

**FACTORS INFLUENCING IMPLEMENTATION OF
CONSTITUENCY DEVELOPMENT FUND PROJECTS:**

A CASE OF LARI CONSTITUENCY-KENYA

BY

KEFA O. OMOI

UNIVERSITY OF NAIROBI
EAST AFRICANA COLLECTION

RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN PROJECT
PLANNING AND MANAGEMENT OF THE UNIVERSITY OF NAIROBI

University of NAIROBI Library

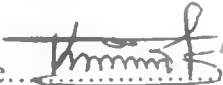


0478485 6

2010

DECLARATION

This project is my own work and it has not been submitted for any award in any other University.


Signature.....

Date.....23/08/10.....

KEFA OMANGA OMOI

L50/72698/08

This research project has been submitted for examination with my approval as the University supervisor:

Signature.....

Date.....23rd Aug 2010.....

MR. PETER NZUKI

LECTURER, DEPARTMENT OF EDUCATIONAL STUDIES.

DEDICATION

This project is dedicated to all Kenyans who are working hard to defeat poverty, all those committed to the national goal of Vision 2030, and my family.

ACKNOWLEDGEMENT

I am grateful to my supervisor Mr Peter Nzuki for his devotion and commitment for the cause of knowledge. I am also grateful to all the staff members of Lari Constituency Development Fund for their cooperation during my desk research. I would also like to acknowledge the unwavering support and encouragement of my family throughout the period of formulating my research.

My appreciation is also extended to both the teaching and non-teaching staff of the University of Nairobi at the Nakuru Extra-Mural centre for their unwavering support and assistance throughout the research period. I am indebted to the team of research assistants led by Mr. Caleb Kamau for their determination, cooperation and hard work during the process of data collection and editing. Special thanks go to Mr. Andrew Juma Malala, the District Field Office Assistant at Kikuyu office for his effort during typing and typesetting the report. It would have been hard to go the whole journey alone without the encouragement and support of my fellow students at the Nakuru Extra Mural Centre of the University of Nairobi. I appreciate each one of them individually and collectively.

The cooperation of Lari District Commissioner, Mr. Samson Macharia and the entire provincial administration in the District was a major booster during data collection. My colleague in the District Planning Office, Limuru, Mr. David Mbui and the dedicated members of staff: Dorcas Nalamae, Beatrice Kagunda and Phylis Nyambura are greatly appreciated for taking their time to read through the draft during editing. Finally it is my pleasure to register my gratitude and appreciation for the support and encouragement of my boss, the Provincial Director of Planning-Central Province Mr. Kinyanjui Ngugi throughout the study period.

TABLE OF CONTENT

DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENT	iii
TABLE OF CONTENT	iv
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS	x
ABSTRACT	xi
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the study	1
1.1.1 Global and Regional perspectives of Constituency Development Fund	1
1.1.2 Legal, Policy Framework and Guidelines for CDF.....	2
1.1.3 The Constituency Development Fund Framework in Kenya	4
1.2 Statement of the Problem	5
1.3 Purpose of the study.....	8
1.4 Objectives of the study.....	8
1.5 Research Questions.....	8
1.6 Significance of the Study	9
1.7 Limitations of the study	9
1.8 Delimitation of the study.....	10
1.9 Basic assumptions of the study.....	10
1.10 Definition of significant Terms	10
1.11 Organization of the study	11
CHAPTER TWO	13
LITERATURE REVIEW	13
2.1 Introduction	13
2.2 Concept of Constituency Development Fund	13
2.2 Theoretical Framework	15
2.2.1 Fiscal Decentralization Theory	15
2.2.2 Arguments for Fiscal Decentralization.....	17
2.2.2.1 Efficiency Values.....	17
2.2.2.2 Governance Issues	17
2.2.3 Arguments against Fiscal Decentralization.....	18

TABLE OF CONTENT

DECLARATION.....	i
DEDICATION.....	ii
ACKNOWLEDGEMENT.....	iii
TABLE OF CONTENT	iv
LIST OF TABLES.....	viii
LIST OF FIGURES.....	ix
ABBREVIATIONS	x
ABSTRACT.....	xi
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1 Background of the study	1
1.1.1 Global and Regional perspectives of Constituency Development Fund	1
1.1.2 Legal, Policy Framework and Guidelines for CDF.....	2
1.1.3 The Constituency Development Fund Framework in Kenya	4
1.2 Statement of the Problem	5
1.3 Purpose of the study.....	8
1.4 Objectives of the study.....	8
1.5 Research Questions.....	8
1.6 Significance of the Study	9
1.7 Limitations of the study	9
1.8 Delimitation of the study.....	10
1.9 Basic assumptions of the study.....	10
1.10 Definition of significant Terms	10
1.11 Organization of the study	11
CHAPTER TWO.....	13
LITERATURE REVIEW	13
2.1 Introduction	13
2.2 Concept of Constituency Development Fund	13
2.2 Theoretical Framework	15
2.2.1 Fiscal Decentralization Theory	15
2.2.2 Arguments for Fiscal Decentralization.....	17
2.2.2.1 Efficiency Values.....	17
2.2.2.2 Governance Issues	17
2.2.3 Arguments against Fiscal Decentralization.....	18

2.3	Institutional Structure of CDF Program.....	19
2.4	The Constituency Development Fund project cycle.....	21
2.4.1	Project Identification.....	22
2.4.2	Project planning or formulation.....	22
2.4.3	Project management and Implementation.....	23
2.4.4	Monitoring and Evaluation.....	23
2.5	Empirical Review of challenges facing the Constituency Development Fund program in Kenya.....	23
2.5.1	Influence of Governance on implementation of CDF projects.....	24
2.5.2	Influence of project identification process on Implementation of Constituency Development Fund projects.....	25
2.5.3	Influence of Monitoring and Evaluation on implementation of Constituency Development Fund projects.....	26
2.5.4	Influence of Expert Input on implementation of Constituency Development Fund projects.....	27
2.5.5	Summary.....	28
2.6	Conceptual Framework.....	29
CHAPTER THREE.....		31
RESEARCH METHODOLOGY.....		31
3.1	Introduction.....	31
3.2	Research Design.....	31
3.3	Target Population.....	31
3.4	Sample size and sample selection.....	32
3.5	Research Instrument.....	35
3.5.1	Data Collection Procedures.....	36
3.6	Validity and Reliability.....	36
3.6.1	Validity of Instrument.....	36
3.6.2	Reliability of Instrument.....	37
3.7	Operational definition of variables.....	38
3.8	Ethical considerations in research.....	40
3.9	Data Analysis Techniques.....	40
CHAPTER FOUR.....		41
DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION.....		41
4.1	Introduction.....	41
4.2	Response Return Rate.....	41
4.3	Demographic characteristics of respondents.....	41

4.3.1	Gender of respondents.....	41
4.3.2	Age of respondents.....	42
4.3.3	Level of education of respondents.....	43
4.4	Factors influencing the implementation of CDF funded projects.....	43
4.5.	Influence of identification process on implementation of Constituency Development Fund projects in Lari constituency.....	45
4.5.1	Type of CDF projects.....	45
4.5.2	Project identification and appraisal process.....	46
4.5.3	Number of stakeholder consultative meetings held during project identification.....	47
4.5.4	Stake holder Needs Evaluation.....	48
4.5.5	Priority of the project by community and current status of the project.....	49
4.5.5.1	Community priority of the projects	49
4.5.5.2	Current status of the project.....	49
4.5.6	Rating on implementation of CDF project.....	50
4.6.2	Existence of Project management Committees	51
4.6.3	Mode of identification of PMC	51
4.6.4	Description of PMC members.....	52
4.6.5	Awareness and adequacy of knowledge on CDF Act 2005	53
4.6.6	Timeliness of disbursement of funds.....	53
4.6.6.1	Description of the nature of financial dealings of CDF projects	54
4.6.6.2	Budget decision making process the CDF PMC	55
4.6.6.3	Financial records management of CDF projects	56
4.6.6.4	Budget Variations of CDF project.....	57
4.6.7	Procurement practices for CDF project.....	58
4.6.8	Political influence.....	59
4.6.9	Influence of Monitoring and Evaluation on implementation of Constituency Development Fund Projects in Lari Constituency.....	59
4.6.10	Review of Monitoring and Evaluation Sub-Committee	60
4.6.11	Effectiveness and use of monitoring and evaluation	60
4.7	Influence of Expert Input on Implementation of Constituency Development Fund Projects in Lari Constituency.....	63
4.8.1	Involvement of expert at various project stage	63
CHAPTER FIVE.....		64
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS		64
5.1	Introduction	64
5.2	Summary of findings	64

5.2.1	Influence of governance on project implementation	64
5.2.2	Influence of projects identification process on implementation of projects.....	66
5.2.3	Influence of monitoring and evaluation on implementation of projects	66
5.2.4	Influence of expert input on implementation of projects	67
5.2.5	Implementation status of Constituency Development Fund projects.....	67
5.3	Conclusions	67
5.4	Recommendations.....	68
5.4	Suggestions for further research	69
REFERENCES	70

LIST OF TABLES

TABLE 1.1 LARI CONSTITUENCY FUND ALLOCATIONS 2003-2010.....	5
TABLE 1.2: CONSTITUENCY DEVELOPMENT FUND PROJECTS COMPARISON IN FIVE CONSTITUENCIES.....	6
TABLE 3.1: SUMMARY OF CDF FUNDED PROJECTS IN LARI CONSTITUENCY DURING FY 2007/2008	32
TABLE 3.2: DISTRIBUTION OF THE SAMPLE ALONG THE SECTORS UNDER CONSIDERATION	35
TABLE 2.3: OPERATIONAL DEFINITION OF VARIABLES.....	38
TABLE 4.1: GENDER OF RESPONDENTS.....	41
TABLE 4.2: AGE OF THE RESPONDENTS.....	42
TABLE 4.3: HIGHEST LEVEL OF EDUCATION ATTAINED BY THE RESPONDENTS.....	43
TABLE 4.4: FACTORS INFLUENCING THE IMPLEMENTATION OF CDF PROJECTS.....	44
TABLE 4.5: A FRIEDMAN TEST RANKS OF FACTORS INFLUENCING IMPLEMENTATION OF THE CDF PROJECTS IN LARI CONSTITUENCY	44
TABLE 4.6: TYPE OF CDF PROJECTS	45
TABLE 4.7: MODE OF PROJECT IDENTIFICATION	46
TABLE 4.8: PROJECT APPRAISAL DONE AT PLANNING STAGE.....	47
TABLE 4.9: NUMBER OF STAKE HOLDER CONSULTATIVE MEETINGS HELD.....	47
TABLE 4.10: STAKE HOLDER NEEDS EVALUATION.....	48
TABLE 4.11: RATING ON IMPLEMENTATION.....	50
TABLE 4.12: PROJECTS WITH OR WITHOUT PMC FROM THE ONSET	51
TABLE 4.13: MODE OF IDENTIFICATION OF PMC	52
TABLE 4.14: DESCRIPTION OF PMC MEMBERS.....	53
TABLE 4.15: DISBURSEMENT OF FUNDS ON TIMELY BASIS.....	54
TABLE 4.16: FINANCIAL DEALINGS OF CDF PROJECTS	54
TABLE 4.17: BUDGET DECISION MAKING PROCESS OF CDF PROJECTS.....	55
TABLE 4.18 FINANCIAL BUDGET AND RECORDS MANAGEMENT	56
TABLE 4.19: INCIDENCE OF BUDGET VARIATIONS AT PROJECTS	57
TABLE 4.20: CAUSES OF BUDGET VARIATIONS.....	58
TABLE 4.21: PROCUREMENT PRACTICES OF CDF PROJECTS.....	58
TABLE 4.22: NATURE OF POLITICAL INFLUENCE ON CDF PROJECT.....	59
TABLE 4.23: AGENCY RESPONSIBLE FOR M & E OF CDF PROJECTS.....	61
TABLE 4.24: A DESCRIPTION OF THE NATURE OF MONITORING AND EVALUATION	62
TABLE 4.25: ACTIVE INVOLVEMENT OF EXPERT AT PROJECT PHASE.....	63

LIST OF FIGURES

FIGURE 1: CONCEPTUAL FRAMEWORK FOR ANALYSIS OF THE FACTORS INFLUENCING THE IMPLEMENTATION OF CDF PROJECTS IN LARI CONSTITUENCY.....	29
---	----

ABBREVIATIONS

AIE	Authority to Incur Expenditure
CBO	Community Based Organizations
CDF	Constituency Development Fund
CDFC	Constituency Development Fund Committee
CEO	Chief Executive officer
CFC	Constituency Fund Committee
DDO	District Development Officer
ERSWEC	Economic Recovery Strategy for Wealth and Employment Creation
FY	Financial Year
GOK	Government of Kenya
KIPPRA	Kenya Institute of Public Policy and Analysis
KNBS	Kenya National Bureau of Statistics
M&E	Monitoring & Evaluation
MP	Member of Parliament
NGO	Non Governmental Organizations
NIMES	National Integrated Monitoring and Evaluation System
NMB	National Management Board
PMC	Project Management Committee
PPP	Public – Private Partnerships

ABSTRACT

This study was aimed at determining how specific factors influence the implementation of CDF projects in Lari constituency. To accomplish this aim, the study focused on four research objectives. First, it set to determine whether improved governance factors have any influence on the implementation of CDF projects in Lari. The study was to also determine how the factors of the identification process of the projects, Monitoring & Evaluation and Expert input influence the implementation of CDF projects in Lari constituency. The study used a sample of 209 people drawn from the intended beneficiaries of the projects funded by Lari CDF in 2007/2008 based on the communities that forwarded proposals for funding and those that received the funds. It adopted descriptive survey design and used simple random sampling technique. The population was stratified based on the sectors upon the various projects' sectors. Data was collected by use of questionnaires. The data was then analyzed by the use of Statistical Package for Social Scientists (SPSS) to yield means, and percentages. The results obtained have been presented in the form of tables.

The conclusions were that the factors of governance, project identification, monitoring and evaluation and expert input have significant influence on implementation of CDF funded projects in Lari Constituency and that the four factors complement one another in determining the success or failure of a project.

