

Rooting Participatory Budget Practices for Transparent and Accountable Local Governance

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Local governance is widely recognized as the best training ground in which the citizen can learn the art of governance through their own experiences and the reality that exists around them. Local government which is the third layer of country's administration is also always, in all circumstances, considered as the important vehicle and the only the means to provide state benefits and services to the local citizens. In fact, "no political system is considered complete and democratic if it does not have the system of local governance" (B Havenga -2002, University of Pretoria).

Although the concentration of Governance rooted in 1980s and 90s, the relationship between the government and citizens began to emerge pretty much later. It is in such milieu that Gaventa, John (2011), has argued that a key challenge for the twenty-first century is the construction of viable new relationships between citizens and governments (mainly, local government).

This emergence has showcased the multifaceted issues and problems in the development process at national level proving the impracticality of the top-down measures that are used by the central government administration. The corollary is being the gradual emergence and integration of the voices of ultimate beneficiaries of development plans; local citizens voices, their participation and into the decision making process.

Such relationships sharpen the active civic participation or engagements in the decision making process of development activities while opening doors for participatory governance.

Perhaps the best place to observe and understand the impact with the broad forms of active engagement by citizens in policy formulation, approval, implementation, monitoring and overall decision making is at the local level, where the concerns of the 'grassroots' or locality intersect most directly with governance and the government. Hence, local government as the most suitable administrative structure and decentralization as the most powerful reforming mechanism opened influential space for the wider and deeper active participation of citizens at the local level, and would lay the most viable and sustainable foundation for overall development efforts.

Almost all South Asian countries have implemented some form of decentralization, and country specific legal frameworks and institutional structures for citizen participation at local levels have been developed by SA countries.

This is confirmed by the legal instruments and structures in Table I.

TABLE I Legal Instruments and Local institutional structures¹		
Countries	Legal Instruments	Institutional Structures
India	73 rd constitutional amendment (1992) Each state has its own local government legislation Article 243g and Article 234w	Gram sabha
Pakistan	Until the provinces finish promulgating the local government ordinance 2001 remains the main local government legislation. The Baluchistan Provincial Assembly Promulgated the Baluchistan Local Government Act 2010 Article s 32 and 140-A	Village and neighborhood councils, citizen community boards
Bangladesh	The Hill District Local Government Parishad Act, 1989 The Zila Government [Pourashava] Ordinance, 2009 The Local Government [Upazila Parishad] Ordinance, 2008 The Local government City Cooperation Ordinance, 2008	Citizens' committees involving UP representatives and the members of the community Union Parishad based Standing Committees
Nepal	Gram Panchayat Acts – 2006, 2013, 2018 (BS), Village Development Committee Act – 2047, 2048 (BS) Nepal State Nagarpanchayat Act 2006 (BS) Nepal State municipality Act 2009 (BS) Nagarpanchayat Act 2019 (BS), Municipality Acts- 2047, 2048 (BS), District Panchayat Act 2019 (BS), District Development Committee Acts – 2047, 2048 (BS), Zonal Panchayat Act – 2019 (BS), Zonal Sabha Act – 2024, 2035 (BS), Decentralization Act 2039 (BS) Local Self Governance Act – 2055 (BS)	Village Councils Village Development committees
Sri Lanka	Provincial Councils Act 1987 Urban Council Ordinance 1939 Municipal Councils Ordinance 1947 Pradeshiya Sabha Act no.15/1988 [Pls, refer the annexure 1 for supportive legislations, ordinances and reports for the local governance]	-Community boards -Citizen councils -Jana Sabha in 2012 which is the Replacement of old Gramodaya Mandalaya -Financial and Policy Planning committee, -Housing and Community committee, -Development Technical services committee and -Environment and Amenities committee
Maldives	Decentralization Act 2010 Local council election act 2010	-

¹ By Sriyanie Wijesundara, Center for Policy Alternatives, 2013

In Sri Lanka, These structures have placed constructive arrangements and dual service delivery mechanisms in some locations significantly. .Therefore, the best place to observe and understand the impact with the broad forms of active engagement by citizens in policy formulation, approval,

implementation, monitoring and overall decision making is at the LOCAL LEVEL, where the concerns of the 'grassroots' or locality interconnect most directly with governance and the government. Hence, local government as the most suitable administrative structure and the decentralization as the most powerful reforming mechanism which has opened influential space for the wider and deeper active participation of citizens at the local level together would bring most viable and sustainable foundation for the roof of overall development

