REPUBLIC OF KENYA

THE NATIONAL TREASURY

STATE DEPARTMENT FOR ECONOMIC PLANNING

REVISED GUIDELINES ON

SOCIAL BUDGETING AND SOCIAL INTELLIGENCE REPORTING

JULY, 2026

Fourth Medium Term Plan 2023-2027

"Bottom-Up Economic Transformation Agenda for Inclusive Growth"

REPUBLIC OF KENYA

REVISED GUIDELINES ON **SOCIAL BUDGETING AND SOCIAL INTELLIGENCE REPORTING**

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JULY, 2026

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FOREWORD

The Government of Kenya remains committed to fostering inclusive, equitable, and sustainable development that improves the quality of life of all citizens. Achieving this objective requires not only sound macroeconomic management but also deliberate investments in social sectors that directly impact the well-being of the population.

It is against this backdrop that the Social Budgeting Framework was conceptualized in 2005 through a partnership between the Government of Kenya and UNICEF. The framework was developed to complement traditional budgeting approaches, which largely focused on macroeconomic indicators such as economic growth, inflation, balance of payments, and exchange rate stability, by placing greater emphasis on human development outcomes and the welfare of citizens.

Social Budgeting provides a structured approach for integrating social development priorities into the planning, budgeting, implementation, monitoring, and reporting processes of government. It promotes collaboration between the National and County Governments and facilitates meaningful participation of citizens, civil society organizations, development partners, and other stakeholders in the management of public resources. In doing so, it complements the Public Investment Management framework by strengthening the efficiency, effectiveness, and accountability of investments in both economic and social development.

To operationalize the framework, the Government developed the Social Budgeting and Social Intelligence Reporting (SIR) Guidelines in 2010. The SIR framework serves as an evidence-based mechanism for assessing budget allocations, expenditure patterns, policy implementation, service delivery performance, and development outcomes. It enables government institutions and stakeholders to identify successes, innovations, challenges, and emerging priorities, thereby fostering continuous learning and improvement in public service delivery.

Over the years, the framework has evolved in response to emerging policy, institutional, and technological developments. A review undertaken in 2014 highlighted implementation challenges, including delays in reporting, inconsistencies in performance measurement, limited comparability across counties, and inadequate follow-up on findings and recommendations. These challenges informed the development of the electronic Social Intelligence Reporting (e-SIR) system, which facilitates real-time data collection, analysis, and reporting, thereby enhancing evidence-based decision-making, accountability, and responsiveness at all levels of government.

This Third Edition of the Social Budgeting and Social Intelligence Reporting Guidelines builds on the gains made through the previous editions issued in 2010 and 2022. It strengthens institutional arrangements, standardizes implementation processes, enhances the generation and use of evidence, and leverages digital technologies to improve real-time reporting and performance tracking. The Guidelines are aligned with the Constitution of Kenya, particularly Article 43 on socio-economic rights, and support the realization of Kenya Vision 2030, the Bottom-Up Economic Transformation Agenda (BETA), and the Sustainable Development Goals (SDGs). By strengthening the link between public resource allocation, service delivery, and development outcomes, the Guidelines provide a practical framework for tracking and accelerating the achievement of BETA priorities, including universal health coverage, affordable housing, food and nutrition security, quality education, job creation, and social protection, while ensuring that no one is left behind.

The success of Social Budgeting depends on the collective efforts of all stakeholders. I therefore call upon National and County Government institutions, development partners, civil society organizations, the private sector, and citizens to embrace and effectively implement these Guidelines. Through our shared commitment, we will strengthen transparency and accountability in the use of public resources, improve service delivery, enhance human development outcomes, and accelerate the realization of our national development aspirations.

I am confident that the effective implementation of these Guidelines will contribute significantly to building a more inclusive, prosperous, and resilient Kenya for present and future generations.

Hon. FCPA John Mbadi Ng'ongo, EGH
CABINET SECRETARY

PREFACE AND ACKNOWLEDGEMENTS

The revision of the Social Budgeting and Social Intelligence Reporting (SB-SIR) Guidelines comes at a critical juncture as Kenya continues to consolidate the gains of devolution and strengthen public sector planning, budgeting, monitoring, evaluation, and accountability systems. The State Department for Economic Planning remains committed to its constitutional mandate of coordinating national development planning and ensuring that public resource allocation is aligned with national priorities, constitutional obligations, and the aspirations of the Kenyan people.

The revised Guidelines have been developed to strengthen the implementation of constitutional principles relating to public participation, transparency, accountability, equity, and collaboration between the National and County Governments. They provide a robust framework for integrating social development priorities into planning and budgeting processes, strengthening evidence generation and utilization, and enhancing the monitoring, evaluation, and reporting of development outcomes. Through the incorporation of the electronic Social Intelligence Reporting (e-SIR) system, the Guidelines further promote timely reporting, real-time performance tracking, and evidence-based decision-making across all levels of government.

As Kenya advances its development agenda, the importance of integrating economic and social intelligence cannot be overstated. Economic intelligence informs decision-making on growth, productivity, investment, and fiscal sustainability, while social intelligence provides evidence on the outcomes of public investments in health, education, social protection, water, sanitation, housing, and other sectors that directly affect citizens' well-being. The Social Intelligence Reporting framework, therefore, complements existing economic intelligence systems by ensuring that policy and investment decisions are informed not only by economic indicators but also by their impact on people. This integrated approach strengthens evidence-based governance and supports the pursuit of inclusive, sustainable, and people-centred development.

The SB-SIR Initiative was introduced through a partnership between the Government of Kenya and UNICEF to promote participatory, inclusive, and evidence-based planning and budgeting. Over the years, the initiative has evolved into an important mechanism for strengthening social accountability, improving service delivery, and ensuring that public investments generate meaningful development outcomes. The revised Guidelines therefore provide a practical tool for supporting the realization of Kenya Vision 2030, the Bottom-Up Economic Transformation Agenda (BETA), the Sustainable Development Goals (SDGs), and the broader objective of ensuring that development benefits all Kenyans.

The successful review of these Guidelines was made possible through the collective efforts of numerous institutions and individuals. I convey my sincere appreciation to Hon. FCPA John Mbadi Ng'ongo, EGH, Cabinet Secretary for the National Treasury, for his policy guidance and steadfast support throughout the review process.

I further acknowledge the invaluable partnership and technical support provided by UNICEF, whose continued commitment to strengthening evidence-based planning, budgeting, monitoring, evaluation, and social accountability has significantly contributed to the development and continuous improvement of the SB-SIR framework in Kenya. I also extend my appreciation to the leadership and technical teams of UNICEF Kenya Country Office for their dedication and collaboration throughout the review process.

Special appreciation is extended to the Director General, Economic Planning, Dr. Masini Ichwara, for his strategic leadership, guidance, and oversight during the review of these Guidelines. I also commend the Technical Team led by Ms. Evelyne Anupi, Director, Economic Planning, and Mr. Symon Lesaris for their professionalism, dedication, and commitment in coordinating and finalizing the revision process. I further recognize the contributions of all technical officers and stakeholders whose expertise, insights, and commitment enriched the quality of these Guidelines.

Finally, I wish to acknowledge the contributions of County Governments, the Council of Governors, development partners, civil society organizations, academia, the private sector, and all stakeholders who participated in the review process. Their collective efforts have produced a practical and forward-looking framework that will strengthen participatory governance, enhance social accountability, promote evidence-based planning and decision-making, and improve service delivery across the country.

It is my expectation that these Guidelines will be widely adopted and effectively implemented by both levels of Government and all stakeholders. Their successful implementation will strengthen the integration of planning, budgeting, monitoring, evaluation, and reporting systems; enhance the generation and use of both economic and social intelligence; improve the effectiveness of public investments; and ultimately contribute to inclusive growth, improved human development outcomes, and a higher quality of life for all Kenyans.