The recommendations arising from this study are that community participation in project identification need to be enhanced, Governance practices improved through awareness creation on the legal and regulatory framework governing the operation of CDF among the actors, enhance the level of expert participation in the project cycle and embrace the practice of effective participatory monitoring and evaluation in order to positively influence implementation of projects funded by Constituency development Fund.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Most developing countries are embracing decentralization whether in Latin America, Europe or East Asia. Decentralization is a worldwide phenomenon for at least two reasons (a) need for political stability-decentralization means a dispersion of formal political power to elected local-level politicians. This dispersion of power is a global trend (World Bank, 1999). Political scientists suggest that this is an outcome of the declining credibility of the centralized state. Groups and jurisdictions that have historically been denied powers now demand it, and governments are increasingly reluctant to oppose this demand with force. In a fundamental sense, decentralization is a strategy to maintain political stability; and (b) more effective and efficient service delivery.

Decentralization is expected to achieve higher economic efficiency, better accountability, larger resource mobilization, lower cost of service provision and higher satisfaction of local preferences. According to this argument, devolving resource allocation decisions to locally elected leaders can improve the match between the mix of services produced by the public sector and the preferences of the local population. Because local officials have better knowledge of local conditions and are more accessible, closer and accountable to their constituents, they have the means and the incentives to be more responsive. Decentralization is thought to be particularly beneficial for rural development in disadvantaged jurisdictions. It usually entails a net transfer of fiscal resources from richer to poorer areas and leads to an increase in the quantity and quality of expenditures in these areas.

1.1.1 Global and Regional perspectives of Constituency Development Fund

In India, locally elected bodies responsible for Constituency Development Fund are the *Panchayati Raj* Institutions (*PRIs*) at the district, block and village levels (World Bank, 1999). The decentralization process is distinct for urban and rural areas. The 73rd amendment governs rural

Constituencies Development Fund Regulations, 2004. Both the Act and Regulations provide for structures for the prudent governance and administration of the CDF.

In the case of Uganda, there is no comprehensive law governing the management of CDF. The parliamentary Commission of Uganda, on 11th October 2005, appointed a Committee of seven MPs and the clerk to Parliament to formulate the interim guidelines/ procedures for the disbursement and accountability of the Constituency Development Fund for the Financial Year 2005/2006. This committee accordingly worked out the guidelines.

That every MP has to establish a Committee of 5 people composed of him/ herself as the Chairperson, a Secretary, a Treasurer and two other members for the purpose of handling this money; That the money would be released to the individual MP and the responsibility of accountability to the Accounting Officer (Clerk to Parliament) would lie with the MP and that the money for the Financial Year 2005/2006 would be accounted for within six months while that of subsequent years would be accounted for within a year.

It was specified that the money would only be used on activities that directly increase household incomes and productivity. The funds would be used on interventions that can trigger rapid rural transformation and economic development; and on agro-processing and marketing of produce in the respective constituencies. It was categorical that the money would not be used on infrastructure development.

The Clerk to Parliament released the money to the individual MP's personal accounts of the 7th Parliament in November 2005. The Clerk has since received accountabilities of the CDF from some MPs (Uganda Debt Network, 2009).

Constituencies Development Fund Regulations, 2004. Both the Act and Regulations provide for structures for the prudent governance and administration of the CDF.

In the case of Uganda, there is no comprehensive law governing the management of CDF. The parliamentary Commission of Uganda, on 11th October 2005, appointed a Committee of seven MPs and the clerk to Parliament to formulate the interim guidelines/ procedures for the disbursement and accountability of the Constituency Development Fund for the Financial Year 2005/2006. This committee accordingly worked out the guidelines.

That every MP has to establish a Committee of 5 people composed of him/ herself as the Chairperson, a Secretary, a Treasurer and two other members for the purpose of handling this money; That the money would be released to the individual MP and the responsibility of accountability to the Accounting Officer (Clerk to Parliament) would lie with the MP and that the money for the Financial Year 2005/2006 would be accounted for within six months while that of subsequent years would be accounted for within a year.

It was specified that the money would only be used on activities that directly increase household incomes and productivity. The funds would be used on interventions that can trigger rapid rural transformation and economic development; and on agro-processing and marketing of produce in the respective constituencies. It was categorical that the money would not be used on infrastructure development.

The Clerk to Parliament released the money to the individual MP's personal accounts of the 7th Parliament in November 2005. The Clerk has since received accountabilities of the CDF from some MPs (Uganda Debt Network, 2009).

1.1.3 The Constituency Development Fund Framework in Kenya

The Constituency Development Fund (CDF) in Kenya was established in 2003 through the enactment of the CDF Act as contained in the Kenya Gazette Supplement No. 107 (Act No. 11) of 9th January 2004. The fund comprises an annual budgetary allocation equivalent to 2.5% of the government's ordinary revenue. The stated objective of the CDF is to ensure that these public resources are devolved to constituencies "for the purpose of development and in particular in the fight against poverty at the constituency level". The fund aims to reduce imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots.

Kenya consists of 210 constituencies, geo-political areas of administration, each represented in the National Assembly by an elected member of parliament. Allocation of the CDF among constituencies is governed by a formula specified in the CDF Act. Because the government did not have poverty estimates at the constituency level, the CDF was allocated equally in the year 2003 (with each constituency receiving Ksh 6 million. However, from the year 2004, the CDF was allocated according to the following formula comprising of two parts namely part "(a) three quarters of the net total CDF divided equally among all constituencies (netting out 3% administrative takedown), and part (b) a quarter of the net total CDF divided by the national poverty index multiplied by the constituency poverty index" (GOK, 2004). Part (b) of the formula was implemented by allocating a quarter of the net total CDF kitty based on the contribution to national poverty of each constituency with a 0.23 adjustment factor that rescales the allocations downwards for 16 urban constituencies (KNBS,2007).

The spirit of the CDF Act envisages a scenario where leaders consult more closely with their constituents or "target beneficiaries" (OSIÉA, 2008). The purpose is to involve the poor themselves in problem identification and decision-making process, rather than trying to impose outsider-devised interventions on them. This is attributed to decentralization development theory which has attributed

development failures to many issues but where resources have not been the problem, the “top-down” approach” which many agencies and political leaders took to development was partly to blame. The arrogance, the ignorance of the needs and aspirations of the poor, did great damage. This is the background under which the Kenya government in 2003 started the journey towards engaging the communities in development through devolved funds such as the Constituency Development Fund (CDF) and encouragement for Public – Private Partnerships (PPP) to fight poverty in Kenya (KIPPRA, 2008).

Under CDF, for the first time ever, the constituency is functioning as a development unit. Consequently, since the year 2004 considerable resources have been channeled towards developing the constituencies through the fund as depicted in table 1.1 below.

Table 1.1 Lari Constituency Fund Allocations 2003-2010

FINANCIAL YEAR	2003/2004	04/05	05/6	06/07	07/08	08/09	09/10
AMOUNT	6M	22.65M	29.65M	41.07M	41.07M	41.07M	50.5M
NO. OF PROJECTS	14	24	22	24	30	26	20

Source: CDF office Lari, 2010

1.2 Statement of the Problem

Lari constituency with a population estimated at 146,279 has a poverty index of 30.6% according to Kenya Integrated Household Budget Survey of 2005/2006 implying that 44,806 of the constituents live below the poverty line. The poverty line is a derived monetary value determined and based on the expenditure required to purchase a basket that allows minimum nutritional requirements to be met (set at 2,250 calories per adult equivalent daily). In Kenya this line was estimated to be about Ksh 1,562 and Ksh 2,913 per person per month for rural and urban households respectively

(KNBS, 2008). The constituency is ranked 39th on the constituencies poverty list and is estimated to contribute 0.3% to national poverty (KNBS, 2007). Despite the constituency having received a total of Ksh 232.01 Million between 2003/04 and 2007/2008, poverty incidence has only shrank by -0.4 (negative zero point four) percentage points between 1999-2009 (KNBS, 2009).

The constituency has remained consistently with the highest proportion of the poor among the five constituencies of the larger Kiambu region (KNBS, 2008); there is congestion in public schools with classrooms in Primary Schools holding an average of 60 Pupils against the recommended 40 pupils per classroom (PDE, 2008). Only 20% of the rural access roads in the constituency have remained in good motorable conditions since the year 2002. (DDP – Kiambu, 2008). This has led to farmers being unable to deliver their produce to the market resulting in selling their farm produce at throw away prices on their farms to brokers (GOK, 2008).

Table 1.2 Constituency Development Fund projects comparison in five constituencies

Constituency Name	No. Of projects funded 07/08	Percentage Completion Rate	Poverty Index
Kiambaa	22	85	17
Githunguri	20	95	20
Lari	34	35	30.1
Kabete	24	78	16.4
Limuru	21	80	22

Source: District Development Office, Kiambu, 2009

The persistent poverty level in Lari constituency at an average level of 30.1% for the last eight years (KNBS, 2007), poor and dilapidated infrastructure (GOK, 2002-2008) and congested

educational facilities with a pupil class ratio at the constituency standing at 1:60 (PDE, 2008) despite the constituency allocating an average of 50% of its annual CDF allocation to the Education sector for building classrooms and other infrastructural facilities in schools.

During the Financial Year 2007/2008, the Education sector was allocated Ksh 20,350,000 to fund fourteen projects in various primary and secondary schools. The projects were aimed at constructing twenty five new classrooms in ten schools, rehabilitation of three schools and purchasing a school bus for one secondary school. According to the Annual project implementation status report of 2009 for Lari constituency, only six new classrooms had been completed, while fifteen were on-going. Four classroom construction projects were yet to begin while the school bus project was completed through co-funding with the beneficiary school.

The Health sector was allocated Ksh 4.700,000 meant for the implementation of five health facility projects namely Kagaa, Gitithia, Kamac, Nduriri and Lari Health centre. While all the projects are not complete, Githithia Dispensary project was vandalized during implementation; it remains not registered by the ministry of Public Health as required by law and hence remains unutilized to date.

The water sector received an allocation of Ksh 5,600,000 to fund sinking of three boreholes and installation of water distribution pipes to connect an estimated 600 households with piped water. Although the boreholes have been successfully sunk, piping is yet to be done and water can only be tapped at the boreholes. One of the water projects namely Githiuro water tank is at excavation stage three years since it was allocated Ksh 600,000 for implementation. Nduriri project, with an allocation of Ksh 1,000,000 is yet to complete the piping process from the water in-take point at Nduriri forest. Electricity sector and roads sector projects received an allocation of Ksh 600,000 and Ksh 750,000 respectively. While the four centers earmarked for electricity connection have been supplied with power, only 4% of the target households have power in their houses (DDP, 2002-2008). The District Monitoring and Evaluation Report 2009/2010 estimates the completion rate of CDF projects since inception at 35%.

The study therefore sought to answer the question: How do various implementation factors influence the implementation of Constituency Development Fund funded projects in Lari constituency?

1.3 Purpose of the study

The purpose of this study was to determine factors influencing the implementation of Constituency Development Fund projects in Lari constituency.

1.4 Objectives of the study

The study was guided by the following objectives:

1. To establish how the project identification process influence the implementation of Constituency Development Fund projects in Lari constituency.
2. To determine how Monitoring and Evaluation influence the implementation of Constituency Development Fund projects in Lari constituency.
3. To assess the extent to which governance issues influence the implementation of Constituency Development Fund projects in Lari constituency.
4. To examine the extent to which expert input in the project cycle influences the implementation of Constituency Development Fund projects in Lari constituency.

1.5 Research Questions

The study was based on the following research questions:

1. How does the process of project identification influence implementation of Constituency Development Fund projects in Lari constituency?
2. Does Monitoring and Evaluation influence implementation of Constituency Development Fund projects in Lari constituency?

3. To what extent do governance issues affect implementation of Constituency Development Fund projects in Lari constituency?
4. To what extent does expert input in the project cycle influence implementation of Constituency Development Fund projects in Lari constituency?

1.6 Significance of the Study

It is hoped that the study findings may be of great significance to all the stakeholders interested in the success of the devolved fund. The determination of how the four factors influence the implementation of CDF funded projects may be used to further improve government policy in the implementation of similar projects. The factors whose influence on implementation of Constituency Development Fund projects was determined are: governance, project identification process, monitoring & Evaluation and technical input from experts.

The study findings may be useful other constituencies which are involved in similar projects. The findings are also vital as reference materials for project planning and control. The study is expected to bring to light the problems experienced in the implementation of the CDF program in Lari Constituency. It will thus be easier to formulate corrective action or strategize to tackle these problems in future projects. The study findings will provide reference material for future research in the study area. The findings would also trigger future research (form a basis for future research).

1.7 Limitations of the study

A few respondents were reluctant to provide information that they considered sensitive especially for projects that had registered failure, since the operations proved to be semi political.

1.8 Delimitation of the study

The existence of many agencies working with the CDF ranging from Government offices to community based groups and members of the general public, made it possible to get useful and reliable information on the subject of study. These agencies have greatly enhanced the levels of awareness of the fund and thus community members were enthusiastic to give their views on the subject of the study. A thorough training of research assistants on the required data greatly enhanced the response rate and reliability of the data collected.

1.9 Basic assumptions of the study

The study was premised on the following assumptions:

That the respondents responded adequately to the enquiries.

That the sample of respondents taken adequately represented the entire population.

That the respondents provided information in good faith.

1.10 Definition of significant Terms

Project Identification: The process of arriving at a decision on the project to be funded by the constituency Development Fund in a given Financial year.

Monitoring: The continuous process of observing and recording project progress during implementation.

Evaluation: The process of making judgment on the performance of the project based on monitoring reports.

Expert Input: Injecting the technical knowhow by a professionally qualified person in a given phase of a project.

Project implementation: The process of organizing and mobilizing resources and various factors of implementation to yield the desired output within a defined period of time.

Decentralization: is the redistribution of decision-making responsibility between the centre and lower-levels of an organization.

Devolve Funds: Decentralize funds with the aim of entrusting them to a second accountable party or persons.

Poverty: The state of having little or no money and few or no material possessions.

Social capital: Refer to the outcomes from the network of relationships between people in a community that help that community to operate effectively.

