrial organization psychology and other related fields. The studies carried out in this field have indicated that specific goals will eventually lead to high level of task performance. This is unlike the easy goals which will not performed excellently by the individuals assigned the work. On the other hand, the cognitive evaluation theory highlights that a task should be viewed in terms of how it helps achieve other goals and makes a person feel completely in control of a situation with great

competence. In this case, the budget is taken as an action plan. This means that the process of budgeting will be crucial for the purposes of allocating resources, checking the level of performance and even coming up with specific plans. It is also regarded as an organizational plan which is produced in monetary terms. It is also a summary of the intended way a government will use or acquire money in terms of revenue and expenditure. In this case, it is a rational allocation of the specific financial resources while weighing the decisions amongst the multi-period projects.

The current study focuses on the different challenges that are incurred by different county governments in Kenya in the process of coming up with their budgets. The topic was selectively chosen for the purposes of finding out if there are hindrances that are incurred in the process of preparing the budget. Therefore it will be a critical study that county governments can use for the purposes of enhancing their work. According to Mukami (2012), the research on budget preparation is helpful in weighing the quality of work done in the process of budget preparation.

1.1.1 Concept of Budgeting Preparation Process

A budget is regarded as a tool used by the management for the purposes of planning. It is outlined in a structured form and it outlines the different projects and tasks that will be carried out plus their financial implications. The budget is also outlined for the purpose of giving a list of the tasks to be funded within a specific period of time especially a year. According to Cherrington and Cherrington (2000), a budget is a plan that outlines how the specific resources that are available will be put into use considering the different constraints an organization may be going through. It is also a way of outlining the specific priorities of an organization. On the other hand, the study by Hilton (2011), indicates that a budget is the standard measuring tool to show the level of performance and it also sends a message on how the top management would wish to run an organizations and what they expect to realize.

The process of coming up with a budget will involve different considerations and factors. This is because the government policies should be considered in the process of budget

preparation. In this case, the effective variant will be selected for the purpose of making the budget complete. It should also be inclusive of the operational efficiency that should be used to check how the budget will add value to the county government. Budget formulation process has major dimensions which include setting the fiscal targets, formulating expenditure policies, allocating resources in line with the policies in place and addressing the operational efficiency and performance issues. According to Simons (2012), the budget prepared by an organization will also become a tool upon which they can evaluate the actual results. It is also important to note that the budget preparation process should be highly regimented and thus follow a certain schedule to make it ready for the next financial year.

A budget is thus used for the purposes of ensuring the projections made have the sufficient allocations to ensure they are completed. It will also be used as a way of ensuring it authorizes the different tasks to be allocated and money to be spent. The budget report and the project manager reviews will be used for the purposes of ensuring that control is maintained. In this case, it is important to realize that the process is helpful because it will be used to disseminate the information to the county governments. The review process also gives the details on how to provide an accurate method of communication that is to be used during the multiple projects. In this case, the knowledge gained will be helpful to the county governments as they will be able to wisely allocate the resources available in the county in the best way possible. The government will also be responsible for the purposes of ensuring the behind-schedule cases and shift resources in order to make the customer satisfied at all times and that the reputation of the company is excellent. This will be helpful to the counties because their overall value will increase (Sarraf, 2013). In the process of coming up with the budget, it is the work of the officials to ensure they come up with the necessary portion of the resources within an organization that the different departments will spend. The budgets will also be crucial for the purpose of ensuring the goals are effectively achieved after the right allocations are made.

1.1.2 County Governments and Budget Making Process

Kenyan County Governments were created to provide a wide variety of devolved services after the enactment of a new Constitution in 2010 (GoK, 2010). The promulgation of the Constitution of Kenya on 27 August 2010 was a clear way of ensuring that the devolved governance system is realized. In this case, the constitution in Chapter Eleven (Cap 11) states the provisions on how to come up with a fully constituted county government. In the process transiting from the national government to the county governments, the county governments took over the projects, records, the staff and the offices that were previously used by the provincial and district officers (GoK, 2013). This development replaced the local authorities in the provision of services such as water, sewerage and drainage facilities, housing, street lighting, fire fighting services, markets, estate roads, basic education and public health among others.

Many local authorities (LAs) were however, unable to efficiently provide these services to citizens living within their jurisdiction. This had been attributed to a number of factors including, inadequate financial resources, lack of trained human resource, political interference and bureaucracy. The fulfillment of these functions by devolved units, now called County Governments mainly depends on governance on one hand and adequacy of financial resources at their disposal on the other hand. Issues of finance management at county levels consist essentially of two fundamental aspects, namely the raising of adequate revenue and the expenditure of the revenue received/ raised. However, real and lasting improvement will occur if and or when Counties fully involve their residents in decision about how resources are generated and used, and are accountable as guided by the Public Finance Management Act (PFMAs). Witnessed in the last three years of their existence, many of these devolved institutions are not able to adequately serve their mandate due to various factors; inadequate financial resources, inadequate human resource, politics and bureaucracy resulting in inability to enhance public accountability, poor governance, and unsatisfactory management of resources to enhance service delivery.

1.1.3 Structure of County Governments in Kenya

According to constitution (2010) Kenya has 47 county governments. Each county makes its own budget which last for a period of one year. The budget developed at the county government level will indicate the proposed level of income as well as the expected income in terms of revenue. The budget will be used for the purposes of running the county government for a period of one year. Once the budget has been approved by the legislature, it will then be presented to the national government through the national treasury or the national assembly. It will also indicate the different spending control measures that will be used for the purposes of ensuring the different government agencies comply with the economic policies in the process of drawing and implementing their budget. This will ensure the economic policies already laid down are respected and that the proper management plus accountability is achieved. The treasury at the county level will thus have the mandate of ensuring the proper County Strategy Fiscal Paper is presented to the executive committee serving at the county level. This is because the County Strategy Fiscal Paper will need to be approved after proper evaluation.

The County Strategy Fiscal Paper is written for the purposes of outlining the priorities the county would like to address while as well ensuring that the expenditure is in line with the borrowing to be done plus the revenue collection. In the process, the proper planning will be crucial for the purposes of ensuring the county and the country as a whole will be able to deliver the finest services to the citizens (Mutua, 2010). In the process, the budget preparation process needs to consider the different planning units in all the levels of admiration in the country. The constitution plus the laws that help outline how devolution should be carried out requires that the residents of specific counties to be involved in the process of coming up with the specific plans and the budgetary allocations (County Government Act, 2012)

1.2 Research Problem

Government will use the budget as a tool upon which to monitor the level of progress in terms of the goals that have been achieved that the ones that have not been achieved. It is also used to check the level of spending the different sources of revenue and how each

one of them is performing. This means that the government will be able to run its activities smoothly without any financial hitches. This approach has been used around the world to streamline all the activities that need to be carried out the government (Lauth, 2002). The process of budgeting is also a way of mapping out the future and outlining what should be done when and how. The budgeting process is engulfed by the changing fiscal challenges that make it critical for the government to be highly considerate of what needs to be one in every step of the preparation process. The county government are also engulfed by the challenge of increasing levels of cost and the increasing frustration from the national government to allocate them more funds or allocate other revenue options. This difficulty becomes hard to deal with because the local budget realities continue to bite hard in the midst of low revenue collection, increased demand for quality services and more federal mandates.

This means that specific counties will have to integrate development plans which provides a clear roadmap for the purposes of ensuring the county is able to achieve the specific goals. The different plans could constitute a ten-year plan on how the health, water, agriculture and other sectors like development projects will be carried out. The ten-year plans outline the process of managing resources like land and how it should spur development. In this case, there is need for spectacular participation to be instituted to ensure community as well as the individual participation is realized (Reddick, 2003). In this case, the ever increasing challenges will present financial mismanagement and the budgetary framework will be properly constituted in the process of budgetary preparation.

Different studies have been carried out on the budget practices in different countries especially the developed countries. The studies available suggest that the budget is a critical part of financial control (Chong and Leung, 2003). Anderson (1996), also carried out a study that suggested that budgeting is a way of providing the managers as well as the employees with the tools upon which they can measure performance.

A World Bank (2012), report gives a template upon which county governments should develop their budgets. The bank report indicates that there is need for a country to come up with a chart on how to prepare and report the budgets. This means that counties would be required to develop appropriate PFM, service delivery capacity plus the human resource. However, currently, the financial management at the county level would be stifled due to lack of effective resource mobilization, poor public participation while ensuring that the spending choices are properly laid out. The challenges may be experienced due to poor planning, corruption issues and lack of effective management skills. In the process, the governments will realize unbudgeted expenditure which end up resulting into unpaid revenue.

Kariuki (2010), carried out a study on the challenges of budgeting in the Kenya Public Sector: A Case of Kenyan Government Ministries. The study made conclusions that indicate that a high number of the departments which participate in the process of preparing the recurrent budgets, development budgets plus the MTEF budgets and other types of budgets which include incremental budgets, master budgets and performance-based budgeting. On the other hand, the study carried out by Mukami (2012), on the Effect of Challenges of Budget Preparation And Implementation on Budget Variance Of Non-Governmental Organizations In Kenya: A Case Study of World Vision International made critical findings. The study findings suggested that budget variances can occur because of the inability to predict what will happen in the future. The prediction is also not done with great accuracy making it easy for organizations to experience favorable or unfavorable variance. The concept of variance is closely connected to the need for actual planning for the purposes of getting the necessary results and effects of the difference between those two on the performance of the entity or organization. A study was also carried out Further Muchunu (2015) on Influence of Stakeholders Participation in the Budgetary Process on the Implementation of Government Funded Projects: The Case of Isiolo County, Kenya. The findings of the study reveal that the citizens had little or no knowledge on how the county budgeting process was being undertaken. However, the citizens indicated that they continued to attend county budget forums.