Bonface B. Makokha
PRINCIPAL SECRETARY

ACRONYMS AND ABBREVIATIONS

ASALs	Arid and Semi-Arid Lands
CBEF	County Budget and Economic Forum
CBOs	Community-Based Organizations
CC	County Commissioner
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CIDP	County Integrated Development Plan
CIMES	County Integrated Monitoring and Evaluation System
CoG	Council of Governors
CoK	Constitution of Kenya, 2010
CSBO	County Social Budgeting Observatory
CSOs	Civil Society Organizations
CT	Cash Transfer
e-CIMES	Electronic County Integrated Monitoring and Evaluation System
e-NIMES	Electronic National Integrated Monitoring and Evaluation System
e-SIR	Electronic Social Intelligence Reporting
FBOs	Faith-Based Organizations
IBEC	Intergovernmental Budget and Economic Council
ICCPR	International Covenant on Civil and Political Rights
ILO	International Labour Organisation
IRCK	Interreligious Council of Kenya
KEPSA	Kenya Private Sector Alliance
KIPPRA	Kenya Institute of Public Policy Research and Analysis
KNCCI	Kenya National Chamber of Commerce and Industry
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MoE	Ministry of Education
MoH	Ministry of Health
MTEF	Medium-Term Expenditure Framework
MTP	Medium Term Plan
NGAAF	National Government Affirmative Action Fund
NG-CDF	National Government Constituency Development Fund
NG-CDPO	National Government – County Development Planning Officer
NIMES	National Integrated Monitoring and Evaluation System
NSBO	National Social Budgeting Observatory
NSSF	National Social Security Fund

PBOs	Public Benefits Organizations
PFM	Public Finance Management
SB-SIR	Social Budgeting and Social Intelligence Reporting
SB	Social Budgeting
SBO	Social Budgeting Observatory
SDGs	Sustainable Development Goals
SIR	Social Intelligence Reporting
SWGs	Sectoral Working Groups
TOR	Terms of Reference
ToTs	Trainers of Trainers
UN	United Nations
UNCRC	United Nations Convention on the Rights of the Child
UNICEF	United Nations Children's Fund
WASH	Water, Sanitation and Hygiene

DEFINITION OF TERMS

Baseline:	An analysis describing the initial state of an indicator before the start of a project/programme, against which progress can be assessed or comparisons made.
Claim holder:	Individuals or social groups that have particular entitlements to services in relation to specific duty bearers.
Community:	A group of people sharing the same social services such as education, health facilities, water and sanitation, administrative resources and interests in a common geographical area.
Data:	Raw facts that can be qualitative or quantitative, that is collected for reference or analysis.
Duty Bearer:	A person or institution which has obligations and responsibilities to the realisation of a right as per the Universal Declaration of Human Rights and can be held accountable for any acts of omission.
Electronic Social Intelligence Reporting:	The digital tool that gives real-time reporting on Social Intelligence Reporting activities.
Indicator:	A sign of progress /change that results from any intervention. It measures a change in a situation or condition and confirms progress towards the achievement of a specific result.
Non-State Actor:	An organisation or individual that is not affiliated with, or directed by or funded through the government.
Observatory:	A multi-disciplinary group of people with a common interest in inclusive socio-economic development.
Programme:	A grouping of similar projects and/or services performed by a ministry or department to achieve a specific objective.
Public Participation:	This is the process by which interested and affected individuals, communities, organisations, agencies and government entities are consulted and included in the decision-making process. Public participation also seeks the involvement and consultation of the public in the decision-making processes of the relevant state organs and public offices.

Secretariat:	The official or office entrusted with the responsibility of administrative duties, maintaining records, and overseeing or performing duties.
Social Budgeting:	A process through which the budget as a policy tool for development is initiated and sustained by the people themselves.
Social Intelligence:	The ability to successfully build relationships and navigate social environments. Social Intelligence develops from experience with people and learning from successes and failures in social settings.
Social Intelligence Reporting:	A tool for gathering data and information for monitoring the delivery and status of public social services, notably education services in primary schools, health services within facilities, community and school water points, sanitation in schools, nutrition standards, social protection schemes and child protection services.

EXECUTIVE SUMMARY

The government, through the National Treasury and Economic Planning and in collaboration with UNICEF and other actors, has been implementing the Social Budgeting Initiative, which was initially launched in the year 2005. Social budgeting is a process through which the budget, as a policy tool for development, is initiated and sustained by the people themselves. In order to revamp the operationalisation of social budgeting, the Guidelines on Social Budgeting and Social Intelligence Reporting have been revised. The revision of the guidelines responds to the imperative of deepening constitutional principles of public participation, devolution, and coordinated planning and budgeting across both levels of government.

The history of social budgeting in Kenya dates back to 2005, when social budgeting was first implemented in the districts of Isiolo, Kwale, and Turkana and later expanded to the Northeastern Province districts of Garissa, Ijara, Mandera, and Wajir. In 2009, a review of the implementation of Social Budgeting led to the introduction of Social Intelligence Reporting (SIR). A second review of the Social Budgeting Framework was conducted in 2014, thereby necessitating the redesign of the functionality of SIR to incorporate real-time reporting through the electronic SIR.

The main objective of the Guidelines on Social Budgeting and Social Intelligence Reporting is to streamline and upscale the Social Budgeting Framework at national and county levels. Specifically, the Guidelines will provide a standardised approach to Social Budgeting and Social Intelligence Reporting; direction on the mechanisms for establishing functional Social Budgeting Observatories at the National and County government level; provide a platform for knowledge transfer, replication of best practices on the Social Budgeting framework; and promote public participation and ownership.

The principle of Social Budgeting adopts a human rights approach to improve effectiveness of budgetary policies and choices and is anchored on international, regional, national policies and conventions; the Bill of Rights under the Constitution of Kenya, 2010 on the rights and fundamental freedoms of the Kenyan citizens; a number of legislations including various acts and laws; and the Kenya Vision 2030, the Medium Term Plans and County Integrated Development Plans.

The implementation of the Guidelines will be guided by various principles as outlined in Articles 10 and 232 in the Constitution of Kenya, 2010, under the values and principles of governance. These principles include democracy and participation of the people; transparency and accountability; timeliness and accessibility of quality data; promotion of innovations;

and effective communication.

Key achievements of social budgeting have been the promotion of accountability and linking of rights-holders and duty-bearers; social development outcomes manifested by the creation of the Social Policy Advisor focal point at National Treasury; provision of a rich and timely picture of what happens on the ground, leading to increased investment in social sectors (averaging about 30 percent of the government budget); informed development of County Integrated Development Plans; inter-departmental collaboration among social sector players and enhanced capacity of the sub-national officers to undertake planning and budgeting functions; and the opportunity for communities, civil society, and local leaders to participate and contribute to development programmes in their respective areas.

The Social Budgeting initiative provides a platform for all stakeholders involved in Social Budgeting and Social Intelligence Reporting across the social sectors to engage. To actualise this, the Guidelines propose a framework for undertaking stakeholder mapping to identify relevant state and non-state actors and the roles these stakeholders will play. Further, the Guidelines have outlined institutional arrangements at both levels of government, including the functions of proposed observatories.

In operationalising social budgeting, the guidelines outline provisions that will be taken into consideration. The provisions include capacity building of officers responsible for executing budgets at national and county levels and members of the observatories at national, county, and community levels; provision of adequate budgetary allocation for the acquisition of requisite infrastructure and technology to facilitate data capture for programming; and development and maintenance of a real-time reporting system for social intelligence reporting to improve the information life cycle of data on social sectors.


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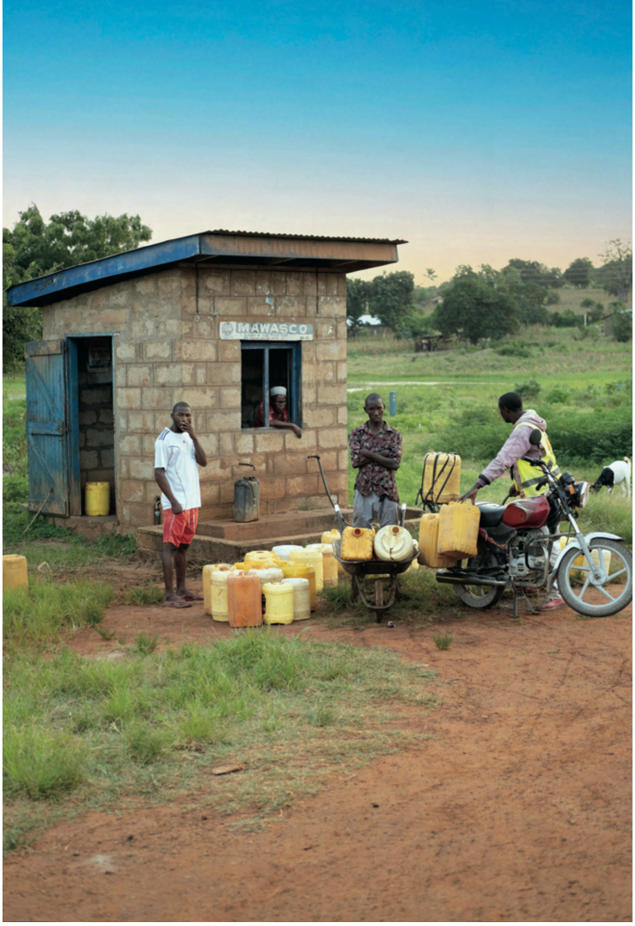
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SECTION ONE: INTRODUCTION

1.0 Overview

This section introduces the concepts of Social Budgeting and Social Intelligence Reporting, outlining their relevance in strengthening evidence-based policy and resource allocation. It highlights the rationale and defines the objectives of the guidelines and anchors them within the broader legislative, legal, and policy framework. Finally, it underscores the justification and pressing need to operationalize Social Budgeting as a tool for enhancing transparency, accountability, and alignment of public expenditure with social outcomes.