Target Beneficiary: Persons listed in the project proposals use to solicit funding from Lari Constituency Development Committee during 2007/2008 Financial Year.

1.11 Organization of the study

Chapter one introduces the study, giving the global, regional and local perspective of Constituency development Fund. The problem under study is identified; objectives are set out with the significance of the study being spelt out clearly. Chapter two gives a detailed review of relevant literature studies on the problem under study. The themes based on the objectives under study are discussed by empirically. Challenges facing the fund are highlighted; the theoretical framework underpinning the operation of Constituency Development Fund is discussed in detail.

Finally, the conceptual framework depicting independent variables that influence implementation of Constituency Development Fund projects is presented.

Chapter three discusses the study methodology covering the research design, sampling procedures and data collection methods adopted by the study.

Chapter four presents data analysis and interpretation of findings. Data is presented according to the themes of project identification, Monitoring and Evaluation, Governance and Expert Input and how each of these factors influence implementation of Constituency development Fund projects in Lari constituency.

Chapter five finally gives the summary of findings based on each theme, presents the conclusions of the findings while comparing with findings of related studies and recommendations are given for each theme under study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter endeavors to explore the existing literature about CDF, discusses devolved funds and the institutional framework under which CDF operates. Finally it exposes some of the challenges facing the CDF programme in Kenya.

2.2 Concept of Constituency Development Fund

The Constituency Development Fund (CDF) was created in Kenya in 2003 through an Act of parliament to “fight poverty at the grassroots level through the implementation of community based projects which have long term effects of improving the peoples’ economic well being (and to) relieve members of parliament from the heavy demands of fund-raising for projects which ought to be financed through the Consolidated Fund. These programs were established to run simultaneously with local government authorities that are also an aspect of decentralization. More recently, all the diverse opinions on the Constitution of Kenya review process have coalesced around the need for a constitutionally sanctioned structure of decentralization with divergence appearing only in regard to the precise model that should be adopted.

According to Wilson (1997:745) the social capital literature (for example, research by Putnam (1993a, 1993b) and Fukuyama (1995)), puts forward that “the lack of, or decline in, social capital lies behind the psychological, spiritual and economic malaise in communities throughout the world”. Social capital has been described as “not just the sum of the institutions which underpin a society-it is the glue that holds them together” (World Bank, 1999).

Decentralization as a means for fostering development has been a focus of intense academic, policy and even popular debate in Africa in general and Kenya in particular. On the policy front, the government has formulated a series of decentralization programs, although their implementation has in all cases fallen far short of expectation. The most notable of the decentralization programs that

have been attempted in the past include *majimbo* system (1963), District Development Grant Program (1966), the Special Rural Development Program (1969/70), the Rural Development Fund, District Development Planning (1971), and the District Focus for Rural Development (1983'84).

Decentralization is the redistribution of decision-making responsibility between the centre and lower-levels of an organization. Decentralization can take two broad models: de-concentration and devolution. The case of CDF program involves redistribution of decision making responsibilities for project planning and implementation from the central government ministries and departments to the constituencies. Leaders consulting more closely with their "target beneficiaries"- i.e. involve the poor themselves in problem identification and decision-making process, rather than trying to impose outsider-devised interventions on them accomplish much more than those who do not. The Development theory has attributed development failures to many issues but where resources have not been the problem, the "top-down" approach" approach which many agencies and political leaders took to development was partly to blame. The arrogance, the ignorance of the needs and aspirations of the poor, did great damage. This is the background under which the Kenya government in 2003 started the journey towards engaging the communities in development through devolved funds such as the Constituency Development Fund (CDF) and encouragement for Public-Private Partnerships (PPP) to fight against poverty in Kenya. Alongside political, financial and human capital, social capital has been proposed as equally important in terms of society and its general wellbeing. The term "social capital" is used to refer to the outcomes from the network of relationships between people in a community that help that community to operate effectively (Robinson 1997). These relationships are often centered on voluntary associations such as community groups, sports clubs and work-based associations, and are based on trust and reciprocity between the individuals concerned.

2.2 Theoretical Framework

This paper examines the underlying theory supporting and opposing fiscal decentralization; examines some specific issues concerning the implementation of fiscal decentralization and attempts to answer why there is this renewed interest in fiscal decentralization as reform.

2.2.1 Fiscal Decentralization Theory

Fiscal decentralization is the devolution by the central government to local governments (states, regions, constituencies, municipalities) of specific functions with the administrative authority and fiscal revenue to perform those functions. When Wallace Oates began his 1977 book on *The Political Economy of Fiscal Federalism*, the quote by de Tocqueville seemed an appropriate starting point (Oates, 1977). Indeed, the United States' founding fathers, in *The Federalist*, argued the advantages of a strong (but limited) federal government and independent state governments would provide the best opportunity for the protection of and responsiveness to the citizens in the fledgling nation (see especially Madison, No. 39).

During the period following World War II, and in particular the 1960s and 1970s, the United States, like many nations—both developed and developing—embarked upon a strong centralization of government policy and functions. Central government expenditures of 15 percent of GDP in 1960 doubled to 30 percent by 1985 (World Bank, 1997). However, in the United States, the 1980s and 1990s saw a resurgence of interest in strengthening state and local governments and restraining the growth of the national government. That pattern was repeated in other nations. By the mid-1990s, 62 of 75 developing nations with populations over 5 million were embarked on some form of fiscal decentralization (World Bank, 1997).

Fiscal Decentralization also has become part of a world-wide “reform” agenda, supported by the World Bank, USAID, the Asian Development Bank, and many others, and has become an integral part of economic development and governance strategies in developing and transitional economies (Bahl, 1999a). Along with “globalization,” fiscal decentralization and the desire for local

discretion and devolution of power is seen by the World Bank as one of the most important forces shaping governance and development today (World Bank, 1999).

There are three basic reasons for renewed interest in fiscal decentralization (World Bank, 1999). First, Central governments increasingly are finding that it is impossible for them to meet all of the competing needs of their various constituencies, and are attempting to build local capacity by delegating responsibilities downward to their regional localities. Secondly, Central governments are looking to local and regional units to assist them on national economic development strategies and thirdly, local political leaders are demanding more autonomy and want the more expenditure responsibility. Fiscal decentralization is now seen as part of a reform agenda of many nations to strengthen their regional and local governments to meet the challenges of the 21st Century. The “proper” distribution of tax authority and expenditure responsibility is an extremely complex issue. Economists generally focus on issues of efficiency and equity, while public administration and political science scholars tend to focus on distribution of powers, responsiveness and accountability, and tax competition and coordination. Economist Richard Musgrave’s framework for analyzing roles or functions is widely accepted (Musgrave, 1959, 1961; Oates, 1977).

The Stabilization Function involves the role of tax and spending policies and monetary policy in managing the overall level of economic activity. It is widely agreed that this macroeconomic function should be assigned to the national government. This suggests that the national government must have a broad-based tax suitable for this role. However, Oates’ (1993) analysis of 58 countries demonstrated a positive relationship between economic growth and fiscal decentralization—suggesting some role for local governments, especially infrastructure development.

The Distribution Function involves the role of government in changing the distribution of income, wealth or other indicators of economic well being to make them more equitable than would otherwise be the case. The case for assigning this function to the national government rests on two assumptions: First, that the national government’s broad taxing powers can more easily redistribute income; and secondly that the ability of taxpayers to move from one jurisdiction to another to take advantage of more attractive spending and taxation policies weakens local government’s ability to

discretion and devolution of power is seen by the World Bank as one of the most important forces shaping governance and development today (World Bank, 1999).

There are three basic reasons for renewed interest in fiscal decentralization (World Bank, 1999). First, Central governments increasingly are finding that it is impossible for them to meet all of the competing needs of their various constituencies, and are attempting to build local capacity by delegating responsibilities downward to their regional localities. Secondly, Central governments are looking to local and regional units to assist them on national economic development strategies and thirdly, local political leaders are demanding more autonomy and want the more expenditure responsibility. Fiscal decentralization is now seen as part of a reform agenda of many nations to strengthen their regional and local governments to meet the challenges of the 21st Century. The “proper” distribution of tax authority and expenditure responsibility is an extremely complex issue. Economists generally focus on issues of efficiency and equity, while public administration and political science scholars tend to focus on distribution of powers, responsiveness and accountability, and tax competition and coordination. Economist Richard Musgrave’s framework for analyzing roles or functions is widely accepted (Musgrave, 1959, 1961; Oates, 1977).

The Stabilization Function involves the role of tax and spending policies and monetary policy in managing the overall level of economic activity. It is widely agreed that this macroeconomic function should be assigned to the national government. This suggests that the national government must have a broad-based tax suitable for this role. However, Oates’ (1993) analysis of 58 countries demonstrated a positive relationship between economic growth and fiscal decentralization—suggesting some role for local governments, especially infrastructure development.

The Distribution Function involves the role of government in changing the distribution of income, wealth or other indicators of economic well being to make them more equitable than would otherwise be the case. The case for assigning this function to the national government rests on two assumptions: First, that the national government’s broad taxing powers can more easily redistribute income; and secondly that the ability of taxpayers to move from one jurisdiction to another to take advantage of more attractive spending and taxation policies weakens local government’s ability to

“soak the rich and redistribute to the poor.” The case for regional and local redistributive policies rests on the fact that sub national levels of government provide the services most used by low income families. However, most economists view the national role as primary.

2.2.2 Arguments for Fiscal Decentralization

The theoretical case for fiscal decentralization dates from 17th and 18th Century philosophers, including Rousseau, Mill, de Tocqueville, Montesquieu and Madison. Central governments were distrusted and small, democratic governments were seen as the principal hope to preserve the liberties of free men (Fauct, 1997). The modern case for decentralized government was articulated by Wolman (Bennet, 1990). Wolman divided the proponents' arguments under two headings: Efficiency Values and Governance issues.

2.2.2.1 Efficiency Values

Efficiency is an economic value seen as the “maximization” of social welfare. The public sector does not contain the same price signals as the private sector, to regulate supply and demand. Public sector allocation of goods and services are inherently political; however, as nearly as possible tax and service packages should reflect “the aggregate preferences of community members.” (Wolman 1997, p. 27). However, within any political jurisdiction, some people will prefer more, some less, public services. As a result there is a “divergence between the preferences of individual community members and the tax and service packages reflecting the aggregate community preferences” (Ibid). Since such divergence reduces social welfare, it is desirable to hold those to a minimum and they will be less in smaller communities (e.g., municipalities) than in larger, more heterogeneous areas (the nation).

2.2.2.2 Governance Issues

Governance values include responsiveness and accountability, diversity, and political participation (Wolman, 1997). Decentralization places allocation decision making closer to the

people. This fosters greater responsiveness of local officials and greater accountability to citizens. This is because we expect local decision makers to be more knowledgeable about the problems and needs of their local area than centralized decision makers. Further, to the extent that there is accountability through local elections, those elections are more likely driven by issues of local allocation, whereas national elections are seldom focused on local service delivery.

Diversity in public policy is a second governance argument for fiscal decentralization. It is valued because it offers citizens a greater choice in public service and tax options when they are deciding where to reside (Tiebout, 1956).

Finally, fiscal decentralization is thought to enhance political participation at the local level. This has the potential to enhance democratic values and political stability at the local level. It provides a forum for local debate about local priorities, and can be a proving ground for future political leaders. For example, 4 of the last 5 U.S. presidents were state governors.

2.2.3 Arguments against Fiscal Decentralization

While the international political movement towards fiscal decentralization is strong, there have been some recent cautionary notes that need to be considered (Hommes, 1996; Tanzi, 1995, Prud'homme, 1995). Tanzi summarizes this critique by raising a number of situations or conditions, especially in developing countries, where fiscal decentralization may lead to less than an optimal result. Firstly, taxpayers may have insufficient information or no political power to pressure local policymakers to make resource-efficient decisions. Secondly, local politicians may be more corrupt than national politicians or at least find themselves in more corrupting situations. The quality of national bureaucracies is likely to be better than local bureaucracies. Technological change and increased mobility may reduce the number of services that are truly "local" in nature.

It is a fact that local governments often lack good public expenditure management systems to assist them in their tax and budget choices and Fiscal decentralization may exacerbate a central government's ability to deal with structural fiscal imbalances.

Prud'homme (1995) finds other potential flaws in the theory of fiscal decentralization. The economic efficiency argument, he suggests, requires roughly even regional fiscal capacities—a condition not existing in developing countries. Fiscal inequities may actually increase with decentralization. In addition, localities might engage in destructive competition to attract industry. He also argues that the rationale for decentralization of revenues is not the same as expenditures: and “in many cases the problem is not so much whether a certain service should be provided by a central, regional, or local government, but rather how to organize the joint production of the service by the various levels” (World Bank, 1999).

Finally, to the extent that local government is viewed as agents of the central government, fiscal decentralization may limit the ability of the principal (the central government) to influence policy at the local level. Hommes (1995) sees decentralization as “essentially a political problem” representing, in Latin America for example, a stark departure from centuries of centralism. The success of decentralization may depend upon the existence at the local level of a civic cultural tradition—informal civic institutions, such as solidarity, cooperatives, etc.

Furthermore, a national role in establishing uniform financial reporting requirements and in clarifying roles and responsibilities is also an important aspect of effective fiscal decentralization. Perhaps the most important issue raised by opponents is the “local capacity” issue. However, it is not self-evident that national politicians and bureaucracies are superior to or less corrupt than their local counterparts. Political and bureaucratic skills may well flow to “the action.” If political decision making is decentralized to the local level, you may see an increase in the capacities of local constituents. One of the major objectives of reform is building the capacity of local government and local citizens to actively participate in their governmental decisions.

2.3 Institutional Structure of CDF Program

The CDF Act requires the government to grant the program a minimum of 2.5 percent of the national revenue for each financial year, besides monies to be received through borrowing or other

sources, presumably donations received by the National Management Board (NMB) of the fund. Administration of the fund under the Act is tasked to four key institutions namely the Constituency Funds Committee (CFC) which is a committee of parliamentarians consisting of at least 10 members of parliament who are neither ministers nor assistant ministers. The day to day administration of the affairs of the fund at the national level is charged with the National Management Board while the task of managing the fund at the constituency is a task undertaken by the Constituency Development Fund Committee (CDFC) which is a local committee put together by the local member of parliament according to a criteria set out in the Act. At the district level, there is in place a District projects Committee (DPC) that constitutes of various professionals from government ministries that is charged with offering technical back stopping to the implementers. Specific projects are implemented by uniquely constituted Project Management Committees (PMCs) elected by the beneficiary communities to act for and on their behalf in implementing the projects.