Therefore, this study sought to examine the challenges faced by county governments when they are carrying out budget preparation process in Kenya. Many studies have been conducted on budgeting, however none has been done on challenges faced by county governments when they are undertaking the budget preparation process in Kenya. Therefore, based on this gap the research study seeks to fill it by answering the question: what are the challenges faced by the county governments in budget preparation process in Kenya?

1.3 Objectives of the Study

1.3.1 General Objectives

The general objective of this study is:

What are the challenges faced by county governments the budget preparation process in Kenya?

1.3.2 Specific Objectives

The specific objectives of the study are:

- i) To determine the extent to which the budget preparation process influences service delivery in County Governments in Kenya.
- ii) To determine the extent to which inadequacy of human resource capacity in budget preparation influence service delivery in County Governments in Kenya
- iii) To determine the extent to which revenue mobilization in budget preparation influence Service delivery County Governments in Kenya.
- iv) To find out how lack of public participation in budget preparation process influence service delivery in County Governments in Kenya.

1.4 Value of the Study

The study is invaluable to the following:

The study findings will provide insight to the County Government Ministries on how the budge preparation process should be undertaken. It will also highlight how to overcome the challenges in the budget preparation process to ensure the resources available are utilized in the best way possible. The county governments will also benefit from the

study as it will help them to know the kind of policies they need to make in regard to enhancing the budgetary requirements and the budget preparation process. It will also give insight to the regulatory bodies and the government at large on the different budget preparation constraints county governments go through. Thus will be easy to make the necessary interventions for the purposes of mitigating risk.

The research findings will also provide academicians with an insight on how the budgeting process is conducted in Kenya. It will also make a huge contribution to the academic resources as little is known about the process of budgeting. It will also enhance the knowledge of theories based on budget preparation including the cognitive evaluation theory as well as the Budgetary Incremental Theory and even the Goal setting theory.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the related literature on the challenges faced in budget preparation process as presented by various researchers, scholars, analysts and authors. The chapter also provides the theories underpinning the study.

2.2 Theoretical Foundation

This section examines the various theories that were used to inform the study on the challenges faced in budget preparation process. The study was guided by the following three theories; Stake holders' theory, Goal setting theory and Cognitive evaluation theory.

2.2.1 Budgetary Incremental Theories

According to Reddick (2003), the study on budgetary decisions in the public sector is based on the incrementalism theory. The theory indicates that the technical complexity is dealt with by the policy makers in the process of making critical expenditure decisions by use of the rule of the thumb. The rules governing the different decisions have been based on studies carried out in the international level, the national level, state as well organizations and local governments. One of the studies carried out on the incrementalism concept was carried out on how the United Kingdom government spends revenue. This is because the people who are assigned the task of designing the budgets will always make small increments to the already existing budget. Therefore, the budgeting is incremental due to marginal change in the level of expenditure. In any case, the substantial annual shifts in the level of spending counts as the evidence to show that non-incremental budgeting is real. Therefore, the incrementalism concept has two core attributes and the regularity of outputs.

2.2.2 Goal Setting Theory

Goal setting theory was coined during the industrial organizational revolution after 400 laboratory studies and different field studies were carried out over a period of 25 years.

The studies indicate that high goals also attract high level of task performance. This is unlike the easy or vague goals that may not expressly state what needs to be achieved in order to achieve the best results. Therefore, if a person is committed to the goal, it will be easy to ensure it is attained and the conflicting goals do not interfere with it. In this case, the linear and positive relationship will exist between the goal difficulty and the task performance. This is because goals refer to the future valued outcomes, the goal setting will be purely based on the discrepancy of creating process. It also used to show the discontent a person has with the present condition and even the desire to achieve the set goals.

In this case, a budget is a way of ensuring an organization has set clear goals to be achieved within a specific time period. The budget will also be used for the purposes of providing direction and the standard organs which will be used for the purpose of carrying out monitoring challenging goals. In the process it will be able to guide the activities and thus improve on the performance. Scholarly and practitioner literature is used to boost the motivation and performance by ensuring that people are guided to achieve the specific objectives. Through the process of motivation, the challenging goals will lead to the valuable rewards which will be used for the processes of recognition, promotion and increase the income from one work (Locke & Latham, 2002).

The process of setting the budget is done in a way that will make the staff members feel they have a challenge to overcome. When the budgets are simple to overcome, the staff members do not become highly motivated. Although the process of having high goals can lead to self-satisfaction and increased level of self-efficiency. This is because when the goals are achieved, it becomes easy for the staff members to feel they have conquered and thus it provides a positive effect on their wellbeing when the hard challenges or high goals are achieved (Locke & Latham, 2002). Therefore, it will be easy to increase the employee commitment thus lowering the turnover, increasing commitment to the organization and improving the relationship between the tough goals and the level of performance goes high.

2.2.3 Cognitive Evaluation Theory

The theory of cognitive evaluation states that tasks are evaluated in terms of how they can effectively meet the needs of the organization in terms of competence and control. This is because when the employees feel motivated and able to achieve the specific tasks, they feel highly capable. If we think we will be able to complete the task, we will be intrinsically motivated to complete the task requiring no further external motivation, where a person has a stronger internal locus of control they will feel they are in control of how they behave where they have a stronger external locus of control they will believe the environment or others have a greater influence over what they do.

When budgets are formulated, they create a sense of responsibility. This is because the managers feel they are in charge of the department or section and they also feel they are in control of the outcome. This is because the budget targets will ensure that the budgetary targets will ensure the level of motivation goes up and thus improving on the level of performance. The process of achieving the different goals that were set will also become like a reward which will be used by the employees to become highly optimistic and skilled to achieve more in the future.

The theory argues that two systems of motivation systems, which include both intrinsic and extrinsic which brings about the two kinds of motivators which include ability to achieve and the potential to achieve actual performance. On the other hand, the extrinsic motivators include promotion, feedback, highly conducive working conditions and the salary. On the other hand, the intrinsic motivators will be the personal achievement and satisfaction due to the joy of achieving something worth. In this case, the budget achievement will be a powerful tool to enhance the personal achievement of the employees. This is because the budget will lead to personal satisfaction and also enhance the managerial performance.

2.3 Budget Process

The process of crafting the budget begins with the determination of the expected revenues. When the expected income or the revenue is well known, it becomes easy to

project the kind of expenditure that should be set. This is because the expenditure will be dependent on the revenue that the organization already has. It is important at this stage to have community or citizen participation. The PFM Act 2012 will be used for the process of coming up with the processes, the policies and the personnel required in order to come up with the right approval of the budget. Similarly, the Act seeks to ensure the participatory planning and holding of the county government executive accountable for execution of projects (Constitution of Kenya, 2010). In this case, the budget is then presented for the purposes of review to the public and the county assembly will also review it. The controller of budget (COB) will then review the budget to ensure everything is covered in the right way. In case there are amendments to be made, the budget will be amended and then approved. However, it is important to note that the budget should be in line with the limit set by the national government. If the enforcement is not correctly done, it will lead to a budget deficit which will lead to more problems such as unpaid salaries, statutory deductions and lack of settlement of utility bills.

The budgets should be streamlined in line with the PFM Act 2012 and the different set of guidelines that are provided by the National Treasury. This is because the guidelines provide a clear roadmap on the proportion of funds that should be set aside in case of pro-poor interventions, the maintenance of capital projects and their operation. However, due to the lack of sufficient funds, the goals projected in the budget may not be achieved comprehensively.

In the process of including the participatory approach in budget preparation, it is important to note that the process gives the citizens a chance to carry out an oversight on how the resources in the county government are being governed. This is because the marginal groups provide the necessary voice in the way the budget is being formulated. However, the final decision rests on the county assembly but the citizens also have a voice in the budget preparation process (Smoke, 2000). In the past the tasks on budget preparation was an issue left to the hands of the technical experts at the national governments. The parliamentarians and the public did not have a platform upon which to scrutinize the budget. However, over the last one decade, the public has been involved

more in the budgetary preparation process. Although this budget making initiative, has been lauded as a citizen participative process it has been criticized that typically it draws information from “gatekeepers” and/or a few participants (Post and Mwangi, 2006) whose views reflect those of officialdom. Furthermore, debates are dominated by the Members of the County Assembly and some well-established groups to detriment of the public.

2.3.1 Citizen Participation

The process of community participation has been highly appreciated in line with the GOK Vision 2030, due to the economic and social pillars that are geared towards enhancing devolution. In this case, there also need to ensure the resources are better targeted for the purposes of ensuring proper public management through active policy making. According to Pierre and Peters (2011), the government has the ability to gather the necessary information on the number of people in different regions to enhance proper allocation of resources. Butterfoss et al in Barasa and Eising (2012) argue that people will be highly participate in the processes that are helpful to them and the different benefits should be more than the costs incurred. The different benefits expected include the opportunities for networking, the skills enhancement and the ability to resolve problems in the community.

According to Barasa and Eising(2012), the local people have a superior capacity to conduct their own affairs. This is because they have a clear understanding of the locality and they appreciate the different needs locally. The reason for local people to be engaged is because they have a clear knowledge of the dynamics about the economic, social and physical features of their geographic area. It is also important to generate long lasting solutions that will ensure the resources that are generated will be guided by the provisions of the Public Finance Management Act (PFM).

2.3.2 Revenue Mobilization

The revenue base of local authorities consists of locally generated revenues and transfers from the National Government. The basic revenue sources for Counties are defined in the

County Revenue Bill passed in the County Assembly. These laws give the County Government the right to raise revenue from a wide variety of sources upon receiving approval of the Governor of the County Government. The County revenue base, therefore is influenced a great deal by the County Assembly through the withholding of fiscal authority over potential sources of revenue. The main sources include: property taxes collected in form of land rates, business tax referred as Single Business Permit (SBP), motor vehicle parking fees, market fees, rents from county building estates, fees from various county services as enumerated in the County Fiscal Strategy Paper.