1.1 Social Budgeting and Social Intelligence Reporting Concepts

Social Budgeting (SB) is a process through which a budget as a policy tool for development is initiated and sustained by the people themselves. Social budgeting has two (2) connotations. Firstly, ‘Social’ represents social sectors that focus on the provision of services, especially to vulnerable groups. ‘Social’ budgeting also represents a participatory approach to budget preparation and monitoring. Secondly, 'budgeting' represents resource allocations as well as policy formulation.

The concept of Social Budgeting provides a strategy to enhance the bottom-up approach of the Medium-Term Expenditure Framework (MTEF) budgetary process. Specifically, Social Intelligence Reporting (SIR), which is a reporting tool, assists in highlighting innovations and gaps in community development and enables those charged with service provision and development partners to learn from and build on both the successes and failures. The strategy helps to promote accountability and to bridge the divide between beneficiaries and communities as right-holders on one hand and service providers and policymakers as duty-bearers on the other hand. In this regard, the SIR tool is a mirror that the government uses to reflect on the extent of development efforts for future improvement and better provision of services.

Social budgeting focuses on human needs and ensures that people’s rights to basic social services like education, health care, nutrition, social protection, clean water, and sanitation are budgeted for. Thus, social budgeting ensures more equitable social development in the country through closer engagement with the citizens, the government, and non-state actors. The engagement is solidified through citizen participation and shared accountability in the social budgeting process.

The Social Budgeting concept is anchored on international, regional, national policies and conventions that include the Universal Declaration of Human Rights; Convention on the Elimination of Discrimination Against Women (CEDAW); Convention of Rights of the Child (CRC); Sustainable Development Goals (SDGs); African Union Agenda 2063; the Constitution of Kenya, 2010; and various national laws and policies such as the Public Finance Management Act 2012; the Intergovernmental Relations Act 2012; the Children's Act 2001; the Kenya Vision 2030; and the Kenya National Social Protection Policy 2011.

The Bill of Rights under the Constitution of Kenya, 2010 provides for the rights and fundamental freedoms. Article 43 provides for the rights to the highest attainable standard of health; the right to accessible and adequate housing, and to reasonable standards of sanitation; freedom from hunger, access to adequate food of acceptable quality; and access to clean and safe water in adequate quantities.

It is against the foregoing that the Guidelines on Social Budgeting and Social Intelligence Reporting have been revised to streamline and upscale the Social Budgeting initiative at National and County levels.

1.2 Rationale for the Guidelines

The revision of the Guidelines on Social Budgeting and Social Intelligence Reporting has been necessitated by the overarching need to implement constitutional imperatives on public participation, devolved government, and joint planning and budgeting between the two levels of government. The guidelines have been informed by the need to standardise the mode of implementation, assign accountability for setting up social budgeting observatories, apply uniform operational procedures, and map the stakeholders involved in the social budgeting process. Further, the Guidelines will ensure coherence between policy, planning, budgeting, and reporting as well as enshrine the principles of community and stakeholder participation (especially women, children, youth, the elderly, persons with disabilities, minority and marginalised groups, and the civil society) in the development process.

To operationalise social budgeting and social intelligence reporting, there is a need to develop guidelines to standardise implementation and reporting. The Guidelines on Social Budgeting and Social Intelligence Reporting will be a dynamic tool that will be revised as needs arise and as more lessons are learned during implementation.

All actors will use the Guidelines as a reference in the course of the establishment and operationalisation of structures for Social Budgeting and Social Intelligence Reporting.

1.3 Objectives of the Guidelines

The main objective of the Guidelines on Social Budgeting and Social Intelligence Reporting is to streamline and upscale Social Budgeting at the national and county levels. Specific objectives of the guidelines include the following:

i. To standardise the implementation of Social Budgeting and Social Intelligence Reporting across all stakeholders;

ii. To provide a basis for establishing functional Social Budgeting Observatories at the National and County government levels;

iii. To promote a mechanism for identification of issues and challenges facing women, children, PWDs and other vulnerable groups in accessing social services and finding real-time sustainable solutions;

iv. To provide a basis for the utilisation of evidence to inform policy formulation and decision-making;

v. To sustainably anchor social budgeting in GoK planning and budget processes, provide sustainable funding for social budgeting and integrate it in GoK digital systems.

vi. To offer a platform for peer-to-peer learning and replication of best practices on social budgeting to promote public participation and ownership.

1.4 Legislative, Legal and Policy Framework

The principle of social budgeting adopts a human rights approach to improve the effectiveness of budgetary policies and choices anchored on several legal and policy frameworks as follows:

i. The Constitution of Kenya, 2010 – The Constitution under Article 43 provides every person has the right to the highest attainable standard of health, access to adequate housing, reasonable standards of sanitation, access to adequate food of acceptable quality, and clean and safe water in adequate quantities. Further, the Constitution elaborates certain rights to ensure greater certainty as to the application of those rights and fundamental freedoms to certain groups of persons. Articles 53, 54, 55, 56, and 57 give entitlement to rights of children, persons with disabilities, youth, minorities, marginalised groups, and the elderly.

ii. The Children Act, 2022, provides a comprehensive legal framework that protects Kenyan children from abuse, neglect, cyber exploitation, and harmful cultural practices while guaranteeing their right to education, healthcare, and parental care.

iii. Basic Education Act, 2013 – Provides that basic education shall be guided by the promotion of good governance, participation, and inclusion of parents, communities, the private sector, and other stakeholders in the development and management of basic education; and ensuring human dignity and integrity of persons engaged in the management of basic education.

iv. Persons with Disabilities Act, 2023 – Provides for the respect, promotion, and protection of the rights and dignity of persons with disabilities in line with the Constitution of Kenya and international obligations (including the CRPD). The Act guarantees rights such as access to education, healthcare, employment, accessibility, reasonable accommodation, and freedom from discrimination. It further obligates the State to implement appropriate legislative, policy, and administrative measures to ensure full inclusion, equal opportunities, and participation of persons with disabilities in all aspects of social, economic, and community life, including access to services and public infrastructure.

v. Water Act, 2016 – Stipulates that every person in Kenya has the right to clean and safe water in adequate quantities and to reasonable standards of sanitation.

vi. Health Act, 2017 – Sets out to protect, respect, promote and fulfill the health rights of all persons in Kenya to the progressive realization of the rights to the highest attainable standard of health, including reproductive health care and the right to emergency medical treatment; protect, respect, promote and fulfill the rights of children to basic nutrition and health care services; and protect, respect, promote, and fulfill the rights of vulnerable groups.

vii. Public Participation Act, 2018—Promotes community ownership of public decisions and promotes public participation and collaboration in governance processes by ensuring that the public, communities, and organizations to be affected by a decision shall have a right to be consulted and involved in the decision-making process.

viii. Public Finance Management Act, 2012 – Provides a framework for the effective management of public finances at both national and county levels. The Act stipulates the county budget-making process and the preparation of key planning instruments, including County Integrated Development Plans (CIDPs). It further defines the county budget cycle, which is anchored on these integrated development plans and operationalised through annual work plans. Section 137 (1) mandates the establishment of the County Budget and Economic Forum (CBEF) to facilitate stakeholder consultation. Additionally, the Act, Section 187 (1), establishes the Intergovernmental Budget and Economic Council (IBEC) as a platform for consultation and cooperation on budgetary matters and integrated development planning between the two levels of government.

ix. Intergovernmental Relations Act, 2012 – Provides a framework for intergovernmental relations grounded in inclusive and participatory governance, promotion of equality and equity in service delivery, accountability to the public in decision-making and actions, and the institutional protection of marginalised groups.