The NMB is composed of representatives of relevant central government ministries at the level of Permanent Secretary (Finance, agriculture, health, roads, housing and public works), technically competent officers appointed by the Minister of Finance, representatives from civil society, mostly religious organizations, and the manager of the fund. The function of the NMB is to disburse the funds and oversee their efficient utilization, by receiving and checking reports and returns from the constituencies. Ensure the compilation of proper records, returns and reports from the Constituencies.

Other functions of the Board include: Receiving and addressing complaints and disputes and taking appropriate action while ensuring timely submission to Parliament of various returns, reports and information as may be required from time to time. The Board is also responsible for reviewing, scrutinizing and approving Project Proposals from the Constituencies that are consistent with the Act. The Board is bound to refer any disapproved Project Proposals or any other policy issue, from the Constituencies with adequate reasons, to the Constituency Fund Committee for direction and consideration.

The procedure for conduct of business by the Board is provided for in the Sixth schedule in the CDF Act 2003. The Act further establishes that a team of 15 members from the constituency be selected along a suggested guideline to form a committee known as the Constituency Development Fund Committee (CDFC). The act stipulates that the CDFC should consist of the area Member of Parliament, two Councilors from the Constituency, one District Officer from the Constituency, two persons representing Religious Organizations, two men representatives from the constituency, two women representatives from the constituency, one youth representative, and one person nominated from the NGO.

This committee operates under the patronage of the Member of Parliament of a Constituency and work towards the management of the funds. Any member of the constituency who is honest, of high integrity and literate qualifies to serve in the CDFC. The CDF supports any project that ensures widespread benefit to a cross-section of the inhabitants of a particular area in the community. Projects are reviewed and approved the CDFC.

The financial relationship between the central government and the CDF program is quite appropriate in the sense that the exact size of the grant to be remitted to the CDF is predetermined in law. The central government may not therefore renege on its obligation as happened in previous decentralization programs that were not rooted in the law (*Chweya, 2006*).

The Officer Administering the Fund is the CEO of the CDF program responsible for ensuring respect for the CDF rules and procedures, including the keeping of accounts, and submissions of reports to the Controller and Auditor General.

2.4 The Constituency Development Fund project cycle

Section 23(3) of the CDF Act 2003, provides for each location to come up with a list of priority projects to be submitted to the Constituency Development Fund Committee. The Act in Section 38 also provides for community representation in any project undertaken within their respective constituencies or areas. The community should therefore nominate knowledgeable

representatives who can identify and formulate projects that can have a lasting and significant socio-economic impact on the community (NMC, 2004). CDF projects like other projects undergo a project cycle.

2.4.1 Project Identification

Section 23 (2&3) provides for the elected member of parliament for every constituency to within the first year of a new parliament and at least once in every two years thereafter convene location meetings to deliberate on development matters for the location, the constituency and prepare a list of priority projects to the Constituency Fund Development Committee. It is during these location meetings that development needs of the constituency should be identified, deliberated and prioritized.

2.4.2 Project planning or formulation

Section 21 of the CDF Act stipulates that all projects to be financed by the Constituencies Development Fund should be community based in order to ensure that the prospective benefits are availed to a widespread cross-section of the inhabitants of a particular area. Therefore, the location meetings in consultation with other key grassroots community members should be involved in setting the project objectives, identifying activities to be carried out, determining the resources required, time frames, responsibilities, expected outputs, success indicators and how monitoring & evaluation should be conducted.

The constituency Fund Development Committee and the District Projects Committee will also contribute to this process by ensuring that the projects submitted to the Constituencies Fund Committee are focused and address core poverty issues and that the desired outcome of the project can be achieved before onward transmission to the next stage (GOK, 2003).

2.4.3 Project management and Implementation

For multi-sector projects involving different government departments, the Act provides that the government department under which the project is listed in the printed estimates shall take lead in the implementation of the project. The community should participate at this stage to ensure that project goals are accomplished using allocated resources and within specified time frames.

2.4.4 Monitoring and Evaluation

Monitoring is the continuous assessment of project/programme implementation through verification of activities against set targets (NIMES, 2008). The aim for monitoring is to assess actual success in relation to expected results, assist in taking corrective action in case of an error in implementation and help in the proper planning of subsequent phases of the project. Evaluation on the other hand is defined as a periodic exercise that attempts to assess systematically and objectively the relevance, performance and impact of ongoing and completed projects and other management initiatives (NIMES 2008).

The CDF Act 2003 envisages that the projects being implemented under the fund shall be subjected to monitoring and evaluation on a regular basis. Section 30(4) stipulates that the CDFC shall be responsible for monitoring and evaluation and may designate a sub-committee, a location committee or a project committee the functions of monitoring an on-going project.

2.5 Empirical Review of challenges facing the Constituency Development Fund program in Kenya

This section will review existing studies on the influence of each of the study factors on implementation of Constituency Development Fund projects in Kenya.

2.5.1 Influence of Governance on implementation of CDF projects

A study by the Open Society Initiative of East Africa (OSIEA, 2008) entitled “ Social Audit of CDF Funded projects in Kenya-A participatory approach” identified the governance structure as an impediment to objective implementation of Constituency Development Fund projects in Kenya pointing out the duplicity of roles played by members of Parliament in the CDF framework. According to the report, Members of parliament have arrogated themselves excessive powers through the CDF Act 2003 and the CDF amendment Bill 2007. From the very outset, the duplication of roles of the Member of Parliament has continued to seriously undermine the democracy, transparency and accountability of the fund (OSIEA, 2008).

The duplicity of the roles of the MP is a fundamental flaw in the design of CDF, which contravenes all fundamental rules of accountability. The MP sits in parliament as a legislator formulating and passing laws on CDF. The Constituencies Fund Committee which is a committee of parliamentarians is empowered to determine amounts allocated to the fund, develop policy, has a final say on issues of implementation, and is responsible for the oversight of the fund. Further, the MP appoints the CDFC members who are responsible for the implementation at the constituency level. This duplicity of roles makes CDF a de-facto “MP’s kitty” without regard to MP’s competence in development planning and implementation, and also fails to provide adequate checks and balances to prevent abuse.

The National Management Board unlike its successor, the National management committee lacks the requisite powers to adequately regulate the operations of the fund. This follows amendments to the CDF Act in 2007 which only mandates the Board to forward any project proposals it may consider inappropriate for funding to the parliamentary CFC rather than rejecting such projects as was the case before the amendment of the Act.

There is lack of clarity on the role of other government institutions in the management of the fund. For instance, the District development Officers are the ones bearing the Authority to incur

expenditure (AIE) for CDF funds but they lack the necessary powers to enforce accountability on CDFCs who may refuse to comply.

Other governance challenges include corruption, fraud, many of which are perpetuated through collusion of the key actors by flouting procurement procedures, poor public participation, weak project management committees, withholding of funds, skewed allocation of funds across locations, withholding information, double funding and piecemeal funding that has led to the existence of many incomplete projects. In some countries such as India and Solomon Islands, the Constituency Development Fund has an elaborate legal framework, premised on a policy that individual MPs have no direct access to the CDF funds. The MPs only participate with their constituencies to identify the projects to be funded by an amount set for the CDF during a particular Financial Year. Both the MPs and constituents participate in monitoring the implementation of the projects under the CDF (World Bank, 2000).

2.5.2 Influence of project identification process on Implementation of Constituency Development Fund projects

The onset of implementation challenges stems from poor awareness by community members and fund managers of their roles and responsibilities in the identification of projects has contributed to poor performance and in some cases a complete failure of the funded projects (Collaborative Centre for Gender and Development, 2007). Secondly, poor participation, particularly for marginalized groups, results in poor prioritization of projects and exclusion.

The study by Collaborative Centre for Gender and Development identifies the active participation of targeted beneficiaries of community projects funded by CDF as the basis for ownership stemming from community priorities based on felt needs. It is further pointed out that projects identified by community members without outside influence or imposition stand better chances for implementation and post-implementation sustainability. There are also reported instances

of a single project claiming support from different funds, with no checks to prevent 'double' accounting.

A negative attitude to a construction project by stakeholders can severely obstruct its implementation. Such obstruction will cause cost overruns and exceeded time schedules due to conflicts and controversies concerning project design and implementation. A case study consisting of two projects has been undertaken to investigate how the problems of managing the concerns of stakeholders present themselves in an actual construction project. A method of stakeholder mapping, together with the power/interest matrix, has been used to identify stakeholders and their influence on the projects studied. Which problems arose, how were they resolved, and what were the consequences of the solution? The case study shows that an evaluation of stakeholder demands and influence should be considered as a necessary and important step in the planning, implementation, and completion of any construction project (Olander *et al*, 2004).

Finally, there are challenges to ensuring that all decentralized funds reach all the jurisdictional destinations in adequate quantities, and that all funds allocated are actually utilized for the intended purpose instead of being diverted for other uses.

2.5.3 Influence of Monitoring and Evaluation on implementation of Constituency Development Fund projects

The World Bank, in its evaluation report on devolved funding through the medium Term Expenditure in seven pilot countries found out that the principle of result orientation was the least achieved in the implementation of community projects and attributed the situation to weak capacities in tracking results among the implementing agencies as well as non involvement of beneficiaries in monitoring and evaluation activities (World Bank, 2000).

Although 2% of CDF funds disbursed to each constituency are set aside for use in monitoring and evaluation, the exercise is seldom done in the right money due to existing capacity gaps among the implementers. Many of the players lack the technical competence to track project progress along

the defined parameters as well as measure the necessary indicators and effectively compile a report on the same.

A study conducted by IFAD on project level specific monitoring and Evaluation on 14 donor funded projects in Kenya 2004 found out three major challenges that prevent the realization of an effective Monitoring and Evaluation system in these projects (IFAD,2004). First, Project staff lack commitment to monitoring, leading to delays in the implementation of such systems and little use of the information gathered on the part of project management. Secondly, Monitoring is seen as an obligation imposed from the exterior, with project staff mechanically completing forms and project managers seeing the task merely as the collection of data for writing up reports for donors and thirdly Irrelevant and poor-quality information is produced through monitoring as it focuses only on physical and financial aspects and ignores factors such as project outreach, effect and impact.

Putnam (1993b), in his study on the successful community projects, identifies four pitfalls that stand on the way to effective monitoring and evaluation. First, he notes that scarce attention is paid to the monitoring needs of other stakeholders, such as beneficiaries, community-based organizations and other local partners. There are very few internal project reviews or ongoing self-evaluations, adjustments being triggered mainly by external evaluations or supervisions. He identifies a widespread lack of integration and cooperation between the M&E function and project management. Finally he observed that poor use is made of participatory and qualitative M&E methods due to limited capacity and little recognition of the need for such methods.

2.5.4 Influence of Expert Input on implementation of Constituency Development Fund projects.

The CDF Act provides for the involvement of experts in the implementation of projects through the line ministries. However there is an observed apathy in consulting these offices by the Project Management Committees (IPAR, 2006). This tendency is attributed to inadequate staffing, bureaucracy, outright ignorance by the PMCs and corruption tendencies by public officers.

This non-involvement of such expert opinion throughout the project cycle has led to the allocation of inadequate funds to projects leading to high non-completion rates. dragging of projects over a long time, poor quality work and non utilization of completed CDF projects. Lack of transparency in procurement systems has affected the cost-effectiveness of projects.

In his study entitled “Local Level Funding As A Poverty Exit Route: Experiences from Local Level Jurisdictions in Kenya”, Oyuke notes that, many community projects implemented in Kenya lack documented objectives, work plans and predetermined total project cost. Many of these flaws occur at the planning phase where monitoring indicators are not formulated early making it difficult to monitor progress later on (Oyuke, 2007).

2.5.5 Summary

Kenya’s seven operational decentralized funds face a number of challenges that have prevented them from reaching their full potential in order to reduce poverty and inequality. Community awareness and involvement has been generally low limiting the scope of implementation and consequent little impact on the quality of life of the population. This is partly due to inadequate allocations.