In this paper the author argues that the development programs should be initiated from the local government levels which are the pivotal arms of Local Governance than provincial and national governments due to its closeness to citizens, geographical coverage and the legal base. Pradeshiya Sabhas based on PS Act of 17/ 1987 as the closest community layer with pools of unsullied voices of local community citizens is the ideal entry point with more citizen participation. However, participatory governance shall not become the reality that it should be if there is no distribution of resources to the local communities in parallel. Among the processes that enable this is the local government budgeting. The effective distribution of resources to local communities –and the specific decision making framework thereto -is achieved by none other than the budgeting process and therefore nowhere is the citizen's voice as important as this stage- in that, 'participatory budgeting.'

Participatory Budgeting is also a strong influential change agent of social accountability which spreads transparency outlook and is the most practical and potential tool bringing local citizens closer to the Pradeshiya Sabha decision making process around the entire public budget process thereby gaining access to valuable resources of the central government.

Table 2. Composition of Local Government¹

Composition of Local Government	Number	Geographical Coverage
Municipal councils	23	7%
Urban Councils	41	12%
Pradeshiya Sabhas	271	81%
Total	335	100

¹ Ministry of Local Government and Provincial Councils, 2011

The social bond between local authorities including Pradeshiya Sabha and local tax payers which is strengthened by participatory decision making can assist the management of local governments' available public financial resources. It also enhances social transparency, accountability of locally elected representatives and public officials who engage in financial and administrative management and especially social inclusion in local governance.

Further, this generates the space for citizens to increase active, vigilant participation and interaction with local public representatives and officials in the service delivery of the locality. Also this drives to achieve expectations of democratic decentralization along with fiscal administrative and political dimensions which systematically removes the barriers.

This has been justified by Mahor and Crook's (1998, 29-30) case study in India which illustrated how control over participatory procedures affects the opportunity of citizens to participate.

Formulation:-

- Discussions to identify common issues for viable project proposals
- Submission of budget proposals
- Assist with councilors to assess submitted projects
- Presenting opinions on project priorities

Approval

- Participation for budget debates from the Citizens' Gallery
- Looking at proposed budget proposals of the Budget Bill when its open for public scrutiny
- Make aware their public representative on reality of the Budget estimates

Execution / Implementation

- Searching the implementing programs by the councils whether they are the programs approved by the budget
- Be alert on supplementary budgets
- Monitor the expenditures whether they are as approved
- Be aware of PS Taxes and other payments

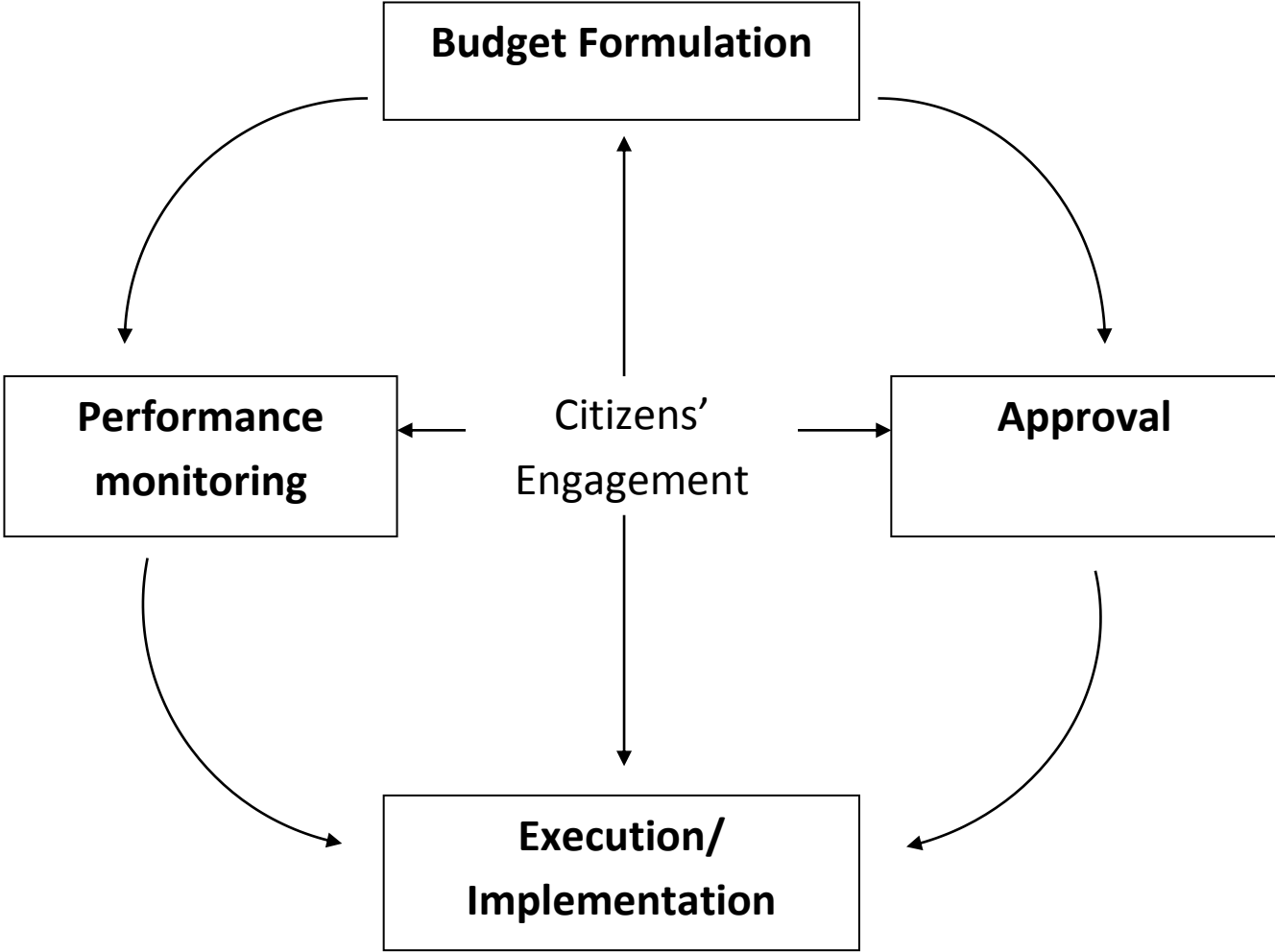
Performance monitoring

- Be aware of Budget observations presented by the Auditor General from the committee members and council members
- Assist providing reliable information and data to correct budget observations [Audit Quarries]

Broad based participation is needed for sustainable development of Citizens. Participation of Citizens revolves around the function of local governance, and higher level of participation results in desirable level of cooperation, negotiation and contestation among the stakeholders in controlling and allocating resources, services and assets at local level.

Through extensive Field experience of five years on local budget, it is found that the essential services as education, health - nutrition, irrigation, agricultural services, and the infrastructural facilities are all managed directly by the central government institutions and their functionaries without any involvement of the PSs either in design or implementation process. Thus institutional 'isolation' and 'incapacity' has made Pradeshiya Sabha a non-responsive body to provide essential services to the rural poor, more so to the marginalized ones.

GRAPHIC 1: Access nodes for tax payers, civil society and budget analyzers/players to influence the budget process



Showcasing the notable good practices observed through participatory budgets in Pradeshiya Sabhas in Sri Lanka:

- Constructive citizens engagements in pre budget discussions
- Councilors are in compliance with the council regulations
- Availability of constructive space for the taxpayers' ideas and suggestions, and participations of citizens in all activities including the budget process
- Proper use of the budget time table [Budget Call]
- Delivering friendly services to the Citizens'
- All council members including the Chairman, and the Opposition Leader work as a team without differentiating between the Party
- Seating of Councilors according to the seniority
- Active participation of the citizens in the functions of the main committees
- As an executive of the council, the Chairman takes participatory decisions rather than making tyrant decisions.
- Decisions taken are based on the voices of the citizens, and implementing projects are open for public scrutiny.
- Progressive improvements of the tax collection show the regained trust of tax payers' towards local government institutions.
- Make use of all viable sources of income and revenue with proper management for the sustainability of revenue base of the PS

Recently observed good practices in several Pradeshiya Sabhas in Sri Lanka realizing the notions of Social Accountability in practice include Participatory budgeting along with monitoring of public service delivery, investigative media, citizens councils and Community boards. A key attribute of such changes is the increased public trust towards local government and Civil Society Organisations to influence local government priorities for public spending, reform and monitoring public expenditures. Some of the Pradeshiya Sabhas who has more good practices which can be identified as models at the local government level, signals the importance of accessing local structures for sustainable, impact oriented innovations and development in Sri Lanka.

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