Within the act, Section 7-10 establishes the National and County Government Coordinating Summit, which shall be the apex body for intergovernmental relations responsible for monitoring the implementation of national and county development plans and recommending appropriate action. Section 11-18 provides for the Intergovernmental Relations Technical Committee (IGRTC), which serves as the technical arm and offers secretariat services to the Summit. Section 19-22 provides for the Council of Governors, which coordinates the receipt of reports and oversees the monitoring of implementation of intercounty agreements and projects.

x. The County Government Act, 2012—Section 107(1) specifies the types and purposes of county plans. These plans include the County

Integrated Development Plans, County Sectoral Plans, County Spatial Plans, and Cities and Urban Area Plans. The plans shall guide, harmonise, and facilitate development and shall be the basis for all budgeting and spending in a county.

Specifically, Section 109 (1) and (2) of the Act states that a County department shall develop a ten-year county sectoral plan as a part of the County Integrated Development Plan. The County sectoral plans shall be programme-based, the basis for budgeting and performance management, and shall be reviewed every five years by the county executive and approved by the county assembly, but updated annually.

To strengthen development planning at the county level, Section 54 (1)–(6) of the County Government Act, 2012, requires that the county establish the county intergovernmental forum that will be in charge of harmonisation of services rendered, coordination of development activities, and intergovernmental functions in the county.

xi. The Urban Areas and Cities Act, 2011 – Section 36 (10 and 2) states that every city and municipality established under the Act shall operate within the framework of integrated development planning. The integrated urban/city development plan shall guide and ensure comprehensive inclusion of all functions.

xii. National Government Constituency Development Fund (Amendment) Act, 2016—The Fund is designed to support constituency-level, grass-roots development projects and aims at achieving equitable distribution of development resources across regions to eliminate imbalances in regional development. The Fund targets constituency-level development projects on water, health, and education sectors in all parts of the country, including remote areas that were usually overlooked during allocations in national budgets.

xiii. Transition to Devolved Government Act, No. 7 of 2013—The Act provided a legal and institutional framework for a coordinated transition to the devolved system of government while ensuring continued delivery of services to citizens. Pursuant to section 15 of the Sixth Schedule to the Constitution of Kenya 2010, the act provided for the transfer of powers and functions to the national and county governments.

xiv. National Social Security Fund (NSSF) Act, No. 45 of 2013 – The Act creates a pension scheme in which every Kenyan with an income shall contribute a percentage of his/her gross earnings to be guaranteed basic compensation in case of permanent disability, basic assistance to needy dependents in case of death, and a monthly life pension upon retirement. The Act thus provides social security protection to all Kenyan workers in the formal and informal sectors.

xv. International and Regional Conventions – Kenya is a signatory to a number of international and regional conventions, which form part of the laws. In particular, Article II of the International Covenant on Economic, Social, and Cultural Rights states in part that "The State parties to the present covenant recognise the rights of everyone to an adequate standard of living for himself/herself and his/her family, including adequate food, clothing, and housing, and to the continuous improvement in living conditions."

Article IV of the United Nations Convention on the Rights of the Child 1990 (UNCRC) states in part that “State parties shall undertake all appropriate legislative, administrative, and other measures for the implementation of the rights recognised in the present Convention. With regard to economic, social, and cultural rights, States Parties shall undertake such measures to the maximum extent of their available resources and, where needed, within the framework of international cooperation."
Further, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the UNCRC establish the institutionalization of participatory and rights-based budgeting to ensure equity, inclusiveness, transparency, and mutual accountability between the respective claim holders —children, women, and deprived populations—and duty bearers—the latter being the various layers of public and private institutions of authority responsible for the delivery of socio-economic rights and the Social Pillar outcomes of Vision 2030.

Other international and regional conventions Kenya is a signatory to include the Universal Declaration of Human Rights (1948), the UN Convention on the Rights of Persons with Disabilities (2006), the African Charter on the Rights and Welfare of the Child (1990), the International Covenant on Civil and Political Rights (ICCPR), the International Labour Organization (ILO) Convention on the Worst Forms of Child Labour (1999), and the ILO Minimum Age Convention (1973) that deals with the minimum age for employment.

xvi. Sustainable Development Goals – The Seventeen (17) Goals aim at creating a better world by 2030 and leaving no one behind. Specifically, the Goals that relate to Social Budgeting are: Goal 1 - No Poverty; Goal 2 - Zero Hunger; Goal 3 - Good Health and Well-being; Goal 4 - Quality Education; Goal 5 - Gender Equality; and Goal 6 - Clean Water and Sanitation.

xvii. African Union Agenda 2063 – Aspires for a prosperous Africa based on inclusive growth and sustainable development. The goals of the agenda take into consideration the need to have a high standard of living, quality of life and wellbeing, education, and good health for citizens.

xviii. The Kenya Vision 2030 and its Medium-Term Plans – Under the Social Pillar, several flagship programmes and projects have been identified for implementation under Population, Housing and Urbanisation; Education and Training; Environment, Water and Sanitation; Gender, Youth and Vulnerable Groups; and Sports, Culture and the Arts sectors.

xix The National Spatial Plan, 2015-2045, provides a national spatial structure that defines how the national space is utilised to ensure optimal and sustainable use of land and land-based resources. This is imperative as it facilitates the achievement of the land policy principles of efficiency, equity, sustainability, and productivity. The plan aims at promoting the attainment of national, social, economic and environmental goals and objectives. Further, the plan provides strategies for spatial growth and development that include: optimising land and natural resources, promoting balanced regional development, promoting rural development, and managing the impacts of global trends.

The National Spatial Plan serves as a guide in the preparation of the regional, county, and local spatial plans. Section 110 of the County Government Act requires counties to prepare a ten-year county Geographic Information System-based database system spatial plan for each county, which shall be part of the county integrated development plan providing a spatial depiction of the social and economic development programme; clear statements of how the spatial plan is linked to the regional, national, and other county plans, and clear clarifications on the anticipated sustainable development outcomes of the spatial plan.

xx The Kenya Social Protection Policy, 2023 – Provides a comprehensive and rights-based framework for delivering social protection across the life course, with a focus on reducing poverty and vulnerability, enhancing resilience, and promoting inclusion. The policy replaces the 2011 policy and emphasises equitable access to social assistance, social security, and health insurance, particularly for vulnerable groups including children, older persons, and persons with disabilities.

xxi National Government Affirmative Action Fund (NGAAF)—The fund is a product of the Constitution of Kenya 2010 in support of the Government's commitment to put in place measures to redress past disadvantages among certain segments of the population. It is also anchored on the Kenya Vision 2030 development blueprint under the Social Pillar to address the plight of vulnerable groups through enhanced access to financial facilities for socio-economic empowerment among women, youth, persons with disabilities, needy children, and elderly persons in the country.

1.5 Guiding Principles

The Guidelines on Social Budgeting and Social Intelligence Reporting shall take into consideration the values and principles of governance and principles and values of public service as articulated in Articles 10 and 232 in the Constitution of Kenya, 2010. Specifically, the guidelines will be guided by the following principles:

i. **Participation and Inclusion:** This, as enshrined in the Constitution, will ensure protection and promotion of the interests and rights of minorities, marginalised groups and communities' involvement in decision-making processes.

ii. **Timeliness and Accuracy:** Timely access to accurate information, data, documents, and other information relevant or related to policy formulation and implementation is key to evidence-based decision-making.

iii. **Governance and Accountability:** The public planning and budgeting process must be guided by the values and principles of governance as stipulated in Article 10 of the Constitution. This will ensure openness and accountability, including public participation in financial matters, and promote equitable socio-economic development.

iv. **Efficiency and Effectiveness:** Budgeting within fiscal objectives and alignment with medium-term strategic plans and priorities and comprehensive budget accounting, effective budget execution and use of financial resources.

v. **Sustainability:** The involvement of the communities and non-state actors will ensure the demand side is taken care of as well as enhance sustainability. This is also in line with the Sustainable Development Goals (SDGs).

1.6 Organisation of the Guidelines

The Guidelines are organized into five sections. Section one introduces the concept of Social Budgeting and Social Intelligence Reporting while looking at the justification and need to operationalize Social Budgeting. Section two outlines the evolution of Social Budgeting and highlights the key milestones, challenges, and opportunities. Section three provides institutional arrangements that will anchor the operationalization of Social Budgeting and Social Intelligence Reporting. Section four spells out operationalization of Social Budgeting by laying out the implementation framework, capacity building, funding arrangements and the stakeholder analysis. Finally, Section five highlights the monitoring, evaluation, and reporting processes.

1.7 Scope of the Guidelines

The Guidelines on Social Budgeting and Social Intelligence Reporting will be applied by National and County governments. Non-State Actors may also customize and adopt the Guidelines as a basis for implementation of Social Budgeting. The Non-State Actors include Development Partners; the Private Sector; Public Benefits Organizations (PBOs); Faith Based Organizations (FBOs); media, research and academic institutions; professional bodies; philanthropists; communities, among others.