2.6 Conceptual Framework

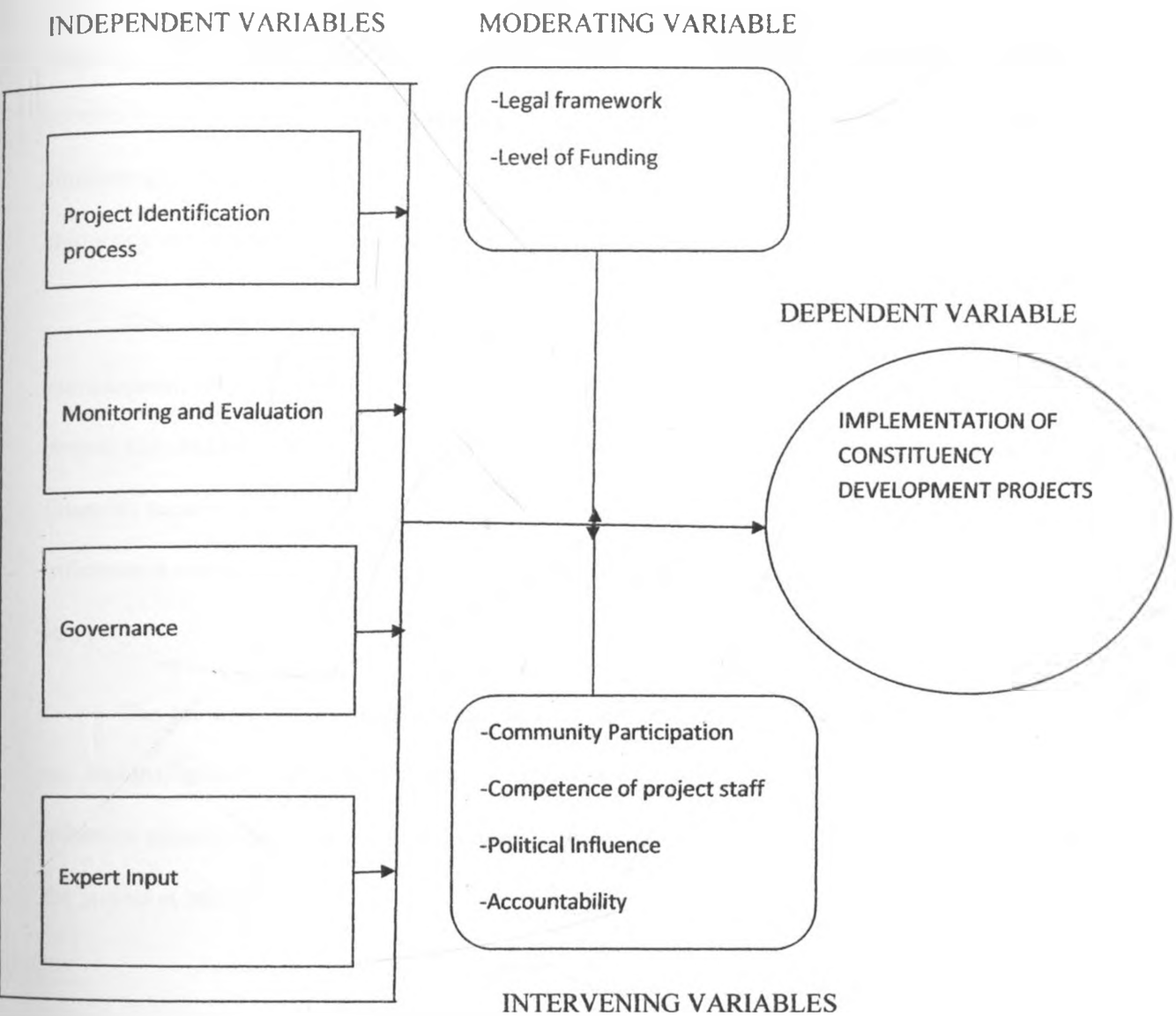


Figure 1: Conceptual framework for analysis of the factors influencing the implementation of CDF projects in Lari constituency.

The study sought to establish how each of the four implementation factors influence implementation of Constituency Development Fund projects. It recognized that community projects can be identified in various ways only subject to the existing legal framework namely the Constituency Development Fund Act 2003. The mode of identification of community projects ranged from by active community participation, to overriding political influence, by government department or even by selected few community elites.

Effective Monitoring and Evaluation involving the project stakeholders yields important information for proper management of implementation schedule and resources. This depends to a large extent on the competence of those carrying out monitoring. The existence of documented monitoring indicators at the planning stage is paramount to proper monitoring during implementation. The availability of monitoring funds on a timely basis bears great influence on the frequency of carrying out of effective Monitoring and Evaluation.

Governance entails practices, structures and integrity of systems and players in project management. Day to day decisions on project matters must be undertaken in the full knowledge of project stakeholders. The manner of procuring project materials, management of project budgets and financial records is an important aspect of governance. Clarity of procedures, levels of political influence in decision making, transparency and accountability are important indicators of governance in a project.

The framework recognizes the important role of expert input in the project cycle in guiding the designs, costing, and procurement of right materials for the project, project construction and informed monitoring. Again, this relies heavily on accessibility of recognized experts in the area of the project at hand.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, population of study, sample size and sampling procedure, data collection tools, data analysis, validity and reliability of the research instruments.

3.2 Research Design

The study adopted a descriptive survey research design. Mugenda and Mugenda (1999) describes a survey design as an attempt to collect data from members of a population in order to determine the current status of that population with respect to one or more variables. The design was chosen because it is an efficient method of collecting descriptive data regarding characteristic of a sample of a population, current practices, conditions or needs. The design also allowed the researcher to gather information regarding the respondent's opinion, perceptions, attitudes and views in a highly economical way.

3.3 Target Population

The study targeted 2360 beneficiaries drawn from 34 projects funded by Lari Constituency Development Fund during the 2007/2008 Financial Year. The year 2007/2008 was picked for two important reasons. Firstly, the legal and regulatory framework under which the fund operated had been subjected to fresh changes through the amendment of the CDF Act in 2007. These amendments were expected to address gaps experienced during the initial phase of CDF implementation in Kenya of between 2003/2004 and 2006/2007. This initial period was largely marred by inadequate guidelines on implementation.

of the Economic Recovery Strategy for Wealth and Employment creation (GOK, 2004). The Kenyan economy grew from -0.3% in 2003 to 6.8% by the end of 2007 (Economic Survey, 2007). Consequently funding to the constituency had risen from 6M (Kenya shillings six million only) in 2003/2004 to 41M (Kenya Shillings forty one Million only) in 2007/2008 as depicted in Table 3.1 below.

After providing for statutory vote heads meant for emergency purposes, Monitoring & Evaluation, office administration and two projects that were not implemented namely strategic plan and Chiboni Social Hall, the total amount released to projects was found to be as shown in table 3.1 below.

Table 3.1: Summary of CDF funded projects in Lari constituency during FY 2007/2008

Serial number	Sector	No. of Projects	No. Target Beneficiaries
105/38	Education	13	1400
105/39	Health	5	200
105/40	Water	5	120
105/41	Security	4	40
105/42	Roads	2	240
105/43	Electricity	4	60
105/49	Education bursary	1	300
Total		34	2,360

Source: Lari CDF Office, 2010.

3.4 Sample size and sample selection

Sampling is the process of selecting a number of individuals for a study in such a way that the individuals selected represent the large group from which they were selected (Mugenda and Mugenda, 1999).

All the target beneficiaries of the projects implemented by the Lari CDF in 2007/2008 formed the sampling frame. The population was stratified into 6 sectors along which projects were funded during the period under study. Stratification of the population of projects and respective beneficiaries generated sub-populations that were more homogeneous individually than the population and the items were selected from each stratum/sector. Since each sector was more homogeneous (within) than the total population, more precise estimates for each stratum was obtained and by estimating the parameters under study more accurately in each of the component parts, a better view of the whole scenario was captured. The selection of items from each stratum was on the basis of simple random sampling. Regarding the number of items/projects to be selected from each stratum, the method of proportional allocation under which the sizes of the samples from the different sectors/strata was kept proportional to the sizes of the strata applied.

The desired sample size was determined using a formula recommended by Mugenda and Mugenda (1999). This formula is expressed as shown below:

$$n = Z^2 pq / e^2$$

Working out the calculations we have

$$n_0 = (1.96^2) (0.20) (1-0.20) / (0.05)^2 = 245$$

$$n_1 = (1.96^2) (0.1) (1-0.01) / (0.05) = 138$$

Where;

n = sample size

Z = Standard deviation at a given confidence level, in this case 95% confidence interval was used

which yielded a value of $Z = 1.96$

P = proportion of the target population estimated to have benefited from the projects funded during the Financial year 2007/2008 is 10% and the proportion of the projects implemented completed and

therefore benefiting the people of Lari is estimated to be 20% of the total population.(Lari DDO,s Office, 2010).

$$q=1-p$$

e= acceptable error (Precision) where e= 5% at 95% confidence interval

$$nf = n / (1 + n/N)$$

Working out the calculations we have

$$nf_0 = 245 / (1 + 245/2360) = 209 \text{ (Sample of beneficiaries from the projects of year 2007/2008)}$$

$$nf_1 = 138 / (1 + 138/34) = 26 \text{ (sample of projects implemented in year 2007/2008)}$$

Where;

nf = Sample size (when the population is less than 10,000).

n = Sample size (when the population is more than 10,000);

N = Estimate of the population size;

The study therefore utilized a sample of 209 respondents from 26 projects funded during the 2007/2008 Financial Year.

Table 3.2: Distribution of the sample along the sectors under consideration

Sector	No. of projects implemented	No. of projects to be sampled	No. of targeted beneficiaries	No. of people sampled from target population
Education	13	10	1400	133
Health	5	4	200	22
Water	5	4	120	14
Security	4	3	40	7
Roads	2	2	240	24
Electricity	4	3	60	9
Total	33	26	2360	209

3.5 Research Instrument

Questionnaires that contained both structured and unstructured questions were used. Structured questions provided predetermined alternatives for the respondents to select the appropriate alternatives. For instance, respondents were asked to select a category in which the project funded in their area by Lari CDF fall. The alternatives provided were limited to education, health, water, roads, electricity and security. In other cases, closed ended questions were employed. For instance, respondents were required to select their gender strictly between male and female. Closed ended questions were used in other instances where the respondent was restricted to giving a yes or no answer like on whether a respondent was conversant with the CDF Act 2003, one was expected to either select yes or no.

Unstructured questions on the other hand allowed respondents the free will to give their own answers to certain questions. For instance, respondents were asked to list other factors that influence implementation of Constituency development Fund projects in Lari constituency.

The questionnaire contained questions on personal details of the respondent such as gender, age and level of education. Other sections of the questionnaire contained questions regarding project identification process, governance issues, monitoring and evaluation and expert input. The questionnaire as a tool of data collection was adopted because of the simplicity in the administration scoring of items and analysis (Ary *et al.*, 1979). The items in the questionnaires were developed on the basis of the objectives of the study.

Other methods that were employed included the study of records and documents (CDF records) at the CDF offices, thus as secondary data sources. Secondary data review provided important information on level of CDF funding to the constituency each year, number of projects funded each year, management structure of the fund, composition of monitoring and evaluation sub-committee, gender and level of education of members and their mode of operation.

3.5.1 Data Collection Procedures

The researcher employed the services of six research assistants who administered the questionnaires. The data was obtained through direct interviews with the respondents by the research assistants.

3.6 Validity and Reliability

The study took adequate measures to ensure that the data collected is valid and reliable.

3.6.1 Validity of Instrument

Validity is the accuracy and meaningfulness of inferences, which are based on the research results (Mugenda & Mugenda, 1999). It is the degree to which the results obtained from an analysis of the data actually represent the phenomenon under study. Validity of this study was enhanced by limiting to a large extent the occurrence of systematic errors by the use of simple understandable language and the thorough training of research assistants. This guaranteed the content validity of the

findings. According to Sellitz *et al* (1976) randomization is an important component of internal validity of a study. The sampling of this study was randomized adequately at 95% confidence level to ascertain representativeness of the entire population. External validity was guaranteed by taking a representative sample of 209 beneficiaries from 26 projects so as to ensure that results obtained in the study are generalizable and representative enough.

3.6.2 Reliability of Instrument

According to Mugenda & Mugenda (1999) reliability of an instrument is the degree of consistency with which it measures a variable-it is influenced by random error. As random error increases, reliability decreases. Random error is the deviation from the true measurement due to factors that have not been adequately addressed by the researcher.

Both questionnaires were pilot tested in order to check their reliability. The study carried out a pilot test on six projects funded by the Lari CDF committee during the 2009/2010 financial year. The results of the pilot test were used to develop a more reliable and effective data collection tool.

3.7. Operational definition of variables

Table 2.3: Operational definition of variables

Research Objective	Variables	Indicators	Measures	Measuring Scale	Tools of data
1. To determine how governance issues affect the implementation of CDF projects in Lari Constituency	Governance	Existence of committees, Transparency, Accountability, awareness on CDF Act 2003, community participation	Number of committees run by PMCs, no of people conversant with CDF Act 2003, frequency of meetings with project stakeholders, number of elected PMCs, Extent and causes of cost variations in projects.	Interval, Nominal Ratio	QUESTIONNAIRES
2. To determine how the project identification process influences the implementation of CDF projects in Lari Constituency.	Community participation	Level of active involvement	Number of people actively involved in identification,	Ordinal, Interval, Ratio	QUESTIONNAIRES
		priority rating of project	number of projects rated as priority by beneficiaries	Ordinal, Nominal, interval	
		appraised projects	number of projects appraised before implementation	Interval, Nominal	

Table 2.3: Operational definition of variables cont'd

3. To establish how monitoring & Evaluation influences the implementation of CDF projects in Lari constituency.	Monitoring & Evaluation.	level of community participation in M&E	number of projects involving members in M&E.	Interval, Ordinal, Nominal
		level of report dissemination	Number of projects disseminating M&E reports to beneficiaries.	Interval, Nominal, Ordinal
		project objectives & Indicators	number of projects with documented objectives and performance indicators	Ordinal
		Expenditure reports	number of projects with documented expenditure reports	Ordinal
4. To determine how expert input in the project cycle influences the implementation of CDF projects in Lari constituency.	Expert input	Expert input at planning phase	number of projects engaging experts at planning	Ordinal
		expert input during procurement of materials	number of projects engaging experts during procurement of materials	Ordinal
		expert input at implementation and M&E	number of projects engaging experts during implementation and M&E.	Ordinal
Dependent Variable	Project implementation	Cost	number of adequately funded projects	Ordinal
		completion rate	number completed on time	Ordinal
		quality of works	number of projects done well	Ordinal

3.8 Ethical considerations in research

The researcher sought and obtained permission to carry out the study in the district from the District Commissioner Lari and assured the respondents of uttermost confidentiality of the information that they provided.

3.9 Data Analysis Techniques

The data collected was organized and cleaned of errors made by the research assistants during data collection. The data was then coded, keyed in the computer and analyzed using descriptive statistics with the aid of the Statistical Package for Social Sciences (SPSS). Qualitative statistical techniques such as the Friedman Rank Tests were used to describe and summarize data. The results of the analysis were then presented and interpreted in the form of descriptive statistics (frequencies, percentages, means). The descriptive statistics measured the frequency, spread and influence of the variables under study among the CDF Projects in Lari Constituency. The findings were then presented in tables as shown in Chapter four.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter presents study findings which has been analyzed and discussed under the following thematic areas; Response Return Rate, Demographic characteristics of respondents, project identification process, Governance issues, Monitoring and Evaluation and Expert Input. The results are presented in the form of tables.

4.2 Response Return Rate

The study distributed 209 questionnaires and had a response of 193 (94.74% response rate). The findings of the study are presented in this section. This high return rate was enhanced through the use of well guided and facilitated research assistants and making call backs where necessary to reduce non-response.