Issues of finance management at County levels consist essentially of two fundamental aspects namely, the raising of adequate revenue and expenditure of the revenue received or raised. What distinguishes Government public finance from that of private sector is the fact that local Government focuses at supporting and maintaining public goods and services but lacks both adequate resources to carry out these functions. Public service delivery involves a complex combination of public and private delivery alternatives.

In the recent past (World Bank, 2014) County Governments have been characterized by weak legal mechanisms to support enforcement of revenue collection which leading to defaulting and accumulation of arrears , the process of recovering arrears through courts is problematic ad time consuming. Furthermore, revenue collection has been undermined by limited institutional capacity within the County Government. This is particularly acute in departments responsible for revenue administration, which is characterized by low qualifications and skills of staff, limited staffing, and very low salaries. Effective performance of County Governments has also been hampered by ineffective resource mobilization and poor management of financial resources. This may be due to poor planning, limited strategic financial management skills and corruption resulting in extravagant and unbudgeted expenditures.

2.3.3 Human Resource Capacity

Majority of county government today are manned by personnel's who do not possess the requisite leadership and managerial skills to deliver the gains of

society transformation. The principle of education qualifications are not been followed and as such, made the county governments the dumping ground for illiterates. In recent time, training outlays are typically treated as expenses rather than investments (Alam and Hoque, 2010).

2.3.4 Political Environment

County Assemblies and County executive continue fighting over funds and projects. They are not simply bureaucratic edifices; they are also elected directly by the citizenship, and party politics plays an important role in County governance. Members of the County Assembly are elected to represent the citizenship, however several consequences flow from this basic fact of ward representation and politics.

2.4 Empirical Literature Review

Organizations rely on budgeting as a tool upon which to carry out functions such as plan, control, coordinate and evaluate. The budget is also crucial for the purposes of helping in making quality decisions. Over the years, there has been a movement against budgetary process. In this case, there has been a development of the techniques such as the activity based budgeting, performance budgeting, value budgeting and process reengineering. Other techniques include: balance score card, zero based budgeting, IT based budgetary process and planning (Abbott, 2013). Budgeting systems are common across the world because they are crucial tools essential for the purposes of proper financial planning.

Blansfield (2002) carried out a study in the United States involving 250 respondents. The study findings suggested that 14% of the non-governmental organizations have a clear laid out strategy involving long term, performance measures and proper reporting. Another study was carried out by Weisenfeld and Tyson (1999), amongst 68 managers in the United States working in the non-governmental organizations. The study proved that budgeting and variance analysis can be positive tools, if the accounting information, communication process is functioning appropriately. A total of 90 percent of the respondent indicated that variances were a good way to measure their performance. A study was also carried out by Horngren et al., (2008), states that budgets can be

valuable to any organization. The study involved over 150 non-governmental organizations in North America. The study indicated that the budgets are used as cost management tools and has value in the organization. Horngren et al.(2008), also points out that most managers indicate that the budgeting has a high value on the management. They reported that over 92% of the 150 nongovernmental organizations in North America use budget and remarked budgeting as the top among the top three cost management tools.

A study by Macharia (2010) on survey of the challenges of budget preparation and implementation among manufacturing companies quoted at the Nairobi Stock Exchange, adopted a descriptive survey research design whereby questionnaires were issued to 18 manufacturing companies listed at the NSE of which 14 (70%) responded. The responses were analyzed using percentages, measures of central tendency (the mean) and for dispersion (standard deviation was used). The study found that the major challenges facing budget preparation and implementation among manufacturing companies were lack of proper monitoring and review, poor communication of the budget requirement, lack of clear policy and procedures on budgets, lack of proper co-ordination and lack of skilled personnel.

Further a study by Mutua (2010) on Challenges of budget preparation and implementation in public secondary schools in Kitui Central District. The following challenges were cited as being inherent in the budget preparation process: unclear ministerial guidelines on the budget preparation process; increases in the general prices; lack of adequate time, lack of training and ad-hoc methods of projecting revenues and expenditures. A census survey methodology was employed and a response rate of 64.4% was obtained. A questionnaire was developed which comprised of open and closed types of questions and a drop and pick method was used to administer to the respondents. The primary data obtained was edited for accuracy and consistency and keyed in Excel and SPSS packages for analysis.

2.5 Conceptual Frame Work

The conceptual framework for this study is described below

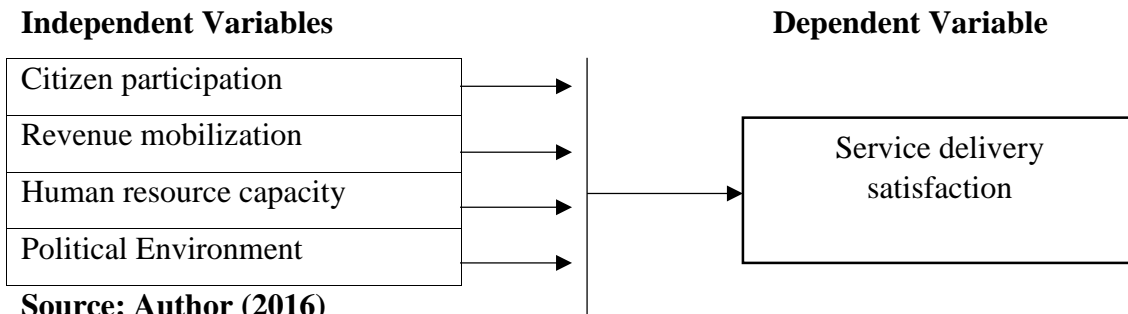


Figure 2.1: Conceptual framework

The conceptual framework is a diagrammatical presentation of variables in the study. The framework illustrates the interrelationship between dependent and independent variables. The independent variables for this study include citizen participation in the budget process, ability to mobilize resources, human resource capacity and political wrangles. The dependent variable is the service delivery satisfaction resulting from the budgeting process.

2.6 Summary of Literature Review

The studies that have tried to establish challenges of budget preparation process have given conflicting results. Blansfield (2002) found that only 14 percent of non-governmental organizations have a fully integrated planning process that combines long term and operational planning, performance measures and reporting. Weisenfeld and Tyson (1999) they further did a study and established that budgeting and variance analysis can be positive tools, if the accounting information, communication process is functioning appropriately. A study by (Anderson, 1996) revealed that Budgeting motivates managers and employees by providing useful yardsticks for evaluating performance.

Further, Kariuki (2010) did an Investigation into the Challenges of Budgeting in the Kenya Public Sector. The study findings reveals that majority of the departments participate in preparation of recurrent budgets, development budgets, MTEF budgets,

incremental budgets, master budgets and performance-based budgeting. Macharia (2010) also did a survey on the challenges of budget preparation and implementation among manufacturing companies quoted at the Nairobi Stock Exchange. The study found that the major challenges facing budget preparation and implementation among manufacturing companies were lack of proper monitoring and review, poor communication of the budget requirement, lack of clear policy and procedures on budgets, lack of proper co-ordination and lack of skilled personnel. Mutua (2010) studied on Challenges of budget preparation and implementation in public secondary schools in Kitui Central District. The following challenges were cited as being inherent in the budget preparation process: unclear ministerial guidelines on the budget preparation process; increases in the general prices; lack of adequate time, lack of training and ad-hoc methods of projecting revenues and expenditures. These studies show that none of the discussed challenges faced by the county governments in budget preparation process in Kenya, hence the research gap.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research procedures to be used in the study and includes, research design, population of study, instrumentation, validity and reliability of the instruments, data collection procedure and data analysis techniques.

3.2 Research Design

The study will employ a descriptive research design. The research design gives a research a chance to gather as well as summarize information. The research design will also help in presenting and interpreting information in order to make proper clarifications. Orodho (2002) indicated that the research design is appropriate as it describes the specific features of groups or elements under study. It also helps estimate the proportion of the people who have specific features and thus it becomes easy to make well-founded predictions.

Case study design is most appropriate for capturing the context of the research and the process being used in detail (Cooper and Schindler, 2008). A case can be most representative if it chosen judgmentally, rather than randomly and the data is usually qualitative, and hence a case study is characterized by most features of a qualitative study. The current study is on the challenges faced by the county governments in budget preparation process in Kenya. The case study method will be useful for the purposes of highlighting the specific features of the population under study.

3.3 Target Population

The target population in a research study is the specific population that is being investigated upon. Ngehu (2004), the population involves a set of people, the different elements, and the group of things that will be investigated. The population is representative because the elements under study have an equal chance which will be included in the final sample according to Mugenda and Mugenda (2003). In the current study, the target population will be County Governments in Kenya. The respondents in

the current study will be Chief Officers County Treasury, Planning Officers, Budget officers as well as the leaders in the community. There will also be five community leaders. The current study will adopt a case study approach.

3.4 Data Collection

The data collection process in the study will be drawn from the literature. The tools will be used for the purposes of conforming to the case study method. In this case, the instruments will be pretested for the purposes of ensuring the final interviews are perfect the tools are described below;

Interview schedules are interviews conducted using pre coded questions. Three (3) such interviews will be conducted at each department. This approach unlike an unstructured interview enables more specific issues to be addressed (Bryman and Bell, 2007).The researchers will employ the use of a Dictaphone to record the interview sessions. These schedules are developed to collect data during the pilot study.

Personal interviews, using a semi structured questionnaire with open ended questions, will also used to collect data. This research will target 25 such interviews. Personal interviews afford an opportunity to the respondent to seek clarification and provide additional information. It also enabled the interviewer to ask follow -up questions.

Self administered questionnaire of a multi-choice type will also be used. Although there is a difficulty of analyzing open-ended questionnaire responses, Mugenda and Mugenda (2007) argues that self administered questionnaires are more appropriate because they are cost-effective and faster to administer as they do not involve the researcher making personal visits to the respondents unlike in interviews.