SECTION TWO: EVOLUTION OF SOCIAL BUDGETING AND SOCIAL INTELLIGENCE REPORTING

2.0 Overview

This section presents the evolution of Social Budgeting, right from the conceptualisation of the initiative to the adoption of the Social Intelligence Reporting. The section also gives a highlight of the key milestones, challenges, and opportunities that may be explored to promote Social Budgeting and Social Intelligence Reporting.

2.1 Evolution of Social Budgeting

Social budgeting was conceptualised in 2005 by the State Department for Economic Planning in collaboration with UNICEF Kenya country office. Social Budgeting was first implemented in the then districts of Isiolo, Kwale, and Turkana. The implementation was later expanded to the North Eastern Province Districts of Garissa, Ijara, Mandera, and Wajir. Subsequently, National and District Social Budgeting Observatories were established. The observatories were charged with the responsibility of promoting social equity, setting priorities, and resource allocation and mobilisation at national and sub-national levels.

A review of the implementation of Social Budgeting in 2009 revealed that although the observatories were operationalised, there was inadequate evidence to inform policy discussions on setting priorities, resource allocation, and mobilisation. This led to the introduction of Social Intelligence Reporting (SIR). SIR is used to gather data and information for monitoring the delivery and status of public social services. The social services include education services in primary schools, health services within facilities, community and school water points, sanitation in schools, nutrition standards and social protection schemes, and child protection services. SIR tracks how budgets are working, especially for children and women at the facility/community and devolved levels. Further, SIR stimulates actions and accountability by duty bearers.

A further review of the Social Budgeting Framework conducted in 2014 established that the initiative was highly relevant to the development needs of Kenya. The review also noted that there were delays in submissions of reports, comparison of performance from different counties, and implementation of action plans to promote effective decision-making. The foregoing necessitated the redesigning of the functionality of SIR to incorporate real-time reporting through the electronic SIR (e-SIR) system.

The e-SIR is a real-time reporting system for Social Intelligence Reporting that ensures that the collection, processing, analysis, visualisation, and dissemination of information collected through the SIR tools are digitised. The system enables rapid transfer of information from the field, production of regular reports and interactive queries, and public accessibility to the information. The real-time reporting makes data and information readily available to facilitate corrective actions by various levels of programme implementers and policymakers. The system also provides improved functionality for facility managers and enforcement agencies.

2.2 Key Milestones

Over the years, the Social Budgeting (SB) framework has had mixed outcomes at both the national and county levels. At the national level, there was for the first time a dedicated focus towards influencing budgets for social development outcomes. This was manifested by the creation of a Social Policy Advisor focal point operated at the Budgetary Department in the National Treasury. Further, through the conduct of SIR, policymakers were provided with a rich and timely picture of what was happening on the ground. Subsequently, investment in social sectors increased to an average of about 30 percent of the national budget.

At the county level, the evidence generated from the programme was used to inform the development of County Integrated Development Plans (CIDPs). Further, the programme fostered inter-departmental collaboration among social sector players and enhanced the capacity of sub-national officers to undertake planning and budgeting functions. In addition, SIR provided communities, civil society, and local leaders an opportunity to participate in and contribute to development programmes in their areas. It is acknowledged that together, communities and those charged with providing services have been able to identify problems affecting the area and to agree on priorities for investment, given the available resources. The noted collaboration results in accountability and transparency in the management of public resources.
Generally, a number of successes were recorded during the implementation of the programme. At the national level, the SB programme has had top leadership support. The government also provided the requisite financial and human resources to implement and coordinate programme activities. In the various sub-counties that were implementing the SB programme, most of the

sub-county officers were aware of the programme, had been capacity built and had participated in the development of the programme documents. Four (4) CSBOs (Kakamega, Nakuru, Mombasa, and Isiolo) formally launched in 2024 through the support of the Interreligious Council of Kenya (IRCK). These CSBOs subsequently conducted e-SIR visits in 24 communities to document gaps in service delivery, some of which have been addressed through the budget process and partners. Other milestones include the implementation of targeted interventions aimed at closing the gaps identified during the SIR process. These include the implementation of infrastructure projects at Kanamkemer and Canaan Primary Schools in Turkana County and at Jila and Palakumi Primary Schools in Kilifi County, each of which will benefit from the construction of eight classrooms, eight toilet blocks, one administration block, and 320 desks.

2.3 Challenges

The SB programme has experienced some challenges during the implementation period. For instance, an expanded SIR could quickly generate large amounts of hard-to-manage data, and local officers can easily slip back into the mindset of being data collectors rather than problem-solvers. This challenge may come by way of a lack of sufficient discipline [VN1] to focus on the information that really matters. In the absence of guidelines, this challenge could lead to low programme outputs and outcomes.

The implementation of the 2022 SB-SIR guidelines faced a number of challenges, including low levels of awareness of the SB concept among the staff at Social Sector facility levels; weak institutionalization of social budgeting; delayed dissemination of reports; high turnover of the trained staff at the national and county levels; fragmented evidence generation occasioned by the existence of e-SIR and e-NIMES as separate digital platforms; and inadequate sharing of best practices on SB and SIR among the implementing sub-counties.

In these guidelines, institutionalisation is strengthened by elevating the National Social Budgeting Observatory membership from technical directors in the line social sector state departments to their principal secretaries. These guidelines also provide for the integration of e-SIR into e-NIMES to bridge the persistent gap between social intelligence reporting data and actual decision-making. While e-SIR generates rich, field-level evidence on social needs, embedding it within e-NIMES ensures that this data feeds directly into planning, budgeting, and reporting processes. This alignment will enhance with national priorities and frameworks while also eliminating duplication and reducing reporting fatigue across institutions.

2.4 Opportunities

The dual focus of Social Budgeting, that is, on local problem solving and strategic data, is both a great strength and an opportunity. There also exist some opportunities that, if well utilised, could re-engineer the SB programme and spur socio-economic development to realise shared prosperity for all citizens. Further, advancements in technology and the expansion of digital infrastructure will enable real-time sharing and use of data and information to support evidence-based decision-making. Furthermore, there exists top leadership buy-in that will be highly instrumental in the implementation of Social Budgeting and Social Intelligence Reporting. Finally, increased uptake of social media among the population provides an opportunity for communities to highlight gaps that require urgent interventions.

SECTION THREE:
INSTITUTIONAL FRAMEWORK

3.0 Overview

This section presents the institutional framework for the operationalisation of Social Budgeting and Social Intelligence Reporting. The section also provides the composition and the functions of the Social Budgeting Observatories, and the management structure flow chart on social budgeting.

3.1 Institutional Arrangements

The institutional arrangement has been developed with a view to ensuring participation and partnerships among stakeholders involved in the provision of socio-economic services. The stakeholders include relevant government departments and institutions at both levels of government, Public Benefits Organisations (PBOs), Faith-Based Organisations (FBOs), the media, children, women, youth, the elderly, persons with disabilities, minorities and marginalised groups, development partners, and the private sector.

3.1.1 The National Treasury

The Cabinet Secretary responsible for economic planning will provide overall guidance on the implementation of the Social Budgeting Framework. Specifically, issues that require policy direction emanating from the National Social Budgeting Observatory (NSBO) will be escalated to the Cabinet Secretary for guidance or inclusion in the Budget Circulars. Further, the Cabinet Secretary may table unresolved issues to the Cabinet for direction.

3.1.2 National Social Budgeting Observatory (NSBO)

The National Social Budgeting Observatory will be the highest policy advisory and oversight organ for Social Budgeting. The NSBO will bring together the topmost policy decision makers at the national level and will facilitate the implementation of development priorities identified by the stakeholders at both levels of government. The NSBO will meet biannually or as needed.

The membership of NSBO will comprise:

i. Principal Secretary responsible for Economic Planning – **Chair**;

ii. Chief Executive Officer of Council of Governors – **Co-chair**;

iii. Principal Secretaries, State Departments Responsible for Social Protection, The National Treasury, Water and Sanitation, Basic Education, Health and Nutrition, Agriculture, Devolution, Children Services, Gender and Youth;

iv. Director General, Economic Planning;

v. Director of Budget in the National Treasury;

vi. Secretary, Economic Planning, responsible for Social Sectors, in the State Department for Economic Planning—**Secretary**;

vii. Secretary, Economic Planning, responsible for Monitoring and Evaluation;

viii. Executive Heads of KNBS and KIPPRA;

ix. A representative of PBOs;

x. A representative of the Inter-Religious Council of Kenya (IRCK);

xi. Representatives of Development Partners; and

xii. A representative from the Kenya Private Sector Alliance (KEPSA).