4.3 Demographic characteristics of respondents

In this section finding on gender, age distribution and educational levels of respondents is presented.

4.3.1 Gender of respondents

The study sought to establish the gender of respondents and the findings are summarized in table 4.1 below.

Table 4.1 Gender of the respondents

Gender	Percentage	Frequency
Male	75.00	145
Female	25.00	48
Total	100.00	193

All the respondents interviewed were community members targeted to benefit from projects funded by Lari CDF during the Financial Year 2007/2008. The study realized responses from 75% of the males and 25% of the females as shown in the table 4.1 above. It emerged that male members of the community were more enthusiastic about the subject and they dominated in decision making on public matters as compared to their female counterparts.

4.3.2 Age of respondents

Respondents were asked to select the age bracket into which they fall at the time of the study. The findings are presented in table 4.2 below.

Table 4.2: Age of the respondents

Age bracket	Frequency	Percent	Valid Percent
21 - 30 years	48.25	25.0	25.0
31 - 40 years	115.80	60.0	60.0
41 years and above	28.95	15.0	15.0
Total	193.00	100.0	100.0

Majority of the respondents (60%) were in the age bracket of 31 – 40 years, 25% were in the age bracket of 21 – 30 years, while 15% of the respondents were in the age bracket of 41 years and above. These findings are as shown in the table 4.2 above. It was realized that the age cohort 31-40 was the most active in the operations of the CDF fund. This scenario can be explained by the fact that the age bracket 31-40 constitutes economically active members of society.

4.3.3 Level of education of respondents

The study sought to gather data on the level of education of each respondent. The findings are presented in table 4.3 below.

Table 4.3: Highest level of education attained by the respondents

Level of education	Frequency	Percentage (%)	Valid percentage (%)
Secondary level	75.27	39.0	39.0
College (Certificate level)	50.18	26.0	26.0
College (Diploma)	34.74	18.0	18.0
University (Degree level)	32.81	17.0	17.0
Total	193	100.0	100.0

As can be seen in the table 4.3 above, the study established that 39.0% of the respondents were of University degree level, 17.0% were of Secondary school level, 26.0% of College (Certificate level), while 18.0% were of College (Diploma).

4.4 Factors influencing the implementation of CDF funded projects

The research sought to establish how the factors of Governance, Monitoring & Evaluation, Expert input and the Identification process influenced the implementation of various projects funded by CDF in Lari constituency during the 2008/2009 financial year.

Table 4.4: Factors influencing the implementation of CDF projects

Factor	5	4	3	2	1
Improved governance	62.13	26.45	2.42	5.51	3.49
Monitoring and evaluation	48.37	35.63	0	14.76	1.24
Expert Input	31.82	14.52	8.48	12.18	34.00
Project Identification Process	68.23	27.25	1.77	3.75	0

Table 4.5: A Friedman Test ranks of factors influencing Implementation of the CDF projects in Lari constituency

Factor	Mean Rank
Project Identification process	4.68
Governance issues.	4.78
Monitoring and Evaluation	4.17
Expert Input	3.70

Respondents were asked to state the extent to which each of the factors listed in table 4.4 above influenced the implementation of projects. The influence ranged from Highly influential to Not influential at all. 68.23% of the respondents felt that the project identification process was the most influential factor of any project, 62.12% were of the opinion that improved governance factors influenced the implementation of the projects. 48.37% of the respondents reported that Monitoring & Evaluation highly influenced the

implementation of a CDF funded project in the constituency. Only 31.82% of the respondents were of the idea that expert input had high influence on project implementation.

4.5. Influence of identification process on implementation of Constituency Development Fund projects in Lari constituency.

The study sought to establish how the process of identification influences implementation of CDF projects in Lari Constituency. To establish this, the study focused on the type of projects funded during the 2007/2008 financial year, how each project was identified, priority status of the funded project and also sought to establish the number of stakeholder meetings held during identification period. The study also sought to establish whether other stake holder needs were evaluated at the time of identifying the project that was funded.

4.5.1 Type of CDF projects

Table 4.6 below presents the distribution of respondents within the six sectors that CDF funded.

Table 4.6: Type of CDF Projects

Project type	Frequency	Percentage
Education	129	67.00
Health	19	9.84
Water	12	5.70
Roads	23	11.40
Security	7	6.00
Electricity	1	0.52
Total	193	100

From table 4.6 above, 67% of the respondents identified themselves with education based projects, 9.84% (Health), 5.70% (Water), Security (6.00%), Roads (11.40%). Only 0.52% of the respondents acknowledged involvement with electricity projects funded during the 2007/2008 Financial Year in Lari constituency. Clearly two thirds of the respondents acknowledged receiving funding of education projects in their areas.

4.5.2 Project identification and appraisal process

The study sought to establish how the funded projects were identified as well as whether pre-implementation appraisal was done. The results are summarized in table 4.7 below.

Table 4.7 Mode of project Identification

Nature of project Identification	Percentage	Frequency
Participatory	14.00	27
Political	54.00	104
By government Department	2.00	4
By community elites	30.00	58
Total	100.00	193

When the question on the nature of project identification process was put to the respondents, a majority of the respondents (54%) were of the opinion that political considerations guided the process while 14% linked the process to active consultation with the project beneficiaries. 30% of the respondents attributed the process to community elites while only 2% attributed the process to government departments; this is shown in table 4.7 above.

Table 4.8 Project Appraisal done at planning stage

Statement	Percentage
Appraisal done before implementation	5.00
Appraisal not done prior to implementation	68.00
Not sure	27.00
Total	100.00

Table 4.8 above revealed that only 5% of the respondents were positive on the undertaking of pre-implementation appraisal on the project while a majority (68%) was negative on the same question.

4.5.3 Number of stakeholder consultative meetings held during project identification

The study sought to establish the level of stakeholder consultation during project identification process identification. This was measured through establishing the number of meetings held to identify the project. The results are presented in table 4.9 below.

UNIVERSITY OF NAIROBI
EAST AFRICANA COLLECTION

Table 4.9 Number of stake holder consultative meetings held

No. of Meetings held	Percentage
0	28.01
1-2	43.34
3-4	22.99
5 and above	7.66

It emerged that 28.01 % of the respondents concurred that no consultative meeting was held with stakeholders while 43.34% of the stakeholders reported that 1-2 consultative meetings were held with stake holders during identification process. 22.99% of the respondents acknowledged that 3-4 consultative meetings were held while 7.66% reported that between 5 or more meetings were held at their project prior to eventual identification.

4.5.4 Stake holder Needs Evaluation

When asked whether other stake holder needs were evaluated at the time of project identification, 11.02 % of the respondents strongly agreed while 19.80% agreed. A combined 69.18% of the respondents were either not sure or strongly disagreed. The results are presented in table 4.10 below.

Table 4.10 Stake Holder Needs Evaluation

Statement	Strongly Agree	Agree	Not sure	Disagree	Strongly Disagree
Other stake holder needs were evaluated during identification of the project	11.02	19.80	20.08	30.00	19.10
The project was a top community priority at the time of identification	12.30	18.40	14.30	28.5	26.50
There existed a structured consultative process that accommodated stake holder contribution during identification.	10.30	14.80	19.80	29.00	26.10

On the other hand, close to 30% of the respondents either strongly agree or agree that the project was a top priority for the community at the time it was identified while 14.50% of the respondents were not sure. A combined 55% of the respondents either disagreed or strongly disagreed that the project was a top community priority. When asked whether there existed a structured consultative process that allowed stakeholder participation, only 10.30% strongly agreed. 29.00% of the respondents disagreed and 26.10% of the respondents strongly disagreed with the statement.

4.5.5 Priority of the project by community and current status of the project

The study attempted to establish the current status of the funded project as well if the project was a priority to the community.

4.5.5.1 Community priority of the projects

Respondents were asked to give their opinion as to whether they considered the CDF funded project a priority to the community. Responding to the question, 32.03% of the respondents were positive while 68.97% of the respondents considered the project a non-priority.

4.5.5.2 Current status of the project

Respondents were asked to give the current status of the CDF funded project in their area. The findings revealed that 12 % of the projects were complete, 67 % of the projects were on-going, 15 % had stalled and 6 % had been abandoned altogether. This implies that many of the funded projects are yet to confer the intended benefits to the beneficiaries.

4.5.6 Rating on implementation of CDF project

Table 4.11: Rating on implementation

Parameter	Very good	%Good	%Fair	%Poor	Very poor
Completion rate	4.49	13.52	32.00	34.48	19.51
Quality of work	14.21	24.62	22.23	22.19	16.21
Cost of project	7.42	11.14	33.21	22.02	26.21

When asked to rate the implementation performance of their projects along the parameters of completion, quality and cost, 13.52 % of the respondents considered the completion rate as good, 24.62 % considered quality of work done as good and 18.56 % considered the cost of the project as realistic. On the other hand, 54.48 % of the respondents rated completion as poor, 38.40 % rated quality of work done as poor and 48.23 % rated cost of projects as unrealistic. This is represented in table 4.11 above.

4.6.1 Influence of Governance in implementation of Constituency Development Funds in Lari constituency.

In this section, the study findings on governance issues are analyzed and presented. The governance issues covered include; existence of Project Management Committees, character traits of PMC members, the mode of identification of PMC officials, level of respondent's awareness on the CDF Act 2003 and aspects of financial dealings at the project level.

4.6.2 Existence of Project management Committees

It was important for the study to establish whether project management committees existed from the beginning of each project funded by Lari CDF during the 2007/2008 Financial Year. The results are presented in table 4.12 below.

Table 4.12: Projects with or without PMC from the onset

Response	Percentage	Frequency
PMC Existed	77.99	151
PMC did not exist	22.01	42
Total	100.00	193

When the question as to whether a particular project had a Project Management Committee (PMC) in place from the onset, 78% of the respondents were positive while 22% were negative; this is represented in table 4.12 above.

4.6.3 Mode of identification of PMC

Respondents were asked to select the mode used to identify members of the PMC of their projects. Their response is captured in table 4.13 below. The method of appointing the custodians of resources channeled towards a community project is a critical factor as the community exercises collective responsibility through participation in the process. Through participation in such a process, the duty bearers exercise a legitimate mandate for and on behalf of the other stakeholders.

Table 4.13: Mode of identification of PMC

Mode of identification of PMC	Percentage	Frequency
Election by stakeholders	48.00	93
Appointment by higher authority	37.99	72
Self-appointment	14.01	26
Others	2.00	2
Total	100.00	193

Analysis on how members of the PMC were identified for projects that had committees showed that 48% of the respondents indicated that the PMCs were elected by stakeholders, 38% were of the opinion that PMCs were appointed by higher authority, 14% reported self appointments while 1% indicated that other mechanism was used to identify members of the PMC as shown in table 4.13.

4.6.4 Description of PMC members

When probed to specify other appointments, respondents indicated that a certain proportion of PMC members were government officers co-opted by virtue of their offices. Responding to statements that best described the character traits of PMC members of their project, 32% of the respondents considered them as competent, popular (44%), accountable (34%). Interestingly 38% believed that the committee members were political cronies of politicians. The results are as shown in table 4.14 below

Table 4.14: Description of PMC members

Trait	Good	Poor	Not sure	Total
Competency	32.00	53.00	15.00	100.00
Popularity	44.00	40.00	16.00	100.00
Accountability	34.00	41.03	24.97	100.00
Political cronies	38.06	34.01	27.93	100.00

4.6.5 Awareness and adequacy of knowledge on CDF Act 2005

Respondents were asked whether they were conversant with the CDF Act 2005. The CDF fund is governed according to the CDF Act 2005. The study sought to gauge whether respondents were conversant with the provisions of the Act. A majority of the respondents (70%) indicated that they were not conversant while only 30% considered themselves conversant.

Respondents were asked to categorize their level of understanding of the Act into two broad categories, namely, adequate and inadequate. Further analysis on the 30% segment of the respondents who were conversant with the Act on their level of understanding revealed that only 15% were adequately conversant with the provisions of the Act while 85% had inadequate knowledge of the contents of the Act.

4.6.6 Timeliness of disbursement of funds

Respondents were asked to state whether funds to their projects were released on timely basis whenever requisitioned. Their response is depicted in table 4.15 below.

Table 4.15: Disbursement of Funds on timely basis

Response	Percentage	Frequency
Timely disbursement	69.00	133
Untimely disbursement	31.00	60
Total	100	193

Since project implementation is directly hinged on the timely availability of requisite resources it is important for such resources to be availed where required on a timely basis. 69% of the respondents agreed that funds were released on time while 31% were of the contrary opinion.

4.6.6.1 Description of the nature of financial dealings of CDF projects

Respondents were asked to rate the performance of their project committees on specific financial management issues which included; financial dealings, budgeting, cost variations, financial decision making, financial record management and procurement of project materials.

Table 4.16: Financial dealings of CDF projects

Description of Financial dealing	% Yes	% No	% Dont know
Formal	35.12	24.88	40.10
Clear	25.20	44.68	30.12
Transparent	21.31	48.55	30.14
Consistent	12.16	64.28	23.56

On financial dealings by project implementers, 35.12% of the respondents considered the dealings as formal, 25.20% believed the dealings were clear while 21.31% considered the dealings as transparent.

On the other hand, only 12.16% of the respondents considered the dealings as being consistent, 48.55% considered the dealings to be lacking transparency, 64.28% as lacking consistency while 44.68% think that the financial dealings at their projects lacked clarity as shown in table 4.16 above.

4.6.6.2 Budget decision making process the CDF PMC

The study interrogated aspects of budget decision making process and the results are summarized in table 4.17 below.

Table 4.17: Budget decision making process of CDF projects

Statement	% Strongly Agree	% Agree	% Not sure	% Disagree	% Strongly Disagree
Subjected to regular audit by some internal Control unit.	5.20	7.42	26.80	26.44	34.16
Subjected to regular professional external audit system.	14.34	11.66	22.30	30.62	21.08
Based on purely technical criteria defined in writing.	0.75	2.33	21.10.	40.25	38.65
Planned with consideration given to community priorities	4.28	14.24	16.10	35.12	30.06
Based on consultative process	15.80	17.08	9.12	31.36	26.64
Based on influential connection within and outside the project	42.21	27.31	10.55	6.14	13.79

Analysis on the respondents' perceptions on the financial decision making process reflected none of the respondents felt that financial decisions were based on purely technical considerations that are well documented. There was a clear verdict (as can be seen in table 12

above) that financial decisions were based on influential connections outside the projects with 42.21% of the respondents agreeing strongly and 27.31% just agreeing.

With regard to auditing, respondents strongly disagreed that the budgets of their projects were subjected to regular internal audits with only 5.20% agreeing with the statement. 14% of the respondents strongly agreed that their projects were subjected to regular external audits conducted by professional auditors. Only 4% of the respondents agreed with the statement that budget decisions are planned with due consideration to community priorities. Table 13 (above) shows that 15% of the respondents strongly agree and 18% agree that financial project budgets are based on a consultative process.

4.6.6.3 Financial records management of CDF projects

Respondents were asked to express their opinion on the statements in table 4.18 below with regard to financial records management by their PMCs.

Table 4.18 Financial budget and records management

Statement	%Strongly Agree	%Agree	%Not sure	%Disagree	%strongly Disagree
The management regularly divulges financial reports to the public	14.50	11.00	5.95	28.05	40.50
Hard copy records for transactions are kept for use during audit.	35.14	14.10	19.25	22.21	9.30
The operating process is efficient	12.68	15.32	11.50	34.40	26.10
The budget is strictly adhered to.	01.66	3.57	0.43	13.23	61.11

Only 1.66 % of the respondents strongly agreed that budgets are strictly adhered to with 61.11 % strongly disagreeing with the statement. 14.50 % of the respondents strongly

agreed that the management regularly divulged financial reports to the public while 40.50 % strongly disagreed with the statement.

4.6.6.4 Budget Variations of CDF project

The study sought to establish the incidence of budgetary variations at projects funded by Lari CDF and the main causes of such variations. The findings are presented in table 4.20 below.

4.6.5.4.1 Variations in budget ceilings

Respondents were asked to state whether their project budget ever experienced variation during implementation. The results are presented in table 4.19 below.

Table 4.19: Incidence of Budget variations at projects

Characteristic	Percentage	Frequency
Budget variations occurred	84.86	163
No budget variation occurred	15.14	30
Total	100.00	193

From the findings shown in figure 16 above, it was evident that there are budget variations on the CDF projects; 85 % of the respondents affirmed to this while 15 % were of contrary opinion.

4.6.5.2 Causes of budget variations

The study revealed that various reasons caused variations in the budgatory allocation; the highest cause of budget variation being undertaking of unplanned activities, closely followed by corruption and poor planning. The respondents also revealed that economic conditions and natural disasters had little causes for variation of the buidget as represented in table 4.20 below.

Table 4.20: Causes of budget variation at project

Cause of variation	Percentage
Unplanned activities	33.00
Poor planning	25.00
Economic conditions	10.10
Corruption	26.90
Natural disasters	05.00
Total	100.00

The study revealed that various reasons caused variations in the budgetary allocation; the highest cause of budget variation being undertaking of unplanned activities, closely followed by corruption and poor planning. The respondents also revealed that economic conditions and natural disasters had little causes for variation of the budget as represented in table 4.20 above.

4.6.7 Procurement practices for CDF project

The study sought to gauge the integrity of the procurement process at project level. The findings are presented in table 4.21 below.

Table 4.21: Procurement practices of CDF projects

Statement	%Strongly Agree	%Agree	%Not sure	%Disagree	%strongly Disagree
Process is influenced	28.40	39.21	3.18	21.20	8.01
Done in open and transparent manner	12.88	7.20	1.98	48.67	29.33

The study also attempted to interrogate the integrity of the procurement process at the project level. 28.40% strongly agreed, 39.21% just agreed, while 21.20% disagreed that the procurement process at their projects are influenced. On the other hand 12.88% strongly agreed that their project procurement process is done in an open and transparent manner: this is shown in table 4.21 above.

4.6.8 Political influence

Table 4.22 Nature of political influence on CDF project

Nature of influence on implementation	Percentage	Frequency
Positive	42.01	81
Negative	45.99	89
None	12.00	23
Total	100	193

Probed on the nature of political influence on the implementation of their project, 42% of the respondents considered the influence as being positive with 46% of the respondents rating the influence as negative. Only 12% of the respondents felt that there was no political influence on the implementation of their projects; this is illustrated in table 18 above.

4.6.9 Influence of Monitoring and Evaluation on implementation of Constituency Development Fund Projects in Lari Constituency.

In this section, the study findings on the influence of Monitoring and Evaluation on implementation of Constituency Development Fund projects in Lari Constituency are analysed and discussed based on aspects of agency responsible for Monitoring CDF projects, secondary data on the Constituency Development Fund Committee Sub-Committee on Monitoring is presented and dissected. Other aspects of Monitoring reviewed under this section include the existence of documented project performance indicators, use of monitoring

reports during implementation and adequacy of funds for Monitoring and Evaluation activities for projects during implementation.

4.6.10 Review of Monitoring and Evaluation Sub-Committee

A review of records available at the Lari Constituency Development Office revealed that the Constituency Development Fund Committee (CDFC) had designated monitoring activities to a sub-committee consisting of four CDFC members. It also provides for the co-option of the Fund Accounts Manager of the Constituency and the district Development officer of the District. All the six members were males with varying education levels and back grounds. 16.67% of the committee members had attained secondary education as the highest level, 50% of the sub-committee constituted members holding college diplomas with 33.3% holding university degree education in various fields.

The CDF Act allows co-option of relevant technical departmental officers in any activity of the fund that may require their input including Monitoring and Evaluation. While the 2% provision for Monitoring equivalent to KES 820,000 during the 2007/2008 Financial year was fully utilized, there existed no documented Monitoring and Evaluation reports for verification. An interview with two members of the sub-committee revealed that the members of this sub-committee view their job description as that of visiting and offering advice to project committees on implementation.

4.6.11 Effectiveness and use of monitoring and evaluation

Monitoring and evaluation was considered as a major implementation factor in the study and therefore it was important to determine specific aspects of the process at the projects. The study sought to establish the opinion of respondents on four key aspects of Monitoring and Evaluation of their projects. The results are presented in Table 4.23 and 4.24 below.

Table 4.23: Agency responsible for M & E of CDF projects

Agency responsible for M & E	Percentage (%)
CDFC	60.35
Government department	4.65
PMC	25.14
Project beneficiaries	7.03
None	1.87
Total	100

Responding to the question on which agency was responsible for carrying out Monitoring and Evaluation (M & E) on their project, 60.35% cited the Constituency Development Fund Committee, 25.14% attributed the role to the PMC, 7.03% attributed the role to the project beneficiaries while only 4.65% of the respondents attributed the role with government departments. 1.87% of the respondents however reported that the role was not specifically assigned to any agency (see table 4.23 above).

Table 4.24: A description of the nature of Monitoring and Evaluation

	% Yes	% No	% Didn't know
Agency was effective in M & E	31.80	44.16	24.04
Existed an avenue for sharing M & E reports	18.72	62.15	19.13
Information collected was useful in decision making during implementation	24.82	20.00	55.18
Project performance indicators for the project were developed in advance and documented	2.34	85.55	12.11

Table 4.24 (above) summarizes responses to questions on Monitoring and Evaluation. 44.16% of the respondents consider the agency responsible for monitoring and evaluation as being ineffective. 18.72% agree that there existed an avenue for sharing Monitoring and Evaluation reports with stakeholders. A resounding majority (85.55%) of the respondents reported that project performance parameters were not developed before hand and were not documented. A further 55.18% of the respondents indicated that they did not know whether information gathered during monitoring was used in decision making during implementation. The findings are shown in table 4.24.

4.7 Influence of Expert Input on Implementation of Constituency Development Fund Projects in Lari Constituency

The study interrogated the level of technical input of recognized experts in the project cycle. It was considered important as experts' opinion in design, costing, procurement of construction materials and monitoring progress during implementation was considered very important in implementation of any project.

4.8.1 Involvement of expert at various project stage

Respondents were asked to state whether a recognized expert was actively involved in four stages of the project cycle. The findings are depicted in table 4.25 below

Table 4.25 Active Involvement of Expert at project phase

Project stage	Involved Expert	Did not Involve Expert	Not sure	Total %
Planning	5.00	92.00	3.00	100.00
Procurement	0	91.00	9.00	100.00
Implementation	18.00	76.00	6.00	100.00
Monitoring	0.00	82.00	8.00	100.00

Responding to the question, only 5% of the respondents acknowledged that an expert was involved at the planning phase while 92% of the respondents strongly disagreed that there was any expert input in the procurement of project materials. At the Monitoring and Evaluation stage, it was observed that respondents considered that there was no expert involvement. However, 18% of the respondents acknowledged that the project had an expert's input at the implementation stage.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter comprises of the summary of the key findings presented in Chapter 4. This section also contains the conclusion drawn from the findings and recommendations. The respondents interviewed were drawn from the members of community projects that were funded by Lari CDF during the 2007/2008 Financial Year.

5.2 Summary of findings

The study aimed at determining how certain factors influence the implementation of C.D.F Funded projects in Lari constituency. Residents strongly agree that there are factors of governance (62.13%), project identification process (68.23%), monitoring and evaluation (48.37 %) and expert input (31.82%) are highly influential in the implementation of CDF Funded projects.

5.2.1 Influence of governance on project implementation

The governance factor received the highest significance with only 3.49% of the respondents stating that it does not have any influence on implementation. Governance factor stems from both legal and institutional structures tasked with the implementation of the CDF projects. It also touches on integrity of systems, levels of transparency and accountability. The basic law that governs the operations of the constituency development fund is the CDF Act of 2005. From the research findings, it is clear that a majority of the respondents (70%) are not conversant with the provisions of the Act. This implies that, it is hard to enforce or even initiate redress mechanisms even when the act is breached. Most of the actors in whose hands enormous CDF resources have been placed do not comprehensively understand the law

Projects are implemented by a Project management committee on behalf of the community. Integrity, in some cases respondents acknowledges that their projects did not have a PMC in place from the onset. Among those projects that had a PMC the mode of appointment of PMC officials yielded projects interest's results. While the majority (48%) indicated that PMC officials are elected by stakeholders, the use of other modes of appointment that are not in consonance with spirit of community participation as envisaged in the CDF Act 2005. This included segments of PMC, appointed by higher authority (38%), those who initiate the project and automatically assume responsibility (14%), and others (1%).

The mode of appointment holds great influence on the perception of the respondents on the character and performance traits of the PMC members. For instance these are significant proportion of project beneficiaries who do not agree that the PMC members are competent, popular and accountable. In fact, 38% believe that these committee are constituted of political cronies of some political form. Financial dealings, budgets and procurement form an important component in the overall governance of any project. An average of 22.75% of the respondents are of the opinion that the financial dealings of CDF projects are formal, clear, transparent and consistent while the rest are either of the contrary opinion or they do not have any idea on what goes on.

On the other hand, 42.21% of the respondents think that decisions on budget issues are influential outside forces while 40.50% strongly disagree with the statement that the management of projects regularly divulges financial reports to the public. Those two are fundamental aspects of transparency and accountability that need to be urgently addressed. A majority (61.11%) of the respondents strongly disagree that budget are strictly adhered to with 85% confirming that budgets variations have occurred in their projects. It is interesting to note that most of the variations occur due to poor planning, and unplanned activities. The combined proportions of respondents who believe budget variant are due to poor planning, unplanned activities and corruption is an overwhelming 88%.

5.2.2 Influence of projects identification process on implementation of projects

The problem of project identification has been ranked as the second most important factor that influence the implementation of CDF projects

It is notable that the larger segment of projects (54%) is identified through political influence with Only 14% of the respondents attributing the identification process to active participation of the stakeholders. The method used in identifying community projects has a large bearing on the viability and sustainability of the projects even after the funding agency pulls out. This phenomenon stems from the factor that a community priority project must seek to address a real felt need in the community thus the community members will put in their support and resources to enhance its success.

The process of identification needs to be coupled with relevant feasibility studies and appraisal in order to enhance proper targeting of resource. In this study close to 68% of respondents were of the opinion that no pre-implementation appraisal was not done for their project. It is interesting to note that 68% of the respondents consider the projects funded as being non- priorities for their communities.

5.2.3 Influence of monitoring and evaluation on implementation of projects

The process of continuous tracking of projects results, outputs in return for inputs is a crucial component in project management. CDF Act allocates an annual 2 % of its total allocation to the constituency's development fund committee to be used for Monitoring and Evaluation activities. The study indicates that the majority of the respondents (60.35 %) are of the opinion that the CDFC is the agency responsible for M & E. On the other hand, 44.16 % of the respondents rate the M&E agency as being ineffective. A majority (62.15 %) of the respondents are negative on existence of avenues for sharing M & E reports. Most projects are not designed with M & E in mind. It is clear that no performance indicators are developed and documented in advance (85.55 %). This raises the issue of capacity of the agency tasked

with M & E to effectively carry out such activities as well as putting into use evaluation reports to improve implementation.

5.2.4 Influence of expert input on implementation of projects

The CDF Act 2005 lays a lot of emphasis on the technical input from line Ministries under whose respective dockets various projects are funded and implemented by CDF. It is however a stark reality that such experts are not involved actively in almost all the phases of the project. The study has established that such experts only come in slightly during the implementation phase (18 %). It is important to note that experts need to be involved in all stages of the project if the output is to be of guaranteed quality.

5.2.5 Implementation status of Constituency Development Fund projects

The majority of the respondents (67 %) regard their CDF funded projects as on-going while 6 % consider their projects abandoned on the parameters of implementation. It is important to note that the timeliness of completion of projects is important considering the time value of money. In most cases, it is the perpetually on-going projects that culminate into stalled and abandoned projects.

5.3 Conclusions

The success or failure of a project is influenced by a number of inter-playing factors. This study confirms that the factors of good governance, project identification, monitoring and evaluation and embracing the practice of expert guidance at all phases of the project will have a significant impact on the implementation of CDF funded projects in Kenya.

The study has revealed that improved governance factor has a high influence on the implementation of CDF funded projects in Lari constituency. Issues of clear administrative structures, assignment of responsibilities of resources, procedures of conducting project

matters, the budgeting process, decision making and procurement of project materials are important governance process whose procedures of operation need to be standardized.

Project identification is an important factor that influences implementation of CDF projects. The involvement of the target communities to identify need based priorities is an important aspect in project management. More often than not, projects initiated by considering sectarian interests tend to lapse their usefulness in a short time.

It is clear that monitoring and evaluation is a powerful tool for tracking inputs against outputs and can be used to continuously improve implementation of projects. It therefore has a lot of influence on quality of works done, cost of projects and period of implementation. The study however shows that monitoring is done ineffectively and without properly developed and documented project performance indicators.

One more factor that cannot be ignored for successful implementation of CDF projects is the expert input at all levels of the project. All the process need to embrace proper documentation of processes.

5.4 Recommendations

In the implementation of CDF projects, it is necessary for the targeted beneficiaries to be actively involved in project identification. This will enhance ownership and thus improve chances of sustainability as the project is likely to tackle more realistic community felt needs.

Secondly, there is need to improve governance by enlightening all the actors and community members on the legal and regulatory framework under which the fund operates. This will certainly reduce existing misconceptions that the fund is a cash hand-out from politician\’s rather than a government development fund.

Thirdly, it will be important to adequately build the capacities of those bestowed with the responsibility of carrying out monitoring and evaluation on CDF projects. This will enable them develop and use appropriate monitoring tools as part of the project design.

Monitoring indicators need to be developed at the conception stage of the project. Further, there is need to enforce the practice of regularly divulging information obtained from monitoring while using the information to improve implementation.

Finally, there needs to be a clear policy direction with regard to use government experts in all the stages/phases of CDF projects. This is in recognition that CDF is a government development fund and therefore, there is no reason to leave it at the mercy of ill equipped actors.

5.4 Suggestions for further research

There is need to carry out research on the overall socio-economic impact of the Constituency Development Fund in Kenya since its inception.

REFERENCES

- Abel, O. (2007). *Local level Funding As Poverty exit route; experiences from Local Level jurisdictions in Kenya*. Nairobi: University of Nairobi.
- Affiliated Network for Social Accountability-Africa. (2009). *Constituency Development Funds-A Scoping Paper*. Nairobi: ANSA-Africa.
- Analysis, K. I. (2008). *Improving Public Policy Making for Economic Growth and Poverty Reduction*. Nairobi: KIPPRA.
- Bahl, R. (1999b). *Implementation Rules for Fiscal Decentralization*. Chicago: Chicago University Press.
- Brennan, Geoffrey, & Buchanan, J. (1980). The Power Tax. *Analytical Perspective* , 40-47.
- Burkhead, Jesse, Jerry, & Miner. (1971). *Public Expenditure*. New York: Aldine Publishing Company.
- Chweya, L. (2006). *Constituency Development Fund A Critique*. Nairobi: University of Nairobi.
- D, R. (1997). *social capital and Policy development*. Victoria: University of Wellington.
- D.FR.AMalt, B., & W.E.Oates. (1969). The cost of local Public Sources: Some Evidence and reflections. *National Tax* , 2-23.
- David, S. (2005). *Interpreting Qualitative data methods for Analyzing Talk, text and Interaction 2nd edition*. London: Sage Publications.
- Dennis, A. (1986). Assessing Decentralization policies in developing countries: The Case for Cautious optimism. *Development Policy Review* , 3-23.
- Ebel, D. Y. (2002). On the measurment and Impact of fiscal decentaralization. *Policy Research Working pape No2809r* . 98-114.

- Economic Commission for Africa (ECA). (2004). *The public sector management for Reforms in Africa*. New York: United Nation.
- Foundations of Fiscal Constitution* . (1988). New York: Cambridge University Press.
- Francis. T. (2009, May 30). The CDF Kitty Has Failed in its Objective. *The East African Standard* , p. 17.
- Government of Kenya. (2004). *Constituencies Development Fund Act 2003*. Nairobi: Government Printer.
- Government of Kenya, m. o. (2001). *Government Finance statistics*. Nairobi: Government Printer.
- Government of Kenya, Ministry of Planning. (2007). *Consistency Development Fund Allocations* . Nairobi: Government Printer.
- Gramlich, E. M. (1993). A policy Makers guide to Fiscal Decentralization. *International Tax* , 229-236.
- Hommes, R. (1995). Conflicts and Dilemmas of Decentralization. *The World Bank Reserch Observer* , 295-316.
- Indiana University. (1998). *Indian Tax Data Base for National Institutions*. Delhi: Indiana University.
- International Monetary Fund. (1998). *Government Finance statistics Year Book 1997*. Washington DC: IMF.
- Kenya National Bureau of Statistics. (2008). *Economic Survey*. Nairobi: Government Printer.
- Kenya National Bureau of Statistics. (2007). *Kenya Intergrated Budget Housuhold survery*. Nairobi: Government Printer.

- M., B. R. (1993). Threading the Fiscal Labyrinth: Some Issues in Fiscal Decentralization. *National Tax* , 207-227.
- McLure, C. E. (1995). Comment on the dangers of Decentralization by Prud'homme. *The World Bank Observer* , 221-227.
- Ministry of Finance. (1999, June Monday). *union budget*. Retrieved from www.nic.in/indiabudget/budget98-99.
- Musgrave, R. A. (1961). *Approaches to a Fiscal Theory of Political Federalism" Public Finances: Needs, sources and Utilization*. Princeton: Princeton University.
- Musgrave, R. A. (1959). *The Theory of Public Finance*. New York: McGraw Hill.
- Norregaard, A. V. (1997). *Intergovernmental Fiscal Reforms*. New York: Clarendon Press.
- Oates, W. E. (1977). *The political Economy of Fiscal Federalism*. Lexington : Lexington books.
- Open Society initiative of east Africa. (2008). *A Social Audit report on Constituency Development Fund Projects in Kenya*. Nairobi: OSIFA.
- Organization for Economic Co-operation and Development. (1998). *Revenue Statistics 1965-1997*. Paris: Open Press.
- Peterson, G. E. (2000). *Local Tax: Case Studies and Policy Overview*. Washington DC: Delloitte Touche Tohmatsu.
- Prud'homme, r. (1995). The dangers of Decentralization. *The world Bank observer* 10(2) , 201-220.
- Putnam, R. D. (1993a). *Making Democracy Work: Civic traditions in Italy*. Princeton: Princeton university Press.

putnam, R. D. (1993b). The Prosperous Community: Social Capital and public Life. *The American Prospect* 13 . 35-42.

R.J. B. (1990). *Decentralization: Local Governments and Markets*. London: Associated press.

Roy, B. (1999a). *Fiscal Decentralization as Development Policy*. London: Sage Publications.

Tanzi, V. (1995). Fiscal Federalism and Decentralization, A Review of Some Efficiency and Macro-economic Aspects. *The World Bank Observer* , 295-316.

Tiebout, C. M. (1956). A Pure theory of local Expenditures. *Journal of Political Economy* , 24-45.

Uganda debt Network. (2009). *A briefing paper on the Constituency Development Fund in Uganda*. Kampala: Government of Uganda.

United states government Technical Assistance Team. (1997). *Fiscal Decentralization in the Russian Federation (for consolidated sub-national government revenue in Russia*. Chicago: The government of the United states of America.

wilson, P. (1997). *Building Social capital: A Learning Agenda fot the twenty-First Century*. London: Cambridge University Press.

World Bank. (1997). *Fiscal Management in Russia*. Washington DC: THE world bank.

World Bank. (1999). *India 1998 Macroeconomic Update*. Washington: World Bank.

World bank. (1997). *World development Report: The State in a Changing World*. Oxford University Press: oxford university Press.

Appendix 1: Respondents' questionnaire

I am Kefa Omanga, a student of The University of Nairobi undertaking a research in partial fulfillment of the requirements for the award of a Master of Arts degree in Project Planning & Management. The research seeks to determine the factors that influence the implementation of CDF projects funded during the 2007/2008 Financial Year in Lari constituency. You have been selected as one of the respondents.

I wish to assure you that the information provided will be treated as confidential and will be used for the purpose of the research study only. Your contribution is highly appreciated.

Please answer all questions correctly by ticking in the appropriate box and writing in the spaces provided where required. Use scale provided where applicable.

1. Gender

Male [] Female []

2. Age

Below 20 years []

21 to 30 years []

31 to 40 years []

41 years and above []

3. Please state the highest level of education attained

A. Primary level []

B. Secondary level []

C. College (Certificate level) []

D. College (Diploma level) []

E. University (Degree level) []

F. Other (Specify) _____

4. What type of CDF project was funded by Lari CDF in the financial year 2007/2008 in

your area?

- A. Education []
- B. Health []
- C. Water []
- D. Road construction works []
- E. Security []

5. Are the funds disbursed to the implementers on time, when requisitioned?

- A. Yes [] No []

6. The following factors influenced the implementation of the CDF project you are involved in. (Please tick appropriately using the scale provided)

Highly influential (5) fairly influential (4) Not sure (3) slightly influential (2)

Not influential at all (1)

Factor	5	4	3	2	1
Improved governance					
Monitoring & Evaluation					
Expert Input					
Project Identification process					
Use of appropriate technology					
Corruption					
Political influence					

7. Did your project have a Project Management Committee in place at the beginning?

- (A) Yes
- (B) No

8. If yes in (7) above, which of the following statements best describes how the Project Management Committee was identified?

- (A) Election by stakeholders []
- (B) Appointed by higher authority []
- (C) Self-appointed []
- (D) Other (specify).....

9. Which of the following statements best describe the members of the PMC of your project? Use scale provided.

Very High (5) High (4) Fair (3) Low (2) Very low (1)

Opinion	Very High	High	Fair	Low	Very low
Competency					
Popularity					
Accountability					
Incompetency					
Political cronies					
Corruption					

10. Are you conversant with the CDF Act 2003?

- (A) Yes []
- (B) No []

11. If yes in (13) above, what is your opinion on the adequacy of the CDF Act 2003 in addressing the challenges that faced the implementation of your project?

- (A) Adequate
- (B) Inadequate

12. Which of the following agencies was responsible for Monitoring & Evaluation of your project?

(A) CDFC []

(B) Government Department []

(C) Project Committee []

(D) Project beneficiaries []

(E) None []

13. Do you agree with each of the following statements? Use scale provided.

Yes [3] No [2] Don't know [1]

Scale	3	2	1
The agency named in (12) above was effective in Monitoring & Evaluation of the project.			
There existed an avenue for regular sharing of Monitoring & Evaluation reports.			
Information collected during monitoring was useful in making decisions for the project during implementation.			
Project performance indicators for your project were developed and documented beforehand			

14. Which of the following statements best describe the identification process used?

(A) Active consultation with the beneficiaries

(B) By political leadership

© By government department

(D)By community elites

15. How many stakeholder consultative meetings were held during identification process of your project?

(A) 0 (B) 1-2 (C) 3-4 (D) 5 and Above

16. Which of the following statements on stakeholder needs evaluation best captures your opinion on what occurred at your project?

Statement	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
Other stake holder needs were evaluated during identification of the project.					
The project was a top for the community at the time of identification.					
There existed a structured consultative process that accommodated stake holder contribution during identification					

17. Was appraisal done for the project at the planning stage?

(A) Yes [] (B) No [] (C) Don't know

18. Was a recognized expert actively involved in each of the following stages?

Scale: Yes [3] No [2] Don't know [1]

Stage	Yes	No	Don't know
Planning e.g. (Design, Appraisal, Costing)			
Procurement of materials			
Implementation			
Monitoring & Evaluation			

19. In your opinion, do you think the project was a priority to the community?

(A) Yes (B) No

20. What is the current status of the project?

(A) Complete

(B) On-going

(C) Stalled

(D) Abandoned

21. How would you rate the following implementation parameters of your project?

Scale: Very good [5] Good [4] Fair [3] Poor [2] Very poor [1]

Parameter	Very Good	Good	Fair	Poor	Very Poor
Completion rate					
Quality of work					
Cost of project					

A. Yes []

B. No []

23. How would you describe the nature of financial dealings of CDF funded projects in your area?

Scale: Yes [3] No [2] Don't know [1]

	Yes	No	Don't know
Formal			
Clear			
Transparent			
Consistent			

24. What is your opinion on the nature of financial records management in your project?

Scale: strongly Agree [5] Agree [4] Not sure [3] Disagree [2] strongly Disagree [1]

Statement	Strongly Agree	Agree	Not sure	Disagree	strongly Disagree
The management regularly divulges financial reports to the public					
Hard copy records for transactions are kept for use during audit.					
The operating process is efficient					
The budget is strictly adhered to.					

25. Which of the following statements best describes the budget decision making process of your CDF project management committee? Please use scale provided.

Scale: strongly Agree [5] Agree [4] Not sure [3] Disagree [2] Strongly Disagree [1]

Statement	Strongly Agree	Agree	Not sure	Disagree	strongly Disagree
Subjected to regular audit by some internal Control unit.					
Subjected to regular professional external audit system.					
Based on purely technical criteria defined in writing.					
Planned with consideration given to community priorities					
Based on consultative process					
Based on influential connection within and outside the project					
The funds allocated to the project are adequate					

26. Are there situations where budget ceilings variations have occurred at your project?

- (A) Yes (B) No (C) Don't know

25. If yes in (24) above, which of the following factors influence the budget variations.

(A) Poor planning (B) Economic conditions (C) Unplanned activities (D) corruption

(E) Natural disasters

27. Which of the following statements best describe your opinion on the procurement practices at your project? Please use scale provided to select option.

Scale: strongly Agree [5] Agree [4] Not sure [3] Disagree [2] Strongly Disagree [1]

Statement	Strongly Agree	Agree	Not sure	Disagree	strongly Disagree
Process is influenced					
Done in open and transparent manner					

28. How would you describe the nature of political influence on your project?

(A) Positive (B) No influence (C) Negative

29. What other factors influence the implementation of CDF programs in Lari Constituency?

- i. _____
- ii. _____
- iii. _____

THANK YOU