

Appraising the alignment of development budgets to district development plans in Malawi's local governments: trends, emerging issues, and challenges

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ABSTRACT

Local governments in Malawi and in many countries alike have been making concerted attempts to structure the allocation of resources in the development budgets based on policy priorities declared in District Development Plans (DDPs) as part and parcel of public finance management reforms. This is based on assumption that policy-based fiscal strategy and budgeting is the only immediate tool to give life to DDPs advocated by public financial management practitioners and scholars. However, comprehensive studies appraising the alignment of development budgets to DDPs have been given scant attention at the local level in Malawi. Therefore, the burden of this study was to ascertain whether budgetary resource allocations are aligned to the prioritised development issues stipulated in the DDPs in Malawi's local governments. The study employed a mixed research design in line with the nature of the specific research questions, where the quantitative approach predominated over qualitative approach. It also made usage of Zomba District Council as an illustrative case study. The central argument is that the budgetary resources are partially aligned to the key priority areas declared in the DDPs as the practice has been riddled with a myriad of challenges such as unrealistic commitments, over dependency on donors and political interferences. The study concludes that local governments' efforts to align the development budget to DDPs are certainly to bear fruits if the bottlenecks that are reinforcing the status quo are mitigated. The findings of this study are in line with the experiences at the national level where the alignment of the national budget to medium term development strategies hangs precariously in a balance due to primarily limited fiscal space and donor dependent syndrome.

Keywords: *Development budget, District Development Plans, Local government, Public finance management reforms*

I. INTRODUCTION

Public finance management is increasingly being viewed as crucial for economic development with the rising international consensus that good economic governance offers the requisite condition for the attainment of sustainable economic development (Fagbemi & Adeoye, 2019). Dwelling on this standpoint, it is scarcely surprising to note that the improvement in the quality of public finance management as part of public sector reforms has become an issue being given much attention (Ofari & Mensa, 2020). The focal point of attention stems from the pressures to restore the growth of the public expenditure for macroeconomic reasons and to increase performance improvement within the public sector through financial budgeting and management (Pollit & Bouckaert, 2011). A growing body of evidence acknowledges that one of the ways to strengthen public finance management is through policy-based fiscal strategy and budgeting (Postula & Raczkowski, 2020; Ofari & Mensa, 2020). This approach is founded on the perspective that the budget is the central tool for operationalising and implementing policies based on national strategies (DIE, 2007). The implication behind this is that the allocation of resources in the budget should be aligned to the needs and aspirations stipulated in the policy documents. As such, the budgeting system must provide a strong link between government policies and the allocation of resources through the budget in order to meet government's objectives (Schiavo-Campo, 2007). This is the case because public budgets transform policies of government and its political commitments into decisions on revenue generation and expenditure to meet the various needs of a nation (GoM, 2019). Based on the foregoing, it is abundantly clear that budgeting is moving away from line item budgeting towards some more performance-sensitive type of categorization or by trying to link up budgeting with new processes of strategic planning (Pollit & Bouckaert, 2011). Although developing broad goals could be part of a separate strategic planning

process, financing for the achievement of these goals comes from the budget (Schaeffer & Yilmaz, 2008). Therefore, budgetary allocations should be aligned to the declared policy priorities outlined in strategic plans reflecting the needs and circumstances of societies. Owing to this, the expenditure management mechanism should include strong links between the policies that are decided by government and the budget that is intended to implement them (Schiavo-Campo, 2007).

The case of Malawi illustrates that the national budget is considered as a financial plan through which government delivers public goods and services in the short term to achieve its socioeconomic development programmes consistent with the medium and long term development plans (GoM, 2016). In particular, the allocation of resources in the budget is supposed to be based on national priorities as outlined in the Malawi Growth Development Strategy (MGDS) (NDI, 2015). However, evidence from budget beliefs continue to agree that the alignment of the national budget to the MGDS is encountering challenges due to primarily limited fiscal space (UNICEF, 2019). A 2018 fiscal space analysis showed that country's resource envelope is constrained, yet there are large financing needs across all sectors (UNICEF, 2018).

At the local level, the District Development Plans (DDPs) like the MGDS are the policy tools through which local governments are supposed to draw their priority areas to allocate resources within their jurisdiction with an aim of spearheading sustainable socioeconomic development. In this regard, local governments should seek to enhance the well-being of their citizens through the provision of public services consistent with the goals of the citizenry stipulated in local strategic plans (Mikesell, 2007). In view of this, local governments need to give adequate attention towards establishing linkages between policy objectives and budgeting exercise and ensuring that those high priority policy objectives are appropriately funded (Schaeffer & Yilmaz, 2008). Tracking these allocations and utilisations reveals local governments' resource allocation patterns, and measures whether public money in local government is being spent according to defined local priorities (NDI, 2015). Against this backdrop, the overarching aim of this study was motivated by the desire to critically assess whether local government budgets respond to Key Priority Areas (KPAs) stipulated in the DDPs. Specifically the study was guided by the following objectives: (a) to conduct a trend analysis of the local government budget allocations to the KPAs declared in the DDP covering 2017/18-2019/20 Fiscal Years (FY); (b) to identify factors reinforcing the current level of local government budget allocations to KPAs.

Conducting this study at the local level in context of Malawi is very crucial for a number of reasons. Firstly, several publications have appeared documenting budget analysis at the national level focusing on the following: social sectors such as education and health (CSEC, 2017), population groups such as children (UNICEF, 2019), government programmes such as nutrition and social welfare (CISANET, 2019), and policy documents such as MGDS III, Sustainable Development Goals (SDGs) and Malawi Vision 2063 (UNICEF, 2018; UNICEF, 2020) without much emphasis on the local level in both academic and policy discourse. In particular, these studies often discuss local budgeting in passing and alongside other activities, but still remain largely unstudied. To the best of my knowledge, a comprehensive study analysing local government budget's alignment to DDPs has been given scant attention, so this study aims to fill this important lacuna in Malawi. Secondly, often the budget allocations do not match the declared government priorities (DIN, 2006). The findings of this study will therefore, be used as a new benchmark for advocating and lobbying for increased budget allocations by the grassroots and development partners. Finally and most importantly, by achieving the ultimate purpose of the study, the anticipation is that the findings will significantly contribute to new understanding and reflections on local planning and budgeting to existing body of knowledge and it will also open a new synthesis for further research across a spectrum of local government planning and local development budgeting.

The rest of the paper proceeds as follows. The second section reviews relevant literature pertinent to local development planning and budgeting in Malawi's government authorities. Of particular concern is to illuminate the nexus between the DDPs and development budgets at the local level. The methodological choices which guided the study are presented in the third section. More precisely, how the budget analyses were built into the research framework. This is followed by the study findings and discussion in the fourth section. Finally, the major issues drawn from the study and recommendations are outlined in part five in form of a conclusion. On that basis, it then highlights the challenges the study faced.

II. LITERATURE REVIEW

The context of local development planning

The advent of political pluralism in 1994 promised a democratic local government system that has never been experienced in the history of the country (GoM, 2019). The promise was seen in the mandates given to local

governments provided in the legal and policy frameworks. One of the functions of the local government provided in the constitution and pertinent to this study is the promotion of infrastructural and economic development, through the formulation and execution of local development plans and the encouragement of business enterprise (GoM, 1995). Similarly, the Decentralization Policy was approved in 1998 to institutionalize democracy by allowing local communities to take leading roles in the development process (Chiweza 2019).

The foregoing said, one of the ways in which local government authorities have adopted in order to promote development is the district development planning. The district planning system is an integral part of the decentralization process and focuses on a systematic bottom-up approach to development planning (GoM, 2013). In particular, it requires local government authorities to collect information, analyze it, and set out developmental strategies with priority actions (Bornstein, 2000). On the basis of these explanations it can therefore be confidently asserted that the district planning system places prominence to the formulation of plans reflecting the needs and circumstances of the local people which act as their blueprint for implementing development agenda in their localities.

The Decentralization Policy of 1998 which is supported by the Local Government Act No. 42 of 1998 gives local administration authorities the power and autonomy to undertake development planning through people's participation (Zomba DDP, 2017). To illustrate this point Section 6 (1) (c) of the Local Government Act No. 42 of 1998 empowers local authorities in Malawi "...to promote infrastructural and economic development by formulating, approving and implementing Local Development Plans (LDPs)" (Hussein, 2019). Further to this, Section 21 of the Local Government Act indicates that an assembly (now known as councils) shall have a duty to draw up plans for the social, economic and environmental development of the area (Chiweza, 2019). For this process to be successful, the District Development Planning System Handbook was written to guide local governments on how to produce the LDP every five years (NDI, 2015). The LDPs that are developed are either called District Development Plans (DDP) in district councils or Urban Development Plans in city, municipal and town councils (Hussein, 2019; GoM, 2013). With the reality that local authorities have numerous needs and inadequate resources, it makes eminent sense to plan and prioritise the needs to be included in the LDPs. For example the DDP for Zomba District Council is regarded as a tool guiding the planning, implementation and coordination of development interventions in Zomba District.

According to Hussein (2019), the councils in the course of their work are required to prioritise the diverse community needs and include them in the DDP or UDP. He adds that councilors approve the DDP based on the objectives contained in the District Development Planning Framework (DDPF) formulated from the District Social Economic Profiles (SEPs). Since the LDP captures the needs and circumstances of people within the local government area, it makes eminent sense to use it as a blueprint when allocating resources. A LDP (DDP and UDP) should, therefore, be viewed as the overall master plan for all development projects in a Local Government Area (GoM, 2013). However for this process to succeed the local planning processes are supposed to be inclusive, grassroots oriented, and locally relevant (Bornstein, 2000). This is one way to ensure that the DDP is perceived as a legitimate document in all local planning structures.

Development budgeting in local councils

In Malawi councils are required by law to prepare their own budgets (Kayuni, 2016). Pursuant to Section 51 (1) of the Local Government Act No. 42 of 1998 gives the legal mandate to councils to formulate budgets for submission to National Local Government Finance Committee (NLGFC) (GoM, 1998). By the local budget we mean a document that details the financial plan of the local government for a fiscal year (Mikesell, 2007). To Schaeffer and Yilmaz (2008), the local budget is not just a statement of government finances but it is also a link between the mobilization of funds and attainment of government goals and objectives. More so, NDI (2015) captures the local budget as an approved plan of revenue generation and expenditure for a given period usually twelve months showing sources of funds and areas of expenditure by departments within the local government. Arguably, the local budget should therefore, be seen as a projection of revenue generation and expenditure for implementing prioritised development issues and disorders, and service delivery informed by Local Development Plans (LDPs) within the areas under the jurisdiction of the local government.

Local government budgeting can be described as a series of steps that link policy (people's preferences and needs) to financial planning (budget) to actual budget implementation (service delivery, operations) (Schaeffer & Yilmaz, 2008).

The budget process for decentralized entities follows the same calendar as at the central level in terms of discussing needs; consequently, the budget is approved by the district council (GoM, 2019). One of the few exceptions in this respect is that the parliament approves the budget at central level and the district council for decentralized entities. Once the local government budget has been approved it becomes not just a statement of finances but is the link between the mobilization of funds and attainment of government goals and objectives (Mikesell, 2007). Instead of the former situation, in which budgets were mainly a process by which annual financial allocations were incrementally adjusted, legalized, and made accountable to legislatures, budgeting has become more intimately linked with other processes – planning, operational management, and performance measurement (Pollit and Bouckaert, 2011).

Local governments behave much like line ministries in that their budgets are incorporated into the national budget and their spending follows the same rules as other spending agencies. The only exception is that local government finances are vetted by a financial clearing house the NLGFC (GoM, 2019). In particular the NLGFC is responsible for consolidation and monitoring of local councils' budgets, the allocation, disbursement and accounting for financial resources and the regulation and ensuring of prudent use of financial resources (NLGFC Newsletter, 2019). The NLGFC consolidates local government authorities' budgets and submits them to the National Assembly through the Ministry of Local Government and Rural Development. The table below neatly sums up the activities which are involved in local government budgeting process and their respective timeframes.

Table 1: Local Government Annual Budget Calendar

PERIOD	ACTIVITY
July-October	Preparation of final accounts
November-December	Audit by the National Audit Office
	Consultation with communities on Annual Investment Plan (AIP) and Local Development Plans (LDP)
December	Release of indicative ceilings, budget guidelines and frameworks
January	Consultations with communities on AIP and approval of AIP
	Development of budgets
February	Budget consultations and finalising budgets by local governments
March	Approval of the budgets by the council
April-May	Assessment and Consolidation of local budgets by National Local Government Finance Committee
May	Presentation of budgets for voting

Source: NDI (2015)

The Malawi Constitution (1994) and the Local Government Act (CAP 22:01) require that the exercise of Local Government mandates should be done in a participatory, transparent, and accountable manner (NDI, 2015). This calls for robust budget analysis in local governments in order to assess the compliance and responsiveness by duty bearers in the implementation of key development issues funded by the local budget. Therefore, the underlying theme of any local government program budget structure is to provide greater clarity to local community as to what the community's shared goals are, the priority of these shared goals and to provide the community with an indication of whether these goals have been achieved or not (Schaeffer & Yilmaz, 2008). More precisely, the more immediate goals of public budget analysis are to ensure that government budget priorities are consistent with declared policy objectives, and that the financial resources allocated to priority areas are expended fully and properly (NDI, 2015). However, budget work also has a larger purpose, which is to contribute to democracy through ensuring openness, transparency and accountability for public resources (RSA, 2011). Transparency and accountability besides participation are main constitutional

principles which formed the basis for establishing local governments in pursuant to Section 3 of the Local Government Act of 1998.

Tracking local government budgets and expenditures at the secretariat is an important element of the Ward Councillors oversight function in the management of Council finances (NDI, 2015). In this sense, Ward Councillors provide a systematic check on the Council secretariat expenditure and service delivery within their respective wards and the district as a whole (GoM, 2013). However, in order play this role meaningfully, Ward Councillors must have a thorough understanding of the financial processes of the Council and how to utilise the budget in the most effective way (Hussein, 2019). This demands capacity building programmes such as intensive training in order to effectively monitor local government budgets and ensure that public money is being spent according to the local defined priorities (NDI, 2015).

III. STUDY METHODOLOGY

Budget analysis studies generally employ quantitative research designs with a few qualitative elements (DIN, 2006). Owing to this and the nature of research questions, the research methodology which was adopted was a mixed-methods approach, where quantitative techniques predominated over qualitative techniques. It made usage of a desk research approach with limited key informant interviews. The study used both primary and secondary data. Secondary data collection exercise involved a thorough review of a range of documents such as: books, journal articles, newspapers, government reports, budget beliefs from development partners, NLGFC newsletters, Zomba District Council DDP, Zomba District SEP and Zomba District Council budgets and Annual Investment Plans (AIPs).

The budgets for the following fiscal years: 2017/18, 2018/19 and 2019/20 were analysed using trend analysis technique and 2017/18 as a base year. This technique helps to determine if the share allocated to a particular department, programme or sub-programme is increasing or decreasing (DIE, 2006), the extent to which government is prioritising a department and/or whether priorities are shifting (Save the Children, 2002). Consequently, the nature of the first research question made this technique most suitable, hence its adoption.

The budget documents analyses were carried out systematically in stages. The first stage was a defining moment in terms of the scale and scope of the analysis amidst many objectives for conducting budget analysis. It takes time to conduct budget analysis and hence there is need for researchers to be selective and to choose clear parameters for their study (Save the Children, 2002). In this case, it was to ascertain whether budget allocations are aligned to the declared policy priorities at the local level. The second stage involved a detailed and thorough examination of budget allocations against the declared policy priorities and recording the data on the Microsoft Excel Spreadsheet. The third stage was about processing data in Microsoft Excel and this was aided by graphical representations. Finally, the study findings were interpreted with the ultimate aim of putting forward recommendations to all stakeholders who are deemed to have a stake in local development planning and budgeting.

The secondary data was collated and complemented the primary data. In particular, primary data was collected through Qualitative Key Informant Interviews (KIIs) using semi-structured interview guides. The key informants were purposively sampled and included the following: the Director of Finance (DOF), the Director of Planning and Development (DPD), the Council Chairperson, Chair of the Finance Service Committee and Chair of the Development Service Committee. The justification for conducting KIIs was that the aforementioned informants are custodians of key information such as council budgets, funding institutions and reports (NDI, 2015). Consequently, they have the perspective needed to understand the broad implications of the budget framework and the power to ensure and authorise the necessary resource allocations. The study employed thematic analysis to analyse qualitative data into emerging themes or patterns since it involved exploring different views which in turn demanded a flexible approach.

IV. STUDY FINDINGS AND DISCUSSION

Alignment with DDP prioritized development issues

Zomba District Council DDP as a benchmark for this analysis has eleven Key Priority Areas (KPAs). The study focused on direct allocations in the budget to KPAs to ascertain council’s commitment to uphold the DDP. The commitment to achieve the KPAs is contingent on the allocation of adequate resources in the development budget to finance their implementation. A careful scrutiny of the 2017/18, 2018/19 and 2019/20 budgets indicates that the allocation of resources is partially aligned to the KPAs as illustrated graphically in Figure 1.