The National Social Budgeting Observatory may identify and co-opt any other ex-officio and/ or member as the need arises. The membership of NSBO will not exceed twenty-five (25) members.

The functions of the National Social Budgeting Observatory are to:

i. Provide strategic direction towards ensuring the achievement of Social Budgeting within the overall government development agenda in the equitable distribution of services.

ii. Review and approve operational and policy guidelines on Social Budgeting and Social Intelligence Reporting, together with the National and county-level project proposals.

iii. Promote participatory planning and budgeting to achieve social sector targets within the overall development agenda.

iv. Spearhead implementation, monitoring, evaluation and reporting of the Social Budgeting framework to guide policy interventions;

v. Provide a platform for communication and sharing of information on the status of the social sector at the national and county levels, and escalate unresolved issues to the Cabinet Secretary responsible for Economic Planning for policy guidance;

vi. Strengthen collaboration of service providers and key players for effective service delivery in the social sector; and

vii. Periodically undertake quality assurance visits to monitor and review the implementation of Social Budgeting and Social Intelligence Reporting.

3.1.3 National Social Budgeting Observatory Secretariat

The NSBO secretariat will provide technical support and advice to NSBO. The secretariat will hold quarterly meetings or when the need arises. Member institutions will designate specific individuals as representatives to maintain continuity and unity of purpose. The Director responsible for the Social Sector in the State Department responsible for Economic Planning will convene the Secretariat.

Other members of the Secretariat will include:

i. The Director responsible for the Social Sector in the State Department responsible for Economic Planning (Convener)

ii. Heads of relevant technical departments from the Ministries and State Departments Responsible for Social Protection, Water and Sanitation, Education, Health and Nutrition, Agriculture, Devolution, and Youth.

iii. A representative of the Council of Governors;

iv. Representative of Development Partners

The functions of the Secretariat are to:

i. Review and prioritize sector-specific social policy interventions and advocate for integration of the same during the Medium-Term Expenditure Framework (MTEF) process;

ii. Provide linkages between the NSBO and CSBOs;

iii. Review County Social Budgeting Observatories project proposals and reports for non-devolved social sector functions and provide feedback;

iv. Provide capacity building and technical support to CSBOs;

v. Develop and maintain a database of all social sector stakeholders at both levels of Social Budgeting Observatories;

vi. Develop and review national project proposals to ensure social equity and alignment with the national development agenda; and

vii. Develop and review SIR tools to enable communities to engage and work with national and county-level Social Budgeting Observatories.

3.1.4 County Social Budgeting Observatory (CSBO)

The establishment of the County Social Budgeting Observatories (CSBO) will promote synergy, transparency, participatory engagement of stakeholders, and mutual accountability in social sector service delivery while avoiding duplication of efforts and wastage of available resources. The CSBO shall also be a key part of the participatory county and community monitoring and evaluation system for realization of socio-economic rights and the Kenya Vision 2030 Social Pillar.

The County Social Budgeting Observatory will be the highest policy advisory and oversight organ for Social Budgeting at the county level in each of the 47 counties. The Observatory will bring together policy decision makers at the county level and will facilitate implementation of development priorities identified by stakeholders at the county level. The CSBO will meet quarterly or as needed.

The County Social Budgeting Observatory (CSBO) will constitute the following members:

i. County Executive Committee Member in charge of Finance and Economic Planning or equivalent—**Chair**;

ii. County Commissioner (CC) or his/her representative – **Co-chair**;

iii. County Director/Head/Officer in charge of Economic Planning – **Joint-Secretary;**

iv. National Government County Director of Planning/ Planning Officer (NG-CDPO)—**Joint Secretariat;**

v. Heads of relevant technical departments from the County Departments Responsible for: Social Protection, Gender, Water and Sanitation, Education, Health and Nutrition and Agriculture;

vi. Representatives of National Government functions responsible for: Education, Youth, Social Development, Gender and Children Services;

vii. Representatives of PBOs and Philanthropists;

viii. A representative of IRCK at county level;

ix. A representative from Development Partners with operations within respective Counties;

x. A representative from Kenya National Chamber of Commerce and Industry (KNCCI);

xi. A representative of Members of the County Assemblies; and

xii. Identified ex-officio from Communities.

The County Social Budgeting Observatory will not exceed 25 members and may identify and co-opt any other ex-officio and/ or member as the need arises.

The functions of the County Social Budgeting Observatory are to:

i. Promote participatory planning and implementation of interventions to ensure equitable distribution of resources and services within the county in achieving county social sector targets in the MTPs/Vision2030 and government development agenda;

ii. Deliberate on County priorities with regard to social sectors to be included in Sectoral plans, Annual Development Plans and County Integrated Development Plans (CIDP).

iii. Strengthen collaboration of key players for effective and efficient service delivery in the socio-economic sectors and review the database of all social sector stakeholders at County level;

iv. Provide a platform for communication and sharing of information on the status of socio-economic rights and social sectors between the national and county levels, and to facilitate discussions on alternative approaches and strategies for improving the social sectors' performance;

v. Develop synergy between the National and County Government resource allocation to avoid duplication of efforts;

vi. Identify resource gaps to inform resource mobilisation strategies and to support joint social sector activities;

vii. Guide the implementation of operational and policy guidelines on Social Budgeting at the County level;

viii. Prepare and disseminate social intelligence reports as well as social sector county project proposals to enrich social policies; and

ix. Implement, monitor, and evaluate the Social Budgeting framework, and prepare reports to guide policy interventions.

3.1.5 County Social Budgeting Observatory Secretariat

The Secretariat will provide technical support and advice to CSBO. The Secretariat will hold quarterly meetings or when the need arises. Member institutions will designate specific individuals as representatives to maintain continuity and unity of purpose. The County Director in charge of Economic Planning will convene the Secretariat. Membership of the CSBO Secretariat shall be drawn exclusively from the CSBO.

The composition of the Secretariat shall include:

i. The Director in charge of Finance and Economic Planning;

ii. A Deputy County Commissioner;

iii. National Government Director of Planning/Planning officer within the County;

iv. Heads of relevant technical departments from the County Departments Responsible for Social Protection, Gender, Water and Sanitation;

Education, Health and Nutrition, and Agriculture.

The functions of the Secretariat are to:

i. Collect, compile and present social sector proposals for review by CSBO;

ii. Coordinate the implementation, monitoring, evaluation and reporting of social budgeting programmes and provide linkages between the County and National Observatories;

iii. Review County planning and budgeting reports and provide feedback to the Sub-Counties through the Director/Head/Officer in charge of Economic Planning;

iv. Review the County social equity budget proposals, and recommend funding in the sectors and defend the same at the County Assembly through the County Executive Committee Members in charge of the social sectors and the National/County Sector Working Groups (SWGs);

v. Compile available data on realization of socioeconomic rights and social sector trends and conduct rapid base assessments on emerging issues and develop County sectoral plans on social budgeting;

vi. Implement operational and policy guidelines on Social Budgeting at the County level;

vii. Identify capacity gaps and needs necessary for effective implementation of Social Budgeting;

viii. Discuss the Social Intelligence Reports and propose remedial actions to the relevant public, private and non-state institutions;

ix. Identify, develop and maintain a database of all social sector stakeholders at County level.

3.1.6 Communities and Civil Society Organizations

The participation of communities and Civil Society Organizations (CSOs) in Social Budgeting is expected to facilitate real-time solutions to identification obstacles facing citizen in accessing rights to basic social services and immediate solutions to the challenges in identifying service delivery gaps in quality and quantity; examining gender responsiveness in programming; promoting transparency and efficient use of funds; and providing quick feedback on whether public social policies and investments are working towards achieving results for the poor and marginalized.

To engage in Social Budgeting process CSOs supporting communities will:

i. Organize and mobilize various communities to participate in identification of development challenges including proposals and actions on how to address identified challenges through planning and budgeting;

ii. Consolidate information on public needs and priorities and link with Government entities responsible for planning and budgeting;

iii. Train the community members on how to participate in social budgeting and social intelligence reporting to understand and analyze government budgets;

iv. Contribute vital information on community needs and priorities that may lead to effective and efficient policy options;

v. Collect and summarize budgets into easily understandable formats, and disseminate budget information to ensure inclusivity;

vi. Hold public officials accountable in expending public resources efficiently and effectively to achieve desired outcomes; and

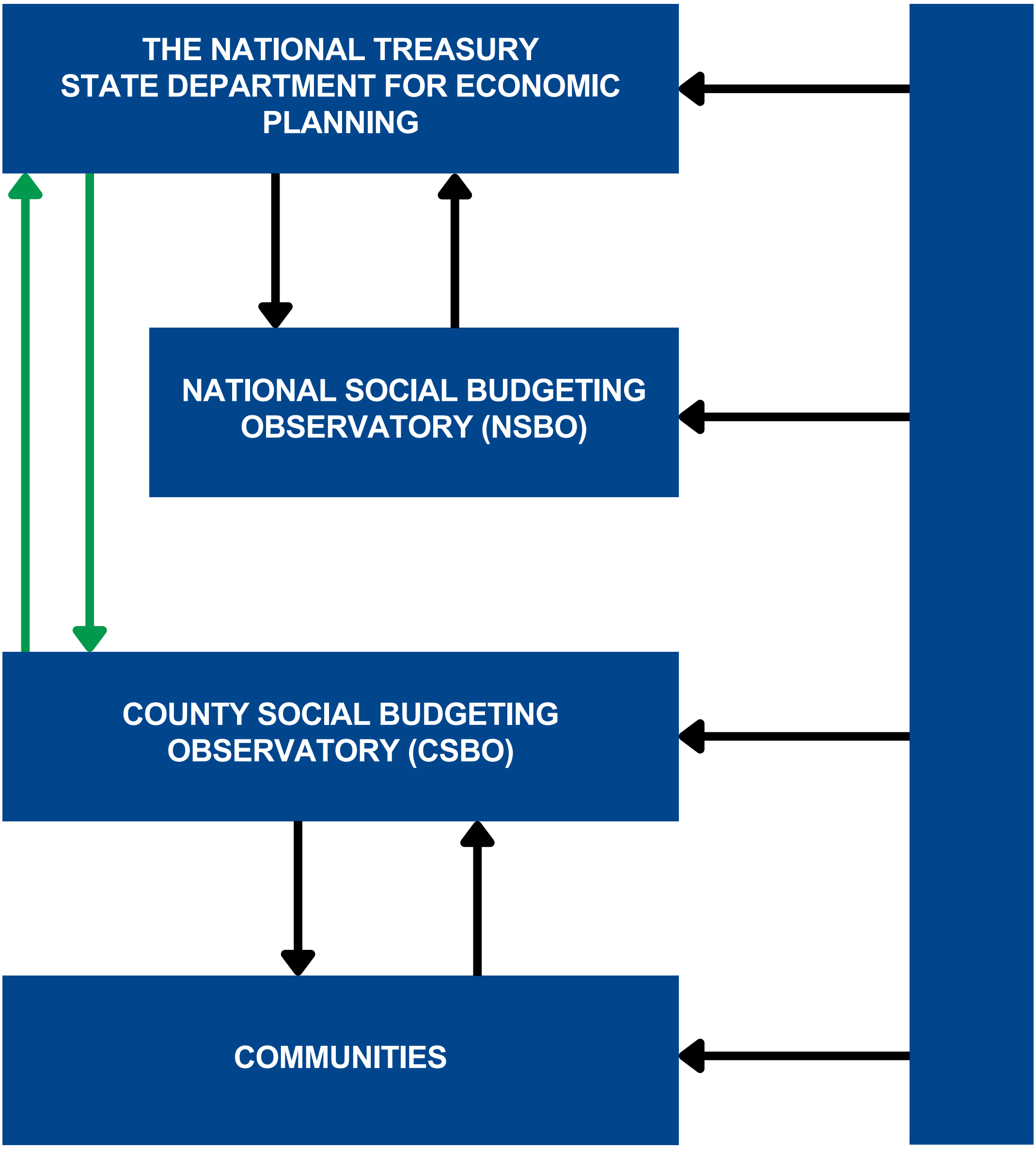
vii. Mobilize resources in support of community rollout of social budgeting and electronic social intelligence reporting.

3.2 Management Structure Flow Chart for Social Budgeting

The State Department responsible for Economic Planning shall support the establishment and operationalization of the NSBO and NSBO Secretariat at the National Level as provided in the Institutional Framework outlined in Section three (3); provision of technical support to Counties to enable them establish and operationalize the CSBO and CSBO Secretariat at the County Level as provided in the Institutional Arrangements Section three (3); and provision of technical support to Counties to conduct Social Intelligence Reporting as stipulated in the SIR Training Manual.

The schematic description is shown in Figure 1 below.

Figure 1: Management Structure Flow Chart for Social Budgeting



SECTION FOUR:
OPERATIONALIZATION OF SOCIAL BUDGETING

4.0 Overview

This Section highlights the implementation framework and capacity building for Social Budgeting.

4.1 Implementation Framework

The Guidelines on Social Budgeting and Social Intelligence Reporting will be implemented by the National and County governments. Non-State actors may also adopt the Guidelines as a basis for implementation. For the Guidelines to take full effect, the State Department responsible for Economic Planning will provide guidance and oversight on the implementation of the SB Guidelines, and support the establishment of Social Budgeting Observatories as outlined in Section three (3). In addition, the State Department will also support capacity development as discussed in the following sections.

4.2 Capacity Building

Capacity building will target officers responsible for executing budgets at the National and County levels and members of the observatories at National, County and community levels. A capacity needs assessment will be conducted to determine capacity gaps in Social Budgeting. Capacity building will be carried out by social budgeting experts from both the National and County Governments, together with identified relevant partners, CBOs, communities and consultants.

The State Department, responsible for Economic Planning in partnerships with the County Governments, will coordinate the selection and identification of Trainers. The Trainers will be persons conversant with the budgeting process and experts in facilitation. The Training of Trainers will also encompass training on the use of technology to collect data, analyse, visualise, prepare reports and enhance public participation.

The State Department responsible for Economic Planning in partnership with key stakeholders will develop and issue a capacity building framework. The capacity building materials will focus on software and hardware requirements; norms and standards; structures, systems; and human capacity required for

Social Budgeting. Officers responsible for budgeting at national and county levels will be trained on how to use e-SIR to prepare policy briefs and action points for communities.

4.2.1 ICT Systems and Infrastructure

The State Department, responsible for economic planning in collaboration with the key stakeholders, will develop and maintain a real-time data collection, analysis and reporting system on Social Intelligence. The system and infrastructure will aim to support the collection and analysis of data from social sectors, the sharing of information, and timely reporting to support informed decision-making at the National and County levels.

The system will be hosted in a government-owned facility, preferably in the State Department responsible for Economic Planning. The system will comprise of comprise data processing, storage, and end-user devices and software. The system shall have interoperability capabilities in order to support diverse end-user devices. In addition, the System will be interactive to facilitate feedback among users and shall allow generation of information needed for Social Intelligence Reporting. The e-SIR system will integrate with e-NIMES and e-CIMES.

The principles of the system will be availability, reliability, accessibility, integrity of data, interactivity, transparency, and accountability.

4.2.2 Institutional Strengthening

At the national and county levels, a secretariat will be established to coordinate SB in the country. Adequate human, financial and physical resources will be provided for strengthening the institutional framework on Social Budgeting.

To institutionalise Social Budgeting in the National and county-level budgetary process, the capacity of officers responsible for the budgeting will be enhanced. In support of this, adequate budgetary provision will be provided in the National and County budgets for acquisition of the requisite infrastructure and technology to facilitate data capture for programming.

The SB-SIR will be integrated into the National and County Governments' performance management systems. Notably, the two levels of Government may develop legislation to promote institutionalisation of Social Budgeting and e-SIR in the budgetary process.[

4.2.3 Stakeholder Analysis

Stakeholder analysis will be undertaken to identify relevant state and non-state actors and to establish the roles that each stakeholder will play in Social Budgeting. A database of all social sector stakeholders at all levels of Social Budgeting Observatories will be developed and regularly updated. A sample stakeholder analysis template is provided in Table 1. The stakeholder categories may include ministries, departments, and agencies; county governments; development partners; the private sector; public benefits organizations (PBOs), Faith-Based Organisations (FBOs); media; research and academic institutions; professional bodies; philanthropists; communities, among others.

Table 1: Stakeholder Analysis Template

Stakeholder Category	**Stakeholder Name**	Contact Person Phone, Email, Website, Address	Impact How much impact does the stakeholder have on the project (Low, Medium, High)	Influence How much influence does stakeholder have over the project? (Low, Medium, High)	**What is important to the stakeholder?**	**How could the stakeholder contribute to the project?**	**How could the stakeholder block the project?**	**Strategy for engaging the stakeholder**	**Spatial/ Coverage**

4.3 Funding Arrangements

To finance the implementation of the Social Budgeting, the Government will appropriate resources through the MTEF budgetary system both at the National and County Level. In addition, it is envisaged that the private sector and other development partners shall fund necessary initiatives in a transparent and accountable manner, as provided by the Public Finance Management Act. Further, all implementing partners shall develop and implement resource mobilisation strategies for Social Budgeting and Social Intelligence Reporting.

In support of the foregoing, capacity building will be conducted on resource mobilisation to enhance proposal development skills at both the county and community levels.

SECTION FIVE:
MONITORING, EVALUATION, REPORTING, AND REVIEW

5.0 Overview

This Section presents the Monitoring, Evaluation and Reporting of the operationalisation of the Guidelines on Social Budgeting and Social Intelligence Reporting. Monitoring, evaluation and reporting of these Guidelines will involve a systematic and continuous process of collecting and analysing information as per identified indicators and targets. In addition, the preparation of reports will be the basis for providing feedback to all Stakeholders.

5.1 Introduction

It is envisaged that the use of the Guidelines will result in improved budgetary allocation and execution for investments in the social sectors. The monitoring, evaluation and reporting of operationalisation of the Guidelines on Social Budgeting and Social Intelligence Reporting will focus on the establishment and operationalisation of Social Budgeting Observatories, capacity building and resource mobilisation.

A survey will be conducted to provide baseline data for the indicators. The proposed Monitoring and Evaluation system will develop tools for capture, handling, protection, processing and analysis of data. The M&E framework shall involve periodic monitoring on a quarterly and annual basis. Monitoring: The monitoring and evaluation framework for the SB-SIR shall be aligned with the existing national and county policies, including NIMES/CIMES. The State department and County departments responsible for planning shall ensure accountability in implementation, monitoring, evaluation and reporting for SB-SIR.

5.2 Monitoring

The Guidelines provide a mechanism for checking progress in implementation of Social Budgeting and Social Intelligence Reporting. A monitoring plan and tools will be developed to enable monitoring in the implementation of the programme.

Monitoring will be conducted quarterly and annually to ensure effective implementation of the programme. The data/information generated from monitoring will be utilised by the management for the day-to-day implementation of the programme activities, including taking corrective measures where necessary. Monitoring reports will also provide information for the evaluation of the programme.

5.3 Evaluation

Evaluation will entail an assessment of the changes brought about by the SIR programmes over time. Evaluation will be conducted by an independent evaluator/agency. The management of the evaluation will be done by the State Department responsible for Economic Planning. The evaluation criteria will focus on programme issues that include relevance, efficiency, effectiveness, sustainability, and impact of programmes. The results of the evaluation will be utilised to inform decision-making, promote accountability, facilitate learning, establish value for money, and support identified scale-ups.

5.4 Reporting

Monitoring and evaluation reports will be developed and shared to inform management, observatories, the ministry responsible for economic planning and the communities on the effectiveness of implementation of the programme. The reports will be used for the preparation of policy briefs, enable learning, provide feedback, and inform decision-making at all levels.
Reporting tools will be developed and disseminated to all key stakeholders for use in preparation of the reports. The reports will be submitted to various stakeholders for accountability purposes. In addition, the reports will be hosted at strategic levels, both at the National and County levels.

5.5 Review of the Guidelines

The Guidelines will be reviewed every five (5) years and/or when the need arises. The review will be coordinated by the State Department responsible for Economic Planning in collaboration with key stakeholders.

5.6 Monitoring and Evaluation Matrix Template

Table 2: Monitoring and Evaluation Matrix Template

	Objective	Outcome/ Output	Indicators	Baseline	Mid-Term Target	Achievem ent	Variance	End-Term Target	Achievem ent	Variance	Remarks
1											
2											
3											

ANNEX 1: FIVE-YEAR ROADMAP

S/No	ACTIVITY	OUTPUT	PERFORMANCE INDICATOR	AGENCY	Time Frame					ESTIMATED BUDGET (Kshs. MILLION)	Source of Funds
					Y1	Y2	Y3	Y4	Y5		
1.	Review and Disseminate SB/SIR guidelines and Manual	Reviewed Guidelines and Manual	Level of completion of guidelines and Manual	SDEP/UNICEF/CoG						5	GoK
		SB/SIR guidelines and Manual Disseminated to Counties	No, of dissemination Sessions	SDEP/UNICEF/ CoG/ Development Partners (DP)						12	
2.	Develop Annual Joint Workplan	Joint Annual Workplan developed	No. of Workplans	SDEP/UNICEF/ DP						12	
3.	Review/update/integrate e-SIR system	e-SIR system updated and integrated	Level of completion of update and integration	SDEP/UNICEF/ DP						20	
4.	Establish the observatories and secretariat	Observatories and Secretariats established	No. of observatories and secretariat at National and County level	State Department for Economic Planning/Secretariat						5	
		Periodic meetings convened	No of NSBO and CSBO meetings	SDEP/Counties						4	
5.	Roll out of SB/SIR guidelines	Concept note on Roll out Developed	Concept Note	SDEP/UNICEF/ DP/CoG						3	
		Conduct SB/SIR in 47 Counties in phased approach	No of SB/SIR Reports	SDEP/IRCK/UNICEF						200	
		Preparation of SIR Reports	No. of SIR reports	SDEP/UNICEF						12	GOK
6.	Development and Dissemination of e-SIR advocacy materials	e-SIR advocacy materials Developed and reviewed and validated	No. of Advocacy Materials	SDEP/UNICEF/DP /CoG						10	GOK-
		Advocacy forums with duty bearers, CSBOs, development partners, CSOs and FBOs. community members, community leaders convened	No. of Advocacy Fora	SDEP/UNICEF/Counties/ CoG						15	GOK-UNICEF
7.	Partnership and Collaborations	Establish partnerships and collaborations in implementation of SB-SIR	No of partnerships established	SDEP/UNICEF						2	

S/No	ACTIVITY	OUTPUT	PERFORMANCE INDICATOR	AGENCY	Time Frame					ESTIMATED BUDGET (Kshs. MILLION)	Source of Funds
					Y1	Y2	Y3	Y4	Y5		
8.	Establish the National Social Budgeting Observatory (NSBO) and constitute secretariat	NSBO and Secretariats established and Secretariat Constituted	NSBO	SDEP/UNICEF/ Development Partners						5	
		Sensitize NSBO on SB-SIR and the TORs;	No of Sensitization Sessions	SDEP/UNICEF						5	
9.	Establish the County Social Budgeting Observatories (CSBOs) and constitute secretariat	CSBOs established	No of CSBOs	SDEP/UNICEF/Counties						5	
		Sensitize CSBO on SB-SIR and the TORs;	No. of Sensitization sessions	SDEP/UNICEF/Counties/ D. Partners						80	UNICEF /Counties
10.	Capacity Building.	Training of ToTs and Champions (training of national TOTs on: ESIR, report writing, presentations, data analysis, documentation and result harvestings.)	No. of TOTs and Champions	State Department for Economic Planning/Secretariat						50	
11.	Field Monitoring Visits	Monitoring Visits	No. of field visits	The Secretariat						25	GOK-
12.	Preparation of SIR Reports	SIR reports	No. of SIR reports	The secretariat						12	GOK-
13.	Conduct M&E	Monitoring Conducted	No. of monitoring Reports	The Secretariat						20	GOK-
		Midterm and End-term Evaluation Conducted	No of Evaluations	SDEP/UNICEF/Counties/D. Partners						6	
14.	Develop Resource Mobilization Strategy	Resources mobilized	Increased funds (%)	The Observatories (NSBO & CSBO)						3	GOK-
	Grand total									**511**	

STATE DEPARTMENT FOR ECONOMIC PLANNING

The State Department for Economic Planning guides the nation's development agenda by formulating, coordinating, and monitoring economic plans and policies. To support the realization of the Fourth Medium Term Plan (2023-2027), the Department champions citizen-centric, evidence-based resource allocation through the Social Budgeting and Social Intelligence Reporting (SB-SIR) Initiative. Driven by comprehensive data on social sector expenditures, service delivery metrics, and citizen feedback, these guidelines serve as a crucial framework for both National and County Governments. By institutionalizing these practices, the State Department ensures that joint planning and budgeting processes remain transparent, accountable, and aligned with constitutional imperatives, ultimately translating public resources into transformative and equitable socio-economic outcomes for all Kenyans.

Jeshi water Pan and a broken water tap in Makutano Ward, Bamba sub-County, Kilifi County

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