3.5 Instrument Validity and Reliability

Mugenda and Mugenda (2007), explains that the validity as the accuracy and how meaningful the inferences are based on the results of the research study. The validity of the instruments was also determined due to their viability of the need to collect the

needed data. Additionally, the researcher conducted the study in person in order to ensure systematic validity. Consequently, interview schedules were also re-adjusted to meet specific time frame, improved on the quality of the questions and eliminated ambiguity.

On the other hand, the term reliability measures the degree of how an instrument is able to produce consistent results (Bryman and Bell, 2007). Reliability tests in this current study will be carried out in the process of piloting in order to check the consistency of the results of the different respondents. The current studies will also the reliability to check the split-half test of reliability. . The relevant instruments analyzed for this purpose are to be administered to three sub counties within the County Government of Elgeyo Marakwet (Marakwet West, Keiyo North and Keiyo South). Scores from even numbered items are correlated against scores obtained from odd numbered items. Data collected in the pilot study is to be analysed using Spearman's Correlation Coefficient at the significance level of $\alpha = 0.05$ (Orodho, 2004). Internal consistency reliability was used by grouping questions in the questionnaire that measured the same concept.

3.6 Data Collection Procedure

The researcher will collect both primary and secondary data. Secondary data will be collected from relevant printed/written materials (records) related to budget process and service delivery as well as other relevant documents and then recorded the details in the document analysis checklist.

3.7 Operationalization of Variables

The operationalization of the concepts in these study variables is an essential part of the research. According to Sekaran and Bougie (2010) making abstract concepts measurable, in a tangible manner is what is known as operationalizing the concepts. Measurements provide the basis for more precise estimates of the degree of relationship between variables or concepts, allows the researcher to differentiate between people in terms of the characteristic in question. In order to provide a measure of a concept often referred to as an operational definition (Bryman and Bell, 2007), it is necessary to have indicators that stands for the concepts. Whereas a measure refers to things that can be relatively

unambiguously counted such as number of citizens involved, indicators relate to indirect measures of concepts and are qualitative in nature.

Service delivery consists of observable and perceptual actions of individuals or households to a provided action. Human resource capacity is a skill or level of knowledge transfer from an individual to provision of a service or need. Public participation is the active engagement of citizens or communities for a depend and enhanced consultation on a need for a better targeting of resources. Resource mobilization is the ability of staff to collect revenue from different sources. A questionnaire instrument with a five –point Likert scale with end-points anchored “Strongly agree” and ‘Strongly disagree’ will be used to collect data. The measures used to determine each variable and statistical measurement of analysis of the variables is summarized in Table.3.1.

Table 3.1: Operational variables

Variables	Measurement	Measurement scale	Type of Analysis	Tool of Analysis
Human resource capacity	Availability	Nominal	Descriptive Analysis	Mean Std deviation
	Quality	Nominal	Descriptive Analysis	Mean Std deviation
	Efficiency	Ordinal	Descriptive Analysis	Mean Std deviation
Citizen participation	Turn up level	Interval	Descriptive Analysis	Mean Std deviation
	Satisfactory level	Nominal	Descriptive Analysis	Mean Std deviation
	Number Complains raised	Ordinal	Descriptive Analysis	Mean Std deviation
Revenue mobilization	Efficiency Level	Nominal	Descriptive Analysis	Mean Std deviation
	Flexibility level	Interval	Descriptive Analysis	Mean Std deviation
Service delivery satisfaction	Satisfactory level	Ordinal	Descriptive Analysis	Mean Std deviation
	Number of complaints raised	Ordinal		
	Number of projects completed	Ordinal	Descriptive Analysis	Mean Std deviation

3.8 Data Analysis Techniques

Data will be analysed using both quantitative and qualitative techniques.

A three stage mode of analysis will be adopted for qualitative data. Firstly the transcripts will be read a minimum of three times, to ensure unrecorded and recorded points are reviewed from the transcripts; Secondly, the researcher will look for apparent themes; thirdly, all transcripts are to be catalogued to enable comparison of knowledge gathered during the review of secondary and primary data; and finally, findings and conclusions will be drawn from the data and areas of further study were identified.

All the quantitative data collected will be entered and analyzed through the Statistical Package of Social Sciences (SPSS). Descriptive statistics will be used to present the preliminary results of the data. Inferential statistics will be used to address all the four objectives of the study and the research questions. The Likert type of instrument will be used to collect data which will then be edited, coded and classified immediately after the data collection. Data will be tabulated in form of graphs and frequency to show the number of responses and the percentage agreeing or disagreeing with each of the specific statements on budget process and service delivery and analyzed using frequencies and percentages. Graphical descriptive statistical presentation will also include cumulative frequency distribution and cross tabulations. Other central measures statistics that will be utilized within the tabular displays include the mean and the standard deviations. A Pearson's Product Moment Correlations will be determined to establish the strength of the relationship among determinants of effective budget preparation process and a multiple linear regression of the form $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$ will be established to show how citizen participation, ability to mobilize revenue, human resource capacity and political wrangles affect service delivery satisfaction in County Governments during the budget making process. Service delivery satisfaction during budget preparation (Y) is influenced by citizen participation (X_1) revenue resource mobilization(X_2), human resource capacity, (X_3), and e is the error term. β_1 , β_2 , and β_3 are the Pearson's Product Moment Correlations.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

The study was guided by various objectives and hypotheses which identified various variables that were studied. The chapter presents a detailed analysis of the data collected, findings' interpretation; and presentations. It is organized into six sections namely respondents demographic characteristics, budget process, revenue mobilization, financial reporting, audit system and service delivery.

4.2 Response Rate

The study achieved a response rate of 72.97%, with 108 questionnaires being returned out of the 148 that had been distributed. This represented a significant response rate. According to Zikmund (2003), a response rate is significant if it exceeds 20%, hereby implying that the data can be relied upon to draw up conclusions.

4.3 Demographic Characteristics of the Respondents

The respondent characteristics that were assessed by the study included gender, position held and **name** of the County Government.

4.3.1 Gender of the Respondents

An analysis of the respondents' gender indicated 63% were male while 37% were female as illustrated in Figure 4.1. This implies that majority of the employees in the County Government of Elgeyo Marakwet are men.

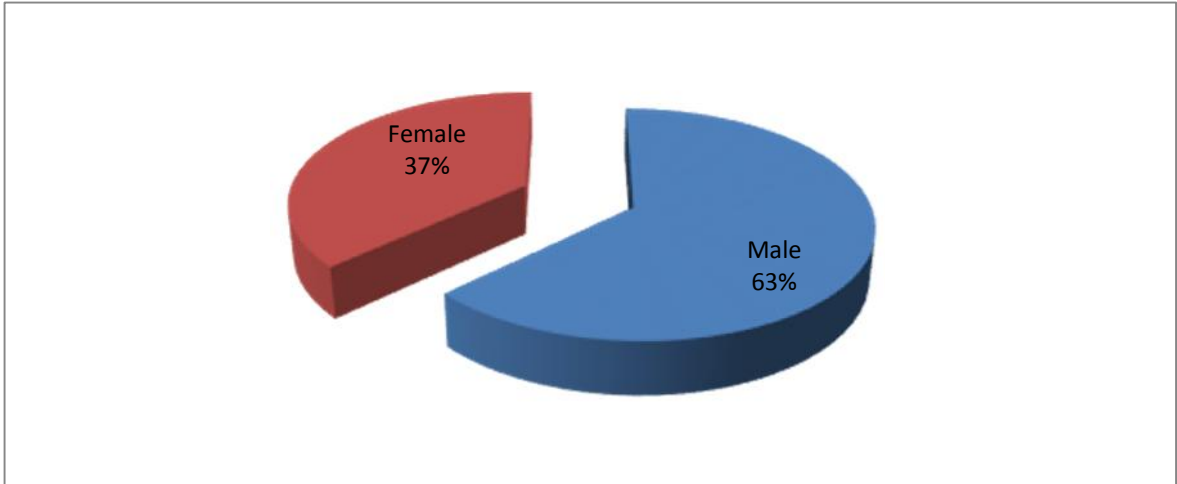


Figure 4.1: Gender of the respondents

4.3.2 Position Held

The respondents were asked to indicate their work positions in their respective County. As illustrated in Figure 4.2, among the respondents, 3% were the Sub county Administrators, 5% were Finance Officers, 10% were departmental heads and 82% were other staff members.

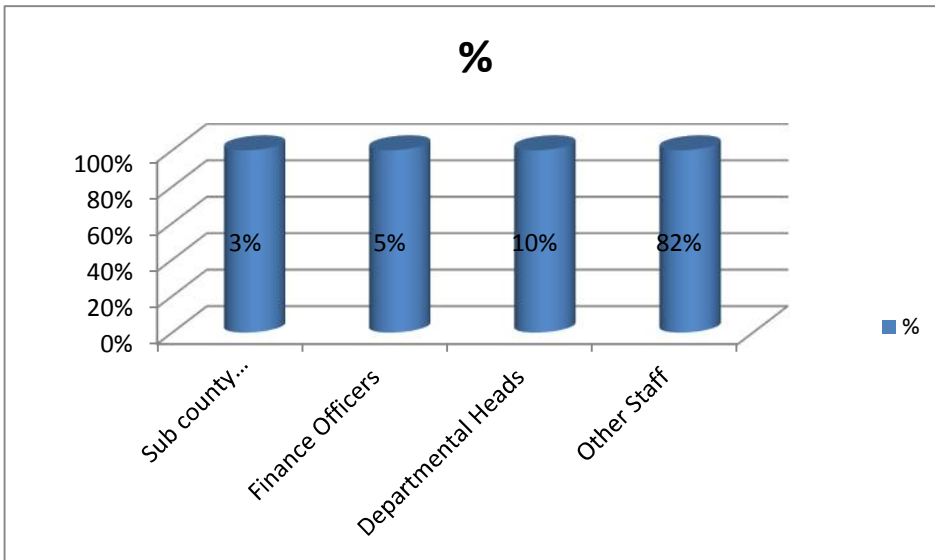


Figure 4.2: Work positions of the respondents

4.3.3 Sub Counties Covered

As shown in Figure 4.3, out of 108 respondents, 33% were from Keiyo South Sub County Council, 32% were from Keiyo North Sub County and 35% were from Marakwet West Sub County.

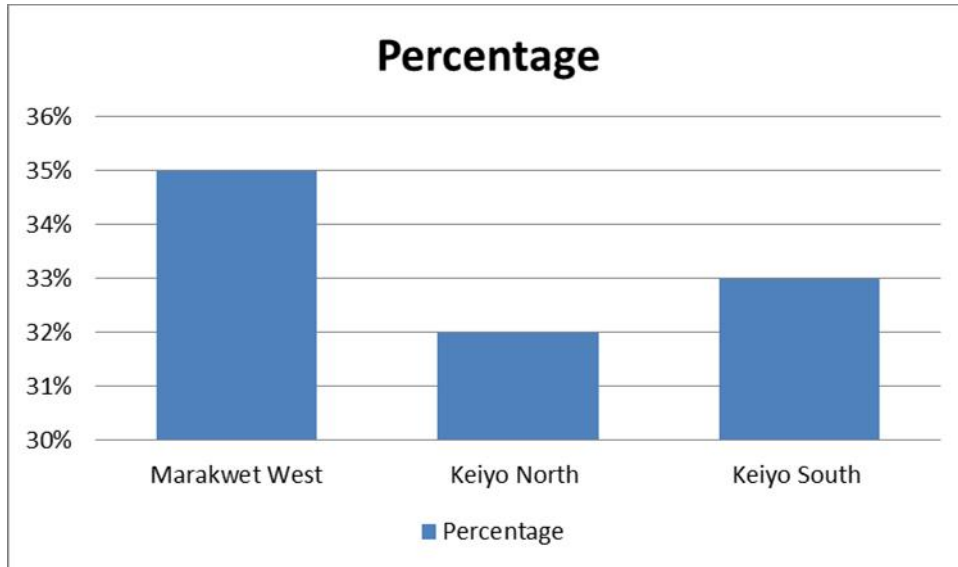


Figure 4.3: Sub Counties covered

4.3.4 Local Authority Types

An analysis of the local authority types revealed that 33% of the respondents were from town council, 35% were from a municipal council and 32% were from a county council.

Figure 4.4 depicts the types of sub county

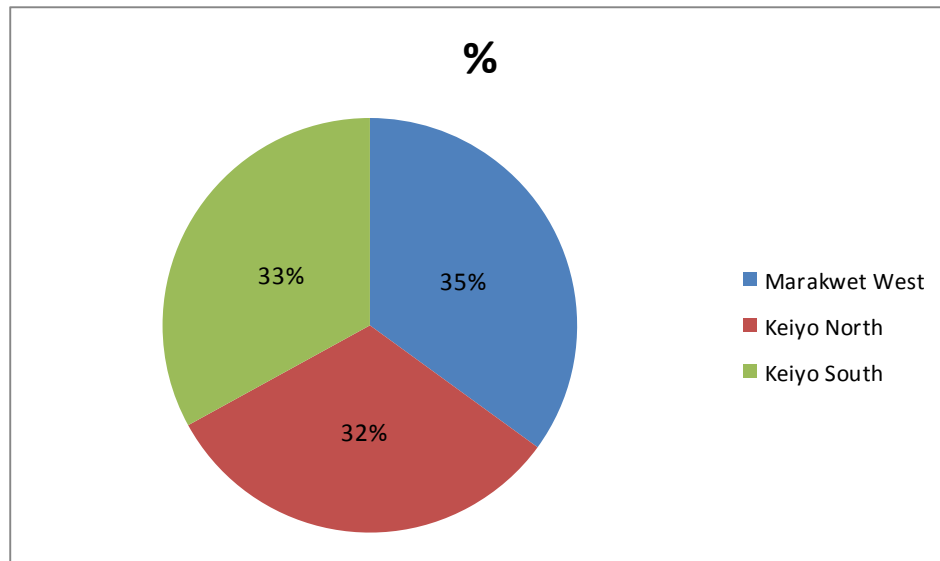


Figure 4.4: Type of Sub County

4.4 Budget Reforms and Service Delivery

Objective one sought to establish the effects of budgeting reforms on service delivery in the three sub counties in Elgeyo Marakwet County. The study assessed the budgeting process in the local authorities and its effects on service delivery.

4.4.1 Budget Process

An assessment of the budget process involved a set of statements which the respondents were asked to indicate the extent to which they were in agreement with them. According to the results in Table 4.1, 72% of the respondents indicated that the council final budget envelope was being limited by own revenues and transfers from central government. They (72%) also confirmed that public fully participates in the budget process making. The mean scores (3.00 and 2.88) indicates agreement with the statement.

Table 4.1: Budget process

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
The county's final budget envelope is limited by own revenues and transfers from National Government	14	13	16	14.8	34	31.5	44	40.7	3.00
Public fully participates in the budget process making	10	9.3	20	18.5	51	47.2	27	25	2.88

4.4.2 Allocation of County Funds

The respondents were further asked to describe the allocation of local authority funds. According to the results in Table 4.2, 77% of the respondents indicated that a proportion of the funds is set aside for pro-poor interventions, 84% of the respondent indicated that part of the money is used for salaries and wages, 85% of the respondents stated that part of the money is used for operations and maintenance and 84% of the respondents indicated that part of the funds are set aside for capital projects. The mean scores 3.11, 4.00, 3.29 and 3.21 indicates an agreement with the purpose for which money was allocated for.

Table 4.2: Allocation of council funds

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
A proportion of funds of the council in the budget is set for; Pro-poor interventions	6	5.6	19	17.6	40	37	43	39.8	3.11
Salaries and wages	8	7.4	9	8.3	38	35.2	53	49.1	4.00
Operations and Maintenance	8	7.4	8	7.4	37	34.3	55	50.9	3.29
Development Projects	8	7.4	9	8.3	43	39.8	48	44.4	3.21

4.4.3 Challenges Facing the Budgeting Process in County Governments

According to the results in Table 4.3, 72% of the respondents indicated that the County Government's budget process is limited by insufficient local revenues and 74% of the respondents mentioned delays in National Government transfers. However, 54% of the respondent indicated that the budgeting process was not being affected by dominance by councilors. The respondents (57%) further indicated that the budget process was not being affected by inadequate participation by the public.

Table 4.3: Challenges faced in budgeting process in County Governments

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
The Budget process is limited by: Insufficient local revenues	19	17.6	11	10.2	44	40.7	34	31.5	2.86
Delays in National Government transfers	12	11.1	16	14.8	56	51.9	24	22.2	2.85
Dominance by Members of County Assembly	23	21.3	35	32.4	37	34.3	13	12.0	2.37
Inadequate participation by the public	28	25.9	33	30.6	33	30.6	14	13.0	2.31

The means scores 2.86, and 2.85 in Table 4.3, indicates an agreement with the statement while 2.37 and 2.31 indicates disagreement.

4.4.4 Level of Satisfaction with the Budgeting Process

In a scale of 1 to 4, where 1 meant strongly disagrees and 4 meant strongly agree, the respondents were asked to indicate the level satisfaction with various aspects of budgeting process in your local authority. As shown in Table 4.4, the level of satisfaction with regards to public participation in the budget process was rated high by 64% of the respondents. Allocation of adequate funds for pro-poor interventions e.g. school bursaries was rated low by 53% of the respondents, allocation of adequate funds for capital projects such as health facilities, access roads, water springs was rated high 64% of the respondents and completion of capital projects within the stipulated time line was rated high by 51% of the respondents. The mean scores 2.61 and 2.83 indicates a high satisfaction level while 2.38 and 2.42 indicates a low satisfaction level.

Table 4.4: Level of satisfaction with budgeting process

Statement/ item	Very low		Low		High		Very high		Mean
	F	%	F	%	F	%	F	%	
Participation of public in the budget process	21	19.4	18	16.7	51	47.2	18	16.7	2.61
Adequate funds are allocated for pro-poor interventions e.g. school bursaries	30	27.8	27	25	31	28.7	20	18.5	2.38
Adequate funds are allocated for Development Projects e.g. health facilities, access roads, water springs	13	12	26	24	35	32.4	34	31.5	2.83
Development projects are completed within the stipulated time line	27	25.0	26	24.1	38	35.2	17	15.7	2.42

Testing hypothesis 1

Hypothesis 1: Budgeting reforms do not significantly affect service delivery of the County Government of Elgeyo Marakwet. A correlation analysis between budgeting reforms and service delivery was conducted to establish the relationship between the two variables. As shown in Table 4.5, there was a positive correlation (0.422) between budgeting reforms and service delivery. The p-value was 0.000 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that budgeting reforms had a significant positive effect on service delivery in the Counties. The findings are in line with those of Oyugi and Kibua (2006).

Table 4.5: Pearson’s correlation between budgeting reforms and service delivery

		Budgeting reforms	Service delivery
Budgeting reforms	Pearson Correlation	1	.421
	Sig. (2-tailed)	.	.000
	N	108	108
Service delivery	Pearson Correlation	.421	1
	Sig. (2-tailed)	.000	.
	N	108	108

** Correlation is significant at the 0.01 level (2-tailed).

4.5 Revenue Mobilization and Service Delivery

Objective two sought to determine the effect of revenue mobilization on service delivery in the County Government of Elgeyo Marakwet. The study investigated the county’s sources of revenue, challenges facing revenue collection and the effects of revenue mobilization on service delivery.

4.5.1 County’s Sources of Revenue

In a scale of 1 to 4, where 1 meant strongly disagree and 4 meant strongly agree, the respondents were asked to indicate the level to which they agreed with a set of statement with regards to sources of revenue in County Government of Elgeyo Marakwet. As presented in Table 4.6, 83% of the respondents confirmed that County Government

National Transfer funds was a source of revenue in County Governments, and only 54% of the respondent felt that road maintenance levy fund was a source of revenue in Counties.

The results in Table 4.6 further demonstrate that 59% of the respondents claimed that their county generated revenue through issuance of single business permit. The other sources of income includes vehicle parking as indicated by 96% of the respondents, plot rents fee as noted by 94% of the respondents, property rates as stated by 82% of the respondents, Cess receipts as indicated by 84% of the respondents, Market fees as claimed by 91% of the respondents and house rents as indicated by 82% of the respondents. The means score 2.58, 2.71, 3.81, 3.67, 3.23, 3.35, 3.54 and 3.26 indicates agreement with the statement.

Table 4.6: County’s sources of revenue

The following are sources of revenue to the council:	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
County Allocation of Revenue Act (CARA) Transfer Fund	9	8.3	9	8.3	17	15.7	73	67.7	3.43
Road Maintenance Levy Fund	33	30.6	17	15.7	20	18.5	38	35.2	2.58
Contribution in Lieu of Rates	26	24.1	18	16.7	25	23.1	39	36.1	2.71
Single Business Permit	0	0	0	0	21	19.4	87	80.6	3.81
Vehicle Parking	3	2.8	0	0	27	25	78	72.2	3.67
Plot rents fee	3	2.8	3	2.8	29	26.9	73	67.6	3.59
Property rates	9	8.3	11	10.2	34	31.5	54	50.0	3.23
Cess receipts	11	10.2	6	5.6	25	23.1	66	61.1	3.35
Market fees	3	2.8	6	5.6	29	26.9	70	64.8	3.54
House rents	9	8.3	11	10.2	30	27.8	58	53.7	3.26

4.5.2 Challenges Facing Revenue Collection in County Government

According to the results in Table 4.7, 56% of the respondents indicated that revenue collection was being limited by a high turnover, 51% of the respondents mentioned very low salaries, 63% of the respondents stated inadequacy revenue collection skills and 69% of the respondents felt that revenue collection was being limited by delays in review of work plans pertaining to approved budgets by the County Assembly. The mean scores 2.51, 2.57, 2.75, 2.90 and 2.69 indicates agreement therefore all the factors given in Table 4.7 limits revenue collection in County Government of Elgeyo Marakwet.

Table 4.7: Challenges facing revenue collection in County Governments

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
Revenue collection is limited by: a. A high turnover of staff	25	23.1	23	21.3	40	37	20	18.5	2.51
b. Very low salaries	17	15.7	36	33.3	31	28.7	24	22.2	2.57
c. Inadequacy revenue collection skills	8	7.4	32	29.6	47	43.5	21	19.4	2.75
d. Inadequacy and unpredictability of the sources	6	5.6	25	23.1	51	47.2	26	24.1	2.90
e. Delays in review of work plans pertaining to approved budgets by the County Assembly	15	13.9	19	17.6	58	53.7	16	14.8	2.69

Hypothesis 2: Revenue mobilization has no significant correlation with service delivery in County Government of Elgeyo Marakwet

An analysis of the relationship between revenue mobilization and service delivery revealed a positive correlation (0.890) between budgeting reforms and service delivery as shown in table 4.8. The p-value was 0.000 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that budgeting reforms had a significant positive effect on service delivery in local authorities. These findings confirm the results of a study conducted by World Bank, (2007) which found that local authorities have been characterized by weak legal mechanisms to support enforcement of revenue collection which leads to defaulting and accumulation of arrears with the exception of property tax, the process of recovering arrears through courts is problematic and time consuming. Furthermore, revenue collection has been undermined by limited institutional capacity within the local authorities. This is particularly acute in departments responsible for revenue administration, which is characterized by a high turnover of senior staff, limited staffing, and very low salaries.

Table 4.8: Pearson’s correlation between revenue mobilization and service delivery

		Budgeting reforms	Service delivery
Budgeting reforms	Pearson Correlation	1	.890
	Sig. (2-tailed)	.	.000
	N	108	108
Service delivery	Pearson Correlation	.890	1
	Sig. (2-tailed)	.000	.
	N	108	108

** Correlation is significant at the 0.01 level (2-tailed).

4.6 Financial Reporting and Service Delivery

Objective three sought to assess the effect of financial reporting on service delivery in the three local authorities in Kisii County. The study assessed financial records keeping, publication and the effect of financial reporting on service delivery. As shown in Table 4.9, the accounts departments in the three local authorities in Kisii County kept records of all receipts and payments of money as noted by 98% of the respondents. The respondents

(89%) also noted that the local authorities prepared annual estimates/ abstracts of accounts as prescribed by the Minister of Local Government. However, 57% of the respondents disputed claims that the local authorities published budget estimates in local daily newspapers.

The results further revealed that the financial information available was current and accurate as stated by 77% of the respondents. They (55%) also denied claims that had read/ seen their council's abstracts of accounts published in the local daily newspaper/notice board. The respondents (72%) further indicated that the council abstracts of accounts are easily accessible. The mean scores 3.59, 3.46, 3.07, 2.59 and 2.98 indicates agreement with the statement while 2.24 indicates disagreement with the statement in question.

Table 4.9: Financial reporting

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
The accounts kept by this local authority records all receipts and payments of money	0	0	2	1.9	40	37	66	61.1	3.59
The local authority prepare annual estimates/ abstracts of accounts as prescribed by the Minister of local Government	3	2.8	9	8.3	31	28.7	65	60.2	3.46
The local authority publishes budget estimates in local daily newspapers	39	36.1	23	21.3	27	25.0	19	17.6	2.24
Financial information available is current and accurate	8	7.4	17	15.7	42	38.9	41	38.0	3.07
Have read/ seen our council's abstracts of accounts published in the local daily newspaper/ notice board	22	29.6	27	25	32	20.4	27	25	2.59
The council abstracts of accounts are easily accessible	13	12	17	15.7	37	34.3	41	38.0	2.98

Hypothesis 3: Financial reporting has no significant relationship with service delivery in Elgeyo Marakwet county.

An analysis of the relationship between financial reporting and service delivery revealed a positive correlation (0.748) between financial reporting and service delivery as presented in Table 4.10. The p-value was 0.002 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that financial reporting had a significant positive effect on service delivery in local authorities. Hope (2001) argue that local authorities financial reporting is based on department, cost centre, activity, goods or service is made according to a full cost attribution basis. This accrual accounting supplements cash accounting systems to ensure that the financial information available to management is current, and provides meaningful analysis of resource usage within a department. In this context, it is expected that managers should be responsible for all costs associated with the outputs produced, not only the immediate outlays. Accruals allow for the capture of these full costs, thereby supporting effective and efficient decision-making by managers.

Table 4.10: Pearson’s correlation between financial reporting and service delivery

		Financial reporting	Service delivery
Financial reporting	Pearson Correlation	1	.748(**)
	Sig. (2-tailed)	.	.002
	N	108	108
Service delivery	Pearson Correlation	.748(**)	1
	Sig. (2-tailed)	.002	.
	N	108	108

** Correlation is significant at the 0.01 level (2-tailed).

4.7 Auditing System and Service Delivery

Objective four sought to determine the effect of auditing on service delivery in the three local authorities in Kisii County. The study evaluated auditing process inn the three local authorities, the respondents’ level of satisfaction with the process and its effect on service delivery.

4.7.1 Auditing in County Governments

In a scale of 1 to 4, where 1 meant strongly disagree and 4 meant strongly agree, the respondents were asked to indicate the level to which they agreed with a set of statement with regarding auditing in local Authorities. According to the results in Table 4.11, the annual audits of the local authority are represented for deliberations as noted by 74% of the respondents. They (62%) also stated that the accounts and audit reports were accessible to the public on application/publication. Further, the respondents (79%) confirmed that there existed an operational audit committee within the council. The mean scores 3.04, 2.79 and 3.10 indicates agreement with the statement.

Table 4.11: Auditing in County Governments

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
Annual audits of the local authority are represented for deliberations	8	7.4	20	18.5	40	37	40	37	3.04
Accounts and audit reports are accessible to the public on application/ publication	13	12	29	26.9	34	31.5	32	29.6	2.79
There exist an operational audit committee within the council	11	10.2	11	10.2	43	39.8	43	39.4	3.10

When asked to indicate the level of satisfaction with various auditing functions in local authorities presented in Table 4.12, composition of audit committee was rated high by 74% of the respondents. The number of internal audits carried out per quarter was rated 66% of the respondents while the number of external audits carried out per year was rated high by 88% of the respondents. Accessibility to audit reports was also rated high by 79% of the respondents. The mean scores 2.90, 2.75, 3.16 and 3.04 indicates a high satisfaction level.

Table 4.12: Auditing process

Statement/ item	Very low		Low		High		Very High		Mean
	F	%	F	%	F	%	F	%	
The composition of Audit committee	11	10.2	17	15.7	52	48.1	28	25.9	2.90
The number of internal audits carried out per quarter	12	11.1	25	23.1	49	45.4	22	20.4	2.75
The number of external audits carried out per year	8	7.4	5	4.6	57	52.8	38	35.2	3.16
Accessibility to audit reports	10	9.3	12	11.1	50	46.3	36	33.3	3.04

Hypothesis 4: Auditing does not significantly influence service delivery in County Government of Elgeyo Marakwet

A correlation analysis between auditing process and service delivery was conducted to establish the relationship between the two variables. As shown in Table 4.13, there was a positive correlation (0.736) between auditing process and service delivery. The p-value was 0.003 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that auditing process had a significant positive effect on service delivery in local authorities. The results confirm the findings of Auditing and Assurance Standard Board of the Australian Accounting Research Foundation (2002).

Table 4.13: Correlation analysis between auditing process and service delivery

		Auditing process	Service delivery
Auditing process	Pearson Correlation	1	.736(**)
	Sig. (2-tailed)	.	.003
	N	108	108
Service delivery	Pearson Correlation	.736(**)	1
	Sig. (2-tailed)	.003	.
	N	108	108

4.8 Service Delivery in County Government of Elgeyo Marakwet

In a scale of 1 to 4, where 1 meant strongly disagrees and 4 meant strongly agree, the respondents were asked to indicate the level to which they agreed with a set of statement with regarding service delivery in County Governments. The results in Table 4.14 indicate that 89% of the respondents felt that their County Government had a strong focus and commitment to provide quality service. The County Government had made it clear to all employees on the need to provide the quality services to people they served as noted by 94% of the respondents. The respondents (93%) further indicated that they tried as much as possible to provide their customer’s timely service. The mean scores 3.36, 3.46 and 3.37 indicates an agreement with the statement.

Table 4.14: Service delivery in County Government of Elgeyo Marakwet

Statement/ item	Strongly Disagree		Disagree		Agree		Strongly Agree		Mean
	F	%	F	%	F	%	F	%	
My local authority has a strong focus and commitment to provide quality service	2	1.9	9	8.3	45	41.7	52	48.1	3.36
My local authority has made it clear to all employees on the need to provide quality services to people we serve	0	0	6	5.6	46	42.6	56	51.9	3.46
We try as much as possible to provide our customers timely services	5	4.6	3	2.8	47	43.5	53	49.1	3.37

4.8.1 Quality of Services in County Government of Elgeyo Marakwet

When asked to rate the quality of service offered in the local authorities, 20% of the respondents rated it low, 61% of the respondents rated it high and 10% rated it very high. This shows that 71% of the respondent rated it high.

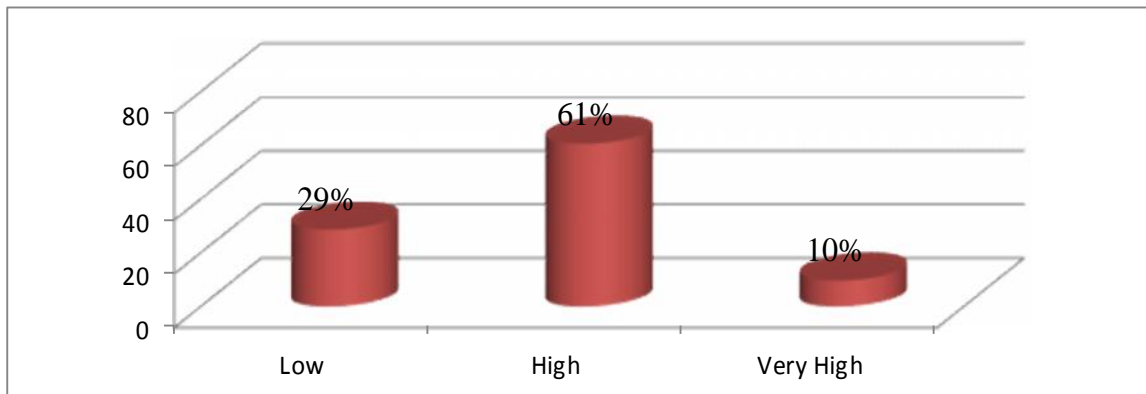


Figure 4.5: Quality of Service Delivery in County Government of Elgeyo Marakwet

4.9 Regression Analysis

Regression analysis was applied to test the model and hence establish the relationship between the dependent (Service delivery) and independent variables (auditing process, revenue mobilization, budgeting process and financial reporting). The model is represented by:

$$Y = b_0 + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + e;$$

Where service delivery (Y) was influenced by the budget process (x_1), revenue mobilization (x_2), financial reporting (x_3), auditing (x_4) and e is the error term. b_0 , b_1 , b_2 , b_3 and b_4 are the constants.

According to the results in Table 4.15 auditing process, revenue mobilization, budgeting process and financial reporting accounts for 77% (R Square, 0.756) of the variation in Service delivery. The standard error of estimate is 0.29526

Table 4.15: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.875(a)	.766	.756	.29526

a. Predictors: auditing process, revenue mobilization, budgeting process, financial reporting

As shown in Table 4.16, the F value was 84.070 and the significance level was 0.000. Since the significance level (0.00) was far much less than the alpha level 0.05, it implies that independent variables (auditing process, revenue mobilization, budgeting process, financial reporting) contributed significantly to variation in the dependent variable (service delivery).

Table 4.16: ANOVA Results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.317	4	7.329	84.070	.000(a)
	Residual	8.979	103	.087		
	Total	38.296	107			

a. Predictors: auditing process, revenue mobilization, budgeting process, financial reporting

b. Dependent Variable: Service delivery

Regression analysis was conducted to determine the effects of auditing process, revenue mobilization, budgeting process and financial reporting on service delivery in local authorities. As presented in Table 4.17, an increase in auditing process, revenue mobilization, budgeting process and financial reporting by one unit would increase service delivery in local authorities by 0.451, 0.496, 0.484 and 0.220 respectively.

Table 4.17: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	-1.929	.316		-6.108	.000
Budgeting process	.451	.098	.312	4.619	.000
Revenue mobilization	.496	.085	.294	5.804	.000
Financial reporting	.484	.094	.350	5.144	.000
Auditing process	.220	.079	.206	2.795	.006

a. Dependent Variable: Service delivery

Using the values of the coefficients (B) from the regression coefficient (Table 4.17), the regression equation takes the following form.

$$Y = -1.929 + 0.451b_1 + 0.496b_2 + 0.484b_3 + 0.220b_4$$

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions and the recommendations to improve service delivery in County Governments. The chapter also outlines the suggested areas of further research.

5.2 Summary of the Findings

The study achieved a response rate of 72.97%, with 108 questionnaires being returned out of the 148 that had been distributed. An analysis of the respondents' gender indicated 63% were male while 37% were female. Among the respondents, 3% were Sub County Administrators, 5% were Finance Officers, 10% were Departmental Heads and 82% were other staff members. Out of 108 respondents, 33% were from Keiyo South Sub County, 32% were from Keiyo North Sub County and 35% were from Marakwet West Sub County.

Objective one sought to establish the effects of budgeting reforms on service delivery in the three Sub Counties in Elgeyo Marakwet County Government. The results revealed that 72% of the respondents indicated that the council final budget envelope was being limited by own revenues and transfers from National Government. They (72%) also confirmed that public fully participates in the budget process making. Regarding allocation of county funds, 77% of the respondents indicated that a proportion of the funds is set aside for pro-poor interventions, 84% of the respondent indicated that part of the money is used for salaries and wages, 85% of the respondents stated that part of the money is used for operations and maintenance and 84% of the respondents indicated that part of the funds are set aside for development projects.

The results further indicate that the County Government's budget process is limited by insufficient local revenues as noted by 72% of the respondents and delays in central government transfers (74%). However, 54% of the respondent indicated that the budgeting process was not being affected by dominance by Members of the County

Assembly. The respondents (57%) further indicated that the budget process was not being affected by inadequate participation by the public.

Relating to the level of Satisfaction with the budgeting process, the level of satisfaction with regards to public participation in the budget process was rated high by 64% of the respondents. Allocation of adequate funds for pro-poor interventions e.g. school bursaries was rated low by 53% of the respondents, allocation of adequate funds for capital projects such as health facilities, access roads, water springs was rated high 64% of the respondents and completion of development projects within the stipulated time line was rated high by 51% of the respondents.

A correlation analysis between budgeting reforms and service delivery was conducted to establish the relationship between the two variables. There was a positive correlation (0.422) between budgeting reforms and service delivery. The p-value was 0.000 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that budgeting reforms had a significant positive effect on service delivery in local authorities.

Objective two sought to determine the effect of revenue mobilization on service delivery in the three Sub Counties in Elgeyo Marakwet County Government. According to the results, 83% of the respondents confirmed that National Government Transfers (CARA) was a source of revenue in counties, only 54% of the respondent felt that road maintenance levy fund was a source of revenue and 59% of the respondents considered the contribution in lieu of rates as a source of revenue in councils. The results further demonstrate that 59% of the respondents claimed that their councils generated revenue through issuance of single business permit. The other sources of income includes vehicle parking as indicated by 96% of the respondents, plot rents fee as noted by 94% of the respondents, property rates as stated by 82% of the respondents, Cess receipts as indicated by 84% of the respondents, Market fees as claimed by 91% of the respondents and house rents as indicated by 82% of the respondents.

56% of the respondents indicated that revenue collection was being limited by a high turnover, 51% of the respondents mentioned very low salaries, 63% of the respondents stated inadequacy revenue collection skills and 69% of the respondents felt that revenue collection was being limited by delays in review of work plans pertaining to proposed budgets from the ministry.

An analysis of the relationship between revenue mobilization and service delivery revealed a positive correlation (0.890) between budgeting reforms and service delivery. The p-value was 0.000 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that budgeting reforms had a significant positive effect on service delivery in local authorities.

Objective three sought to assess the effect of financial reporting on service delivery in the three sub Counties in Elgeyo Marakwet County Government. The results indicate that the accounts departments in the County kept records of all receipts and payments of money as noted by 98% of the respondents. The respondents (89%) also noted that the County prepared annual estimates/ financial statements as prescribed by the international Public Sector Accounting Standards (IPSAS). However, 57% of the respondents disputed claims that the County Governments published budget estimates in the website and local daily newspapers.

The results further revealed that the financial information available was current and accurate as stated by 77% of the respondents. They (55%) also denied claims that had read/ seen their council's abstracts of accounts published in the local daily newspaper/notice board. The respondents (72%) further indicated that the council abstracts of accounts are easily accessible.

An analysis of the relationship between financial reporting and service delivery revealed a positive correlation (0.748) between financial reporting and service delivery as presented in Table 4.10. The p-value was 0.002 and thus, less than the alpha level of 0.01

hence establishing a high significant relationship between variables. This implies that financial reporting had a significant positive effect on service delivery.

Objective four sought to determine the effect of auditing on service delivery in the County Government of Elgeyo Marakwet. The study evaluated auditing process in the County Government, the respondents' level of satisfaction with the process and its effect on service delivery. According to the results, the annual audits of the local authority are represented for deliberations as noted by 74% of the respondents. They (62%) also stated that the accounts and audit reports were accessible to the public on application/publication. Further, the respondents (79%) confirmed that there existed an operational audit committee within the council.

When asked to indicate the level of satisfaction with various auditing functions in the County presented in Table 4.12, composition of audit committee was rated high by 74% of the respondents. The number of internal audits carried out per quarter was rated 66% of the respondents while the number of external audits carried out per year was rated high by 88% of the respondents. Accessibility to audit reports was also rated high by 79% of the respondents. The mean scores 2.90, 2.75, 3.16 and 3.04 indicates a high satisfaction level.

A correlation analysis between auditing process and service delivery was conducted to establish the relationship between the two variables. There was a positive correlation (0.736) between auditing process and service delivery. The p-value was 0.003 and thus, less than the alpha level of 0.01 hence establishing a high significant relationship between variables. This implies that auditing process had a significant positive effect on service delivery in local authorities.

Regarding service delivery in local authorities, 89% of the respondents felt that their County had a strong focus and commitment to provide quality service. The County had made it clear to all employees on the need to provide the quality services to people they served as noted by 94% of the respondents. The respondents (93%) further indicated that

they tried as much as possible to provide their customer's timely service. When asked to rate the quality of service offered in the County Government of Elgeyo Marakwet, 20% of the respondents rated it low, 61% of the respondents rated it high and 10% rated it very high. This shows that 71% of the respondent rated it high.

Regression analysis was applied to test the model and hence establish the relationship between the dependent (Service delivery) and independent variables (auditing process, revenue mobilization, budgeting process and financial reporting). According to the results, auditing process, revenue mobilization, budgeting process and financial reporting accounts for 77% (R Square, 0.756) of the variation in Service delivery. The F value was 84.070 and the significance level was 0.000. Since the significance level (0.00) was far much less than the alpha level 0.05, it implies that independent variables (auditing process, revenue mobilization, budgeting process, financial reporting) contributed significantly to variation in the dependent variable (service delivery).

Regression analysis was conducted to determine the effects of auditing process, revenue mobilization, budgeting process and financial reporting on service delivery in the County. An increase in auditing process, revenue mobilization, budgeting process and financial reporting by one unit would increase service delivery in local authorities by 0.451, 0.496, 0.484 and 0.220 respectively.

5.3 Conclusions

The role of the County Government the urban areas will always revolve around ensuring the provision of basic services, the facilitation and control of the overall development of our cities today. The financial inadequacy of County Government of Elgeyo Marakwet will always be an impediment to quality service delivery. With this continued financial crisis, the role of the local authorities will be limited to, amongst other things, maintenance of infrastructure instead of its provision. It is clear from the findings that the budgeting process of local authorities in Kisii County is normally affected by insufficient funds and delays in money disbursement from the national government.

The main sources of funds for County Government are CARA, Road maintenance levy fund, contribution in lieu of rates as a source of revenue in counties, issuance of single business permit. The other sources of income includes vehicle parking, plot rents fee, property rates, cess receipts, market fees and house rents. Although, revenue collection was the main channel of generating funds in local authorities, it was being limited by a high turnover, very low salaries, inadequate revenue collection skills and delays in review of work plans pertaining to proposed budgets from the ministry.

It is palpable that financial reporting was being done in the the County studied. This was characterized by record keeping, preparation of annual estimates/ abstracts of accounts as prescribed by the International Public Sector Accounting Standards. The current and accurate financial information was made available to all. However, there was no publication of budget estimates in local daily newspapers. Based on the study findings, auditing process, revenue mobilization, budgeting process and financial reporting had a positive influence on service delivery in local authorities.

5.4 Recommendations

Based on the conclusions of this study the following recommendations are made to enhance service delivery in the County Government of Elgeyo Marakwet.

There is need to encourage private sector involvement in local development issues in the form of partnerships with the county governments. The private sector provides quality services and they have the financial capability to do so. The County Government can no longer ignore this fact and need to pursue partnerships with the private sector. The partnership will also help to counter the financial challenges facing local authorities.

Inherent in the need for accountability, transparency and popular participation in governance is the existence of avenues for free flow of information between local authorities and the people they exist to serve. These attributes need to be adopted in local authorities to improve service delivery.

5.5 Areas for Further Research

Future research should be done to establish the influence of auditing process, revenue mobilization, budgeting process and financial reporting on service delivery in other government ministries/departments.

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APPENDIX

Appendix I: Survey Questionnaire

Please answer the following questions by ticking in the appropriate box your level of agreement or satisfaction with each of the statements provided. The information given through this questionnaire will be strictly confidential and will only be used for the purpose of this research.

Johnkeen Murkeu Jairo

MBA Student, University of Nairobi

PART 1: RESPONDENT PROFILE

1. Name (optional):.....
2. Position:
 - Sub County Administrator ()
 - Finance Officer ()
 - Departmental Head ()
 - Committee Member ()
 - Member of County Assembly ()
3. Gender:
 - Male ()
 - Female ()
4. Name of Sub County:.....
5. Type of the Sub County:
 - Marakwet West ()
 - Keiyo North ()
 - Keiyo South ()

PART II: ELEMENTS OF FINANCIAL MANAGEMENT PROCESS

Section I: The Budget process

6. On a scale of 1 – 4; where 1= strongly disagree; 2= Disagree; 3= Agree; 4= Strongly agree, please circle the number that closely describes how much you agree with the statement.

Statement	1	2	3	4
The County's final Budget envelope is limited by own revenues and transfers from National Government				
Public fully participates in the budget process making				
A proportion of funds of the council in the budget is set for:				
a) Pro-poor interventions				
b) Salaries and wages				
c) Operations and Maintenance				
d) Development projects				
The Budget process is limited by:				
a) Insufficient local revenues				
b) Delays in National Government Transfers				
c) Dominance by Members of County Assembly				
d) Inadequate participation by the public				

7. In a scale of 1 – 4, please indicate your level of satisfaction with the following aspects of budgeting process in your County Government of Elgeyo Marakwet (4 means very high satisfaction while 1 means very low satisfaction)

Aspect	1	2	3	4
a. Participation of public in the budget process				
b. Adequate funds are allocated for pro-poor interventions e.g. school bursaries				
c. Adequate funds are allocated for capital projects e.g health facilities, access roads, water springs				
d. Development projects are completed within the stipulated time line				

8. The budgeting process affects service delivery in my Local Authority.

- Strongly agree ()
- Agree ()
- Disagree ()

- Strongly disagree ()

Section II: Revenue Mobilization

9. On a scale of 1 - 4 where, 1= strongly disagree; 2= Disagree; 3= Agree; 4= Strongly agree please circle the number that closely describes how much you agree with the statement.

The following are sources of revenue to the council	1	2	3	4
i. County Allocation of Revenue Act (CARA) Transfer Fund				
ii. Road Maintenance Levy Fund				
iii. Contribution in Lieu of Rates				
iv. Single Business Permit				
v. Vehicle Parking				
vi. Plot rents fee				
vii. Property rates				
viii. Cess receipts				
ix. Market fees				
x. House rents				
Revenue collection is limited by				
i. A high turnover of staff				
ii. Very low salaries				
iii. Inadequacy revenue collection skills				
iv. Inadequacy and unpredictability of the sources				
v. Delays in review of work plans pertaining to approved budgets by the County Assembly and Controller of Budget				

10. In a scale of 1 – 4, please indicate your level of agreement with the following aspects of revenue mobilization (4 means you strongly agree 1 while means you strongly disagree)

Aspect	1	2	3	4
IFMIS and Revenue Collection System has simplified collection of revenue				
Revenue amount has been increased from the various revenue streams				
There are adequate staff to collect revenue				
Revenue collection has been streamlined				

11. Revenue mobilization affects service delivery in my County Government.

- Strongly agree ()
- Agree ()
- Disagree ()
- Strongly disagree ()

Section III: Financial Reporting

12. In a scale of 1 – 4, please indicate your level of agreement with the following aspects of financial reporting in your County Government (4 means you strongly agree 1 while means you strongly disagree).

Aspect	1	2	3	4
i. The accounts kept by this County’s records all receipts and payments of money				
ii. The County prepares annual estimates/ abstracts of accounts as prescribed by the IPSAS and National Treasury				
iii. The County publishes budget estimates in local daily newspapers				
iv. Financial information available is current and accurate				
v. Have read/ seen our council’s abstracts of accounts published in the local daily newspaper/ notice board				
vi. The county’s abstracts of accounts are easily accessible				

13. Financial reporting process affects service delivery in my County Government.

- Strongly agree ()
- Agree ()
- Disagree ()
- Strongly disagree ()

Section IV: Auditing system

14. In a scale of 1 – 4, indicate your level of agreement with each of the following aspects of auditing in your County (4 means you are strongly agree while 1 means you strongly disagree)

Aspect	1	2	3	4
i. Annual audits of the County are represented for deliberations				
ii. Accounts and audit reports are accessible to the public on application/ publication				
iii. There exist an operational audit committee within the council				

15. In a scale of 1 – 4, please indicate your level of satisfaction with each of the following statements regarding auditing function in your County (4 means you are very high satisfaction while 1 means very low satisfaction)

Statement	1	2	3	4
i. The composition of Audit committee				
ii. The number of internal audits carried out per quarter				
iii. The number of external audits carried out per year				
iv. Accessibility to audit reports				

16. The auditing process has an influence on service delivery in my Local Authority.

- Strongly agree ()
- Agree ()
- Disagree ()
- Strongly disagree ()

17. How do you rate the quality of service delivery in your County Government?

- Very high ()
- High ()
- Low ()
- Very low ()