
Improving stakeholder participation in the budgeting process



Introduction

A country’s budget has been hailed in many quarters as one of the nation’s most important documents – second only in importance to its constitution. The budget is a plan for allocating resources; it specifies how resources, particularly money, will be allocated or spent during a particular period. It is the tool used by the government to determine the level of expenditures and investment it will make for the wellbeing of the area and its people in relation to the revenues it expects. The budget usually makes provisions for education, health, road construction and maintenance, electricity supply, security, and the provision of basic amenities such as water etc.

The question has been asked repeatedly: is the country’s budget benefiting the poor in Nigeria? The question is informed by the fact that despite the enormous amounts of material and human resources available to the government, the majority of the Nigerian population are still trapped in poverty.

The process that goes into developing the budget is as important as the budget itself. Indeed, the budget development process can sometimes be the deciding factor in how effective it is in achieving its aims and objectives.

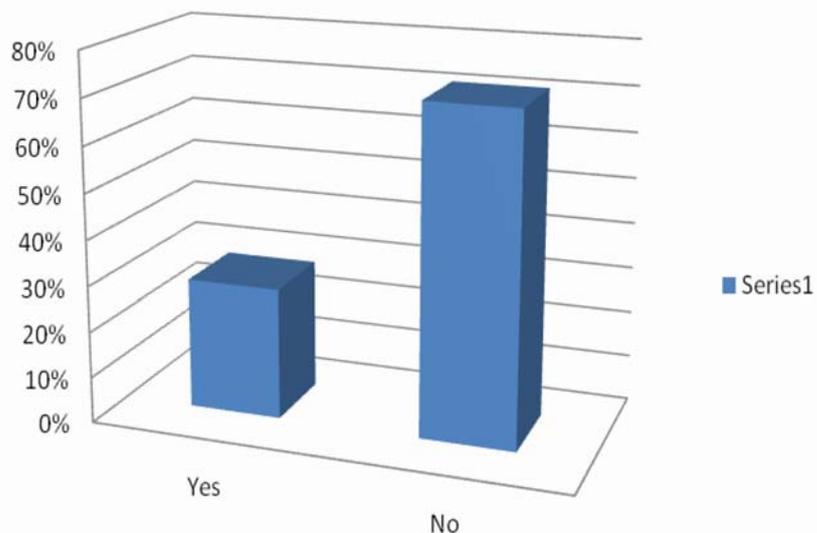


Fig 5: Proportions of respondents who are aware/unaware of a budget development timetable

To determine the level of stakeholder participation in the budgeting process at the state and local government levels in Nigeria, Women Empowerment Initiative Nigeria (WEIN) and Dadur Bol Development Association (DBOLDA) conducted a study in six LGAs in Bauchi and Plateau states. The study, *Involving us: A study of stakeholders’ participation in budgeting process at the state and LGA levels*, was supported by WaterAid Nigeria through the Governance and Transparency Fund (GTF) programme funded by the United Kingdom Department for International Development.

The purpose of the study was to obtain data for an evidence-based budget advocacy and awareness campaign. It was also used to establish the level of citizen access to budget information. This briefing note summarises the study and its findings and makes recommendations to improve stakeholder participation in the budgeting process.

Overview of the Study

The study, which was conducted by Women Empowerment Initiative Nigeria (WEIN) and Dadur Bol Development Association with support from WaterAid, used focus group discussions (FGD) and key informant interview methods of obtaining information from community members and community based organisations (CBOs) in the communities sampled. It looked at the following:

1. Stakeholder participation in the budgeting process;
2. Access to budget documents and information; and
3. Challenges to stakeholder participation in budgeting.



**U sabi say Government
moni na our moni?**

**If we follow government people dem plan
our moni well well, we sef go enjoy beta
beta things like water, school, hospital,
roads and electricity for our community**

Oya, make we join hand plan am well!!!!



A poster developed in Pidgin English by WaterAid Nigeria and Governance and Transparency Fund partners, WEIN and DBOLDA, for creating awareness in communities on the importance of stakeholder participation in the budgeting process. 'Pidgin' or 'Broken' English is a mixture of English and ethnic Nigerian languages spoken as a kind of lingua franca across Nigeria.

Study Findings

Participation in the budgeting process

The major finding was that stakeholder participation in budgeting at the community level is very low or non-existent. A cross section of respondents in focal communities said that the LGA had never involved them in the budgeting process. In respect of access to budget and budget information, all the participants in the focus group discussions said they had never seen or read any budget documents. In Tading, Kpang, and Barkin Ladi communities in Plateau State, the community members asserted that they had never received any budget-related information from their councillors or any local government area (LGA) officials.

It was discovered that although elected by the people to look after their interests, the councillors were mostly inaccessible and they took decisions without consulting their constituents. The councillors make up the legislative arm of the LGA and are charged with passing the LGA budget into law. What this implies is that, theoretically, they have a lot of influence in the budgeting process. However, they do not use such influence for the benefit of the electorate.

It was also discovered that although the people understand the importance of the budget, they do not have the platform necessary to engage effectively in the budgeting process as the government makes little or no effort to create awareness on the roles of non-state actors in the budgeting process.

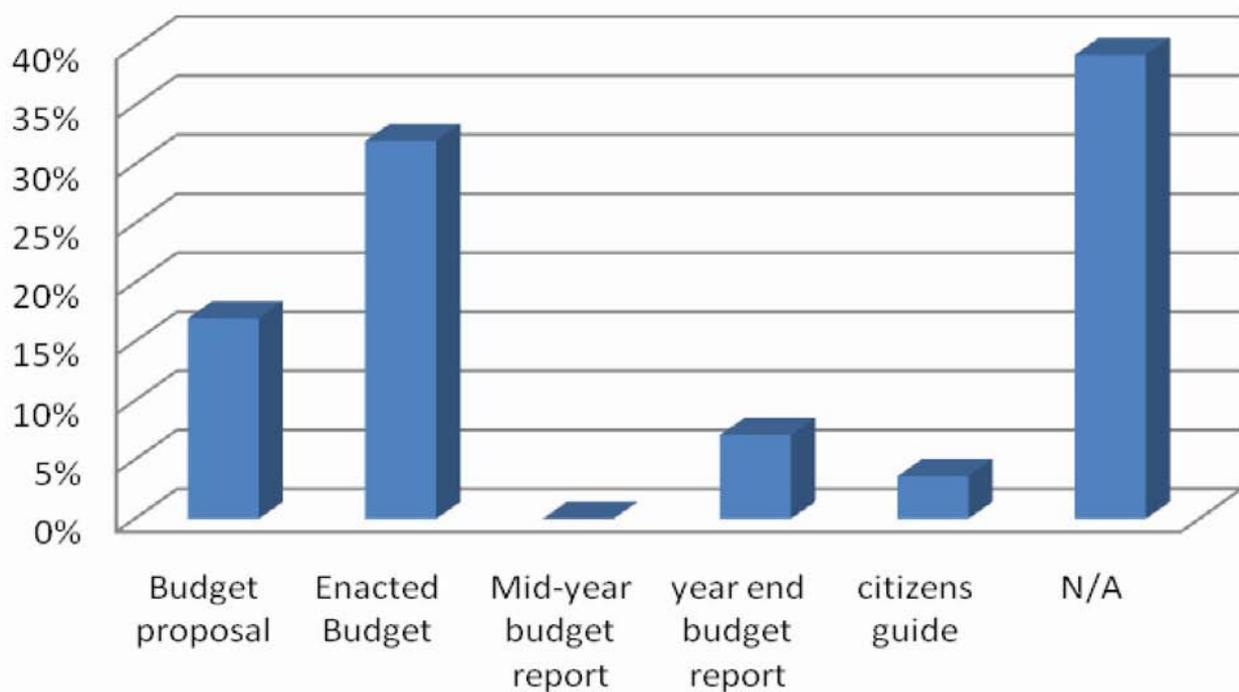


Figure 4: Graph showing proportions of NGOs that have been seen or read different budget documents

When asked if they were aware of any sort of timetable or a timeline for the budgeting process, their response was negative. In effect, the people do not have access to the information contained in the LGA budget and are therefore not empowered to demand accountability from the LGA.

However, LGA and state government officials insisted that the community members and CBOs are carried along in the budgeting process through their councillors. Still, some of the government officials recognise that there is no structured system to ensure that community members participate effectively in the budgeting process.

During interviews with government officials, there was a sense of a timeline for budget development.

There was no evidence, however, that this had been documented and shared. According to the respondents, the budget development process starts with a call circular from the state ministry of finance to all ministries, departments, and agencies (MDAs) at the state level. The ministry in charge of local government and chieftaincy affairs oversees budget preparation at the LGA level.

Because there is no structure to the timeline, the state government determines when the budget development process starts. The information gathered suggests that the call circular is issued around October, and the budget development process is expected to run through to December. There is, however, no evidence that this timeline is strictly followed.

Access to budget documents and information

A number of the respondents identified lack of access to adequate, timely, and correct information as a major issue inhibiting their participation in budgeting. Information on key stages of the budgeting process is not readily available or accessible and when available, it is not timely. The absence of a well-defined timeframe for the process also makes it difficult for interested stakeholders to plan their participation.

The study found that because stakeholder participation in the budgeting process is low, transparency and accountability are issues of concern. The people, who should own the budget and the development projects, are not carried along even though the issues affect their lives. This leads to inequitable appropriation and projects that make little or no impact on the people. The consequence is that when cross-cutting basic amenities such as water and sanitation are not adequate, they impact sectors such as health, education and ultimately, the economy. Although huge sums of money are spent, usually on projects that are of no real use or value, the vicious cycle of poverty remains unbroken because these projects add little or no value to the people’s lives.

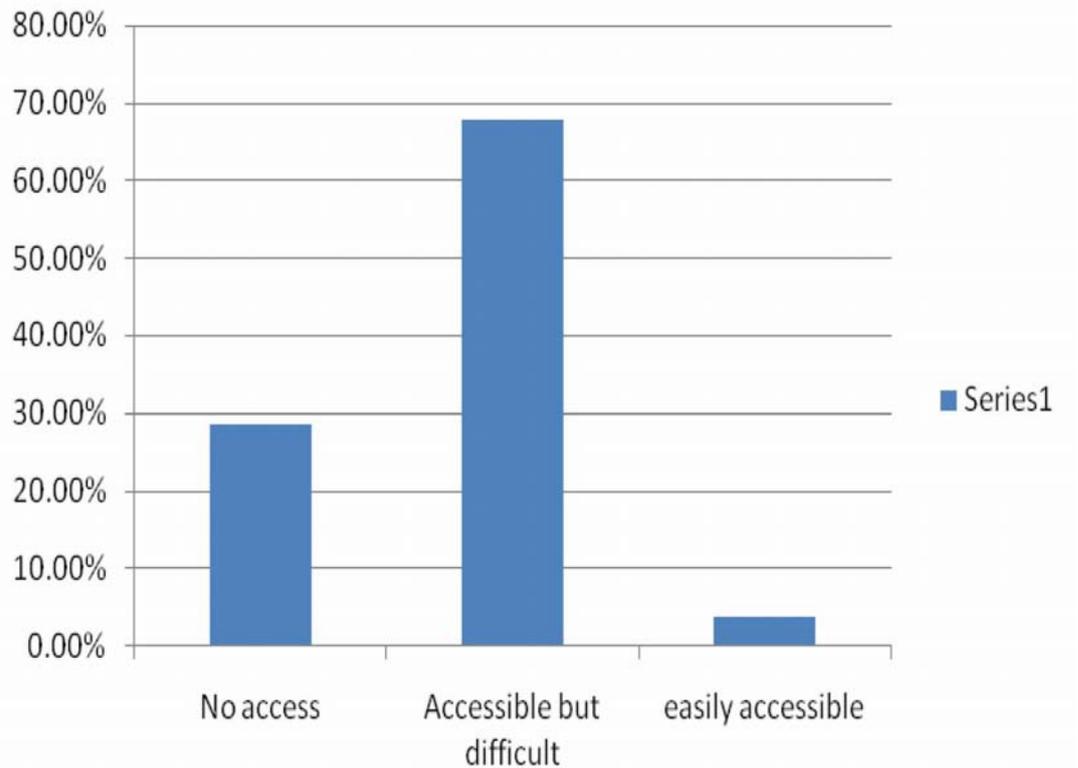


Figure 6: Graph showing NGO respondents' budget documents accessibility ratings

Challenges to stakeholder participation in budgeting

The study identified the following as challenges that prevent effective stakeholder participation in budgeting:

1. Lack of access to adequate, timely, and correct information.
 2. Low level of accountability of government towards the governed, which seems to be an overhang from the long period of suppressive military rule, during which there was little accountability. Even though Nigeria has been under democratic rule for almost 15 years now, the tradition of government not being accountable to the people still remains. Government officials treat government business, including budget development and implementation, as if they were state secrets.
 3. At the LGA level, elected councillors constitute the LGA legislature. They have the responsibility of ensuring that the people's needs and demands are properly reflected in the budget. However, the study found that community members have little or no access to their councillors. Many councillors do not even live in the communities they represent, thereby preventing any form of communication with their constituents.
 4. Because of many years of living in abject poverty, as well as perceived government ineptitude and corruption, people have become indifferent or apathetic towards matters of governance. Consequently, they tend to ignore government information even when readily available and tend to perceive the budget as not directly relevant to their daily survival needs.
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Recommendations

Because stakeholder participation in governance and development activities is low, resource allocation and application are not participatory. Consequently, government development activities are not as sustainable as they should be. The study found that if this situation is to be turned around and development made sustainable, the following are necessary:

1. Government should develop and widely share the budgeting process plan and timeline to enable all stakeholders make adequate plans to contribute.
2. Government should collaborate with CSOs to develop and implement a sensitisation/awareness creation programme that will detail the community members' role in budgeting and encourage them to take an active interest in the process.
3. A budgeting process coordinating platform, including councillors, CSOs and community members, should be formed at the local government level to coordinate community response to budget proposals towards ensuring that community needs are effectively represented in the budget.
4. Donor organisations and the government should collaborate to build the capacity of the people responsible for developing government budgets in participatory budgeting. CBOs and community members' capacity for effective advocacy also needs to be built.
5. The office responsible for developing budget at every level should create or strengthen mechanisms for sharing or improving access to budget documents through websites, information offices, community town hall meetings and newspaper publications.
6. State and local governments should implement the residency stipulation in the LGA bye-law, which states that all elected LGA officials must be resident in the locality where they were elected. This will greatly improve interface between the community members and their elected representatives.

Conclusion

Though the budget is accompanied annually with fantastic rhetoric detailing messages of hope for the masses, budgets at all levels in Nigeria have not had the desired impact in the lives of the people. As a result, the majority of the citizenry continue to groan under the weight of overwhelming poverty. The study found that stakeholder participation and accountability in the budgeting process is low or non-existent.

Budgets are important government documents, crucial to a nation’s development. Efforts must therefore be stepped up to ensure that the process is participatory and effective in translating government plans into tangible and long term development benefits for the people. Until the budget is representative of the peoples’ aspirations, it will continue to remain just another government document on the shelf without real benefit in the lives of the poor majority.

The image displays three posters arranged vertically. Each poster has a white background with blue text and a blue footer containing logos for WaterAid, UKaid, and DBOLDA. The first poster is in English and reads: "GOVERNMENT MONEY NA OUR MONEY !!! E go better make we join hand plan am well". The second poster is in Hausa and reads: "Hakkin ku ne ku tuntubi shuwagabannin ku akan kasafin kudin jihar ku." The third poster is in English and reads: "Government Money is our Money, Let us come together to spend it Effectively."

Information, Education and Communication (IEC) materials developed in English and other ethnic Nigerian languages by WaterAid Nigeria and Governance and Transparency Fund partners, WEIN and DBOLDA, for creating awareness in communities on the importance of stakeholder involvement and responsibility in the budgeting process

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