



## C2 REVEALING GOOD PRACTICE

# Monitoring government spending (budget tracking)

## At a glance

- Form a monitoring team. It should be elected by the community and include both men and women, as well as people of different ages, ethnicity and backgrounds.
- Start your research. Find out what laws and policies exist about access to government budget information, such as freedom of access to information laws.
- Consider looking for training on budget tracking, for example from a local NGO.
- Learn from others. Explore whether you could visit other communities involved in budget tracking.
- Decide which issue to monitor. Focus on one particular budgeting issue at a time.
- Identify the stakeholders and begin finding the information you need, for example the local government budget and plans. Ask questions to ensure you fully understand the budget.
- Visit the projects (eg a health centre or school) to ensure the funds are being spent as they should be, and that the quality of work is appropriate.
- Analyse all of the information - does it all add up?
- Share all your findings at a community meeting.
- Decide how you will follow up and advocate for changes based on what you have found.



## Why use this tool?

Monitoring of government spending (often called 'budget tracking') can help to ensure that funds are spent well, and not lost to corruption. It enables communities to ask: *'Are public resources being used as planned? And are they bringing the expected results?'* It can lead to better public services for communities, such as health, education and water and sanitation. It can also lead to stronger relationships and accountability between communities and people in power. These relationships may give further opportunity for communities to work with local governments to help them to prioritise expenditure to meet the community's greatest needs.

Awareness-raising

Children &amp; youth

Climate &amp; environment

Conflict &amp; peace-building

Corruption &amp; governance

Disaster risk management

Discrimination &amp; inclusion

Food &amp; livelihoods

Gender &amp; sexual violence

Health &amp; HIV

Influencing decision-makers

Migration &amp; trafficking

Water, sanitation &amp; hygiene



## A brief description

This tool provides an introduction to monitoring and tracking government budgets at community level. It includes guidance on how to set up a budget monitoring project, including what information is needed, and how to access it.



## Explaining the words we use

**Bill of Quantities** – a document stating what materials are needed to complete a project.

**Budget** – an estimate of income and expenditure over a set period of time.

**Literacy** – the ability to read and write.

**Numeracy** – the ability to understand and work with numbers.



## Time taken

This will depend on how easy it is to access the information you need, and the timeframe of the budget you plan to monitor.

For information on **why** it is necessary and important to hold people in power to account, please see **Tool A1: Revealing corruption: information for facilitators**, and **Tool C1: Advocacy: communicating with people in power**. There are also Bible studies on this issue in **Section B**.



## You will need

- A team of people – at least some of these people need to have good literacy and numeracy skills.



## Keys to success

- Build links and positive relationships with officials in the local government office. You may be asking these people for a lot of information about spending – this becomes much easier once there is trust and understanding between you.
- Ensure the monitoring team (the people selected from the community to do the tracking work) includes both women and men and people of different backgrounds, ethnicities and age.
- Ensure the team reports back to, and is accountable to, the wider community.
- Focus on one budget monitoring issue at a time, particularly as you first begin.

### Understanding a local government’s budget cycle

**Budget formulation:** This is when a government drafts its budget, based on the amount it thinks it will be able to spend. This is done differently in different countries. In many countries, budgets are decided at County/Borough/City (ie local government) level. Sometimes budget planning processes are ‘bottom up’ with District or sub-County budgets feeding up into County and national-government budgets. In other countries, all of the budget is decided at national level. However, even in these countries, local governments are likely to have some control over their budget, such as how to spend their educational budget. It is important to try to find out and understand the processes in your country. Budget tracking teams could advocate and try to influence the draft budget so that it focuses on the areas of importance for their community.

**Budget approval:** This is when the final budget is agreed by the government. Good practice is to make this publically available. Budget tracking teams can look carefully at the budget and gain a clear understanding of what has been approved. Teams could request that an easy to understand ‘Citizens budget’ is produced.

**Budget execution:** This is when the budget is being spent. This is a very important stage for budget tracking, as teams can track the funds to see whether the money approved arrives where and when it is meant to, and that it is being spent as planned.



### What to do

#### 1. Preparation

##### Form a budget tracking team

If possible, the team should be elected by the community. Teams vary in size, but usually have between 9 and 14 members. It should include women and men, and people of different ages, ethnic groups and statuses within the community. It is important that some people in the group have good literacy and numeracy skills.



Team members need to have the time and energy to engage in the work. They must be able to listen and represent their community’s view, and have the confidence to be able to work with the local authorities. They should be trusted members of the community and not be aligned to any political party.

Awareness-raising

Children & youth

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Water, sanitation & hygiene



### Background research

Try to find out what laws and policies there are in your country relating to budget transparency. For example, there may be laws that say people are free to access information regarding budgets. This website provides information on which countries have access to information legislation, which may be helpful: <http://right2info.org/access-to-information-laws>. You could also look on

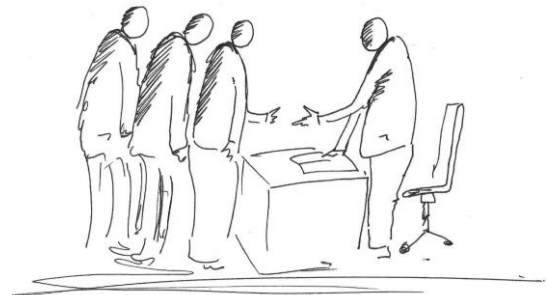
government websites, phone or visit local government offices, or see if libraries or NGOs working in your area have any information.

Find out whether there is a 'Citizens budget'. This is a summary of the national budget written in a way that it can be understood by as many people as possible. The International Budget Partnership (IBP) produces an index indicating what budgetary information is available in some (but not all) countries. You can access this here:

<http://survey.internationalbudget.org/#availability>

### Build relationships

It is very important to try to build relationships with people in the relevant government department or local authority, and/or community leaders. If you don't already know the people, you could write them a letter introducing yourselves and asking for a meeting. It is important to explain why you would like to begin monitoring government spending and that the monitoring team will be working with them and not against them.

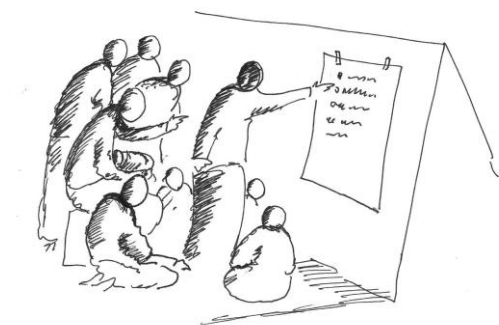


### Learn from others

Are there other organisations or communities in your area who are involved in budget tracking? How can you build links and relationships with them? Could you visit them to learn from their experience? NGOs working in your area may be able to advise you of other communities who are monitoring budgets.

### Consider training

It can be useful for monitoring teams to be given training. The training could include explanations of local government planning and implementation processes. You could involve local government officials and other members of the community (for example, village development committee members) in the training, so that they are supportive of the initiative. Is there a local or national NGO who may be able to provide training for you? Where else could you find support?



## Decide which issue to monitor

It is best to focus on one particular budgeting issue at a time (for example, local health services or monitoring the local school budget).

### Case study: Magole District, Tanzania

A budget tracking team noticed that the community received 10 million Tanzanian shillings (around £3,700) for building a block of toilets for the school. The pit for the toilet block was built, but the toilets were not completed – resulting in the pit collapsing. The team followed this up by requesting a copy of the Bill of Quantity (the document stating materials needed to complete the job) and asking the contractors how much they had been paid. This enabled the PETS committee to establish that the contractors had only received 2.5 million Tanzanian shillings, leaving 7.5 million unaccounted for. The community exposed this by sending the information to the ward executive and then to the district executive council. As a result, the village chairperson resigned and the local authority provided additional funding to the community for them to install six new toilets. These new latrines are now being used, bringing a benefit to the entire community.

**Source:** *Budget tracking for beginners, p5*

## 2. Gather the budget information you need

Try to get hold of the local authority plans and budget information that you need. Once you have received all the documents, read them carefully. Don't worry if there are things that you don't understand – it is fine to ask questions of the people in the office / authority from where you got the budget.



Sometimes the budget is not broken down by village. For example, if you are monitoring your local school budget, it may only have the budget for all the schools in the district. If this is the case, take the whole budget and divide it by the numbers of schools in the district.

In addition to the actual budget itself, there is other information you may need to help you understand the whole situation and monitor the budget well. This will enable you to understand the process of how the local budget is actually spent. For example, if you were monitoring the budgets for the construction of a school, you might ask these questions:

- Who has responsibility for the funds to establish the school in the local district authority?



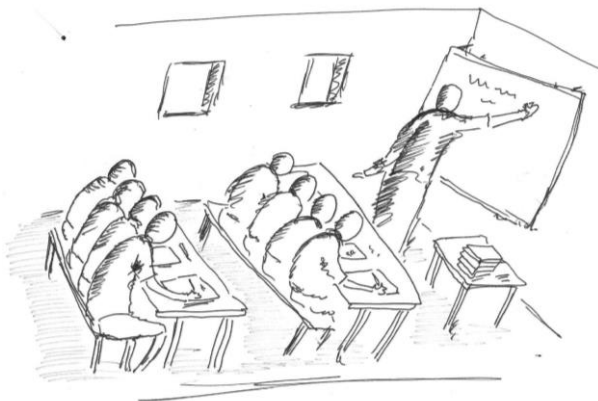
## C2 MONITORING GOVERNMENT SPENDING

- How will the funds be transferred from the local district to the school? Who is involved in this process?
- Who is constructing the school?
- Who is intended to receive the funds?

### 3. Find out what is actually happening. Is the budget being spent as it should be?

You will probably need to visit venues, such as schools or health clinics, and talk to people to find out whether the right materials were used or the proper equipment was provided.

Gather as much other information as possible on the issue you are monitoring, for example, accounting records, budgets, documents recording the purchase and movement of materials, receipts of cash transfers, labour records (showing the number of people hired each day), etc.



Be aware that sometimes there is inflation between the time a budget is approved and the time it is implemented. This means that things in the budget cost a lot more than planned! When this happens, a budget would need to be changed to take the inflation into account.

Questions to explore include:

- Are the wider community aware of the project?
- Were they consulted in agreeing that this project was addressing a major need and was the right approach to take?
- Are the wider community aware of how much money has been allocated to the project?
- How are the suppliers of goods and services for the project decided? Is the community involved in this decision in any way?
- How much was allocated for this project in total? How much was allocated to different aspects of the project? Do these two total figures match? If not, why not?
- Are the materials being bought and used by the project the same as those recorded in the budget?
- How much was each supplier of goods meant to receive? Did they receive this amount?
- What stage has the project reached? How does this compare to the planned timeline?
- Do community members feel the project is of good quality?
- Do community members feel the project is beneficial?

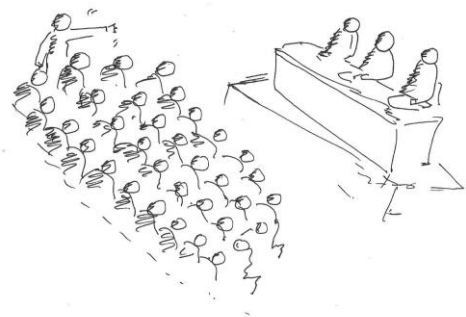
- Is the quality of materials sufficient?
- Have there been any challenges with the project?

**4. Analyse all of the information - does it all add up?**

- Does the total amount of money spent match the budget?
- Look for language that is unclear, such as ‘other use’ or ‘contingency’ or ‘suppliers’ fee’ for significant amounts of expenditure.
- Check numbers, for example, if looking at the budget for a local school, check the numbers of people receiving salaries and whether the amounts they receive match comparable jobs in other schools.
- If looking at a construction project, compare the local government budget with the school’s or designer’s or contractor’s budget.
- Visit the site – if a construction project, check the builder received the quantity, quality and type of materials and any payments as planned.

**5. Feed back to your community and decide on how to follow up**

Collect all your information and hold a community meeting to make sure everyone has the opportunity to hear your findings, and to be involved in any follow up.



How you follow up of course depends on what you find. Are there questions you need to ask local leaders such as why classrooms budgeted for were not built or why clinics are unequipped? What else can you do to follow up on your findings?

Following up can bring benefits such as a school, a health clinic or a water project being completed. However, following up on the findings of budget tracking is often the hardest part, as it may require challenging people in authority. See **Tool C1: Advocacy – Communicating with people in power.**

Challenges with budget tracking	
Challenge	Possible solutions
It can be difficult to get hold of the information you need.	Try writing a letter to the local authority (or whoever holds the information you would like to see). If this is unsuccessful, try writing to the regional or even national government.
Language can be hard to understand.	Keep on asking questions to try to understand what is written, and seek advice from local NGOs or government officials.
Officials refuse to engage and work with budget tracking teams because they feel threatened by budget tracking – and worry that you are searching for their mistakes (or dishonesty).	It is important to develop relationships with officials from the start, to build trust and to be clear about your intentions. Budget tracking has the benefit of ensuring that government funds are well spent, so it is in everyone’s interest.

- Awareness-raising
- Children & youth
- Climate & environment
- Conflict & peace-building
- Corruption & governance**
- Disaster risk management
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<p>Budget tracking team members might be offered bribes, and in some cases may even be threatened.</p>	<p>Ensure people always work as part of a team, and not alone. The team must represent the whole community, be trustworthy and be transparent about its activities. See <b>Tool A1: Revealing corruption: information for facilitators</b>. This tool includes a section on 'Fears and challenges' which gives further advice on this. Please also see Tearfund's Advocacy Toolkit (see below) which has a very helpful chapter on Risks, concerns and challenges.</p>
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## Finding out more

- Tearfund (2014) *Budget tracking for beginners: an introductory guide* [http://tilz.tearfund.org/en/resources/policy\\_and\\_research/governance\\_and\\_corruption/](http://tilz.tearfund.org/en/resources/policy_and_research/governance_and_corruption/)
- Tearfund (2016) *Advocacy toolkit* [http://tilz.tearfund.org/en/resources/publications/roots/advocacy\\_toolkit/](http://tilz.tearfund.org/en/resources/publications/roots/advocacy_toolkit/)
- Vivek Ramkumar, The International Budget Project (2008) *Our money, our responsibility: a citizens' guide to monitoring government expenditures*. This is a toolkit for civil society organisations looking at local government expenditure. <http://internationalbudget.org/publications/our-money-our-responsibility-a-citizens-guide-to-monitoring-government-expenditures/>
- World Bank Open Budget Portal <http://wbi.worldbank.org/boost/> BOOST collects and compiles detailed data from certain countries on public expenditures from national treasury systems and presents it in a simple user-friendly format. <http://www.actionaid.org/publications/budgets-revenues-and-financing-public-service-provision-hrba-governance-resources>
- Carmen Malena, Civicus Public expenditure tracking This short PDF describes public expenditure tracking, how it's done, its benefits and challenges. [http://www.civicus.org/~civicusadmin/images/PGX\\_G\\_Public%20Expenditure%20Tracking.pdf](http://www.civicus.org/~civicusadmin/images/PGX_G_Public%20Expenditure%20Tracking.pdf)
- Integrity Action (2014) *A practical guide to community integrity building* This guide is particularly useful for looking at how to engage communities in the broader issues of transparency and good governance <http://integrityaction.org/training-materials/52>

### Related tools:

- A1 – Revealing corruption: information for facilitators [A1: *Corruption & governance-1*]
- B – Corruption (Bible study) [B: *Corruption & governance-1*]
- B – Assessing the city (planning projects and actions) (Bible study) [B: *Awareness-raising-2*]
- B – Advocacy work (Bible study) [B: *Influencing decision-makers-1*]
- C1 – Advocacy – Communicating with people in power [C1: *Influencing decision-makers-1*]
- C2 – Tackling bribery [C2: *Corruption & governance-2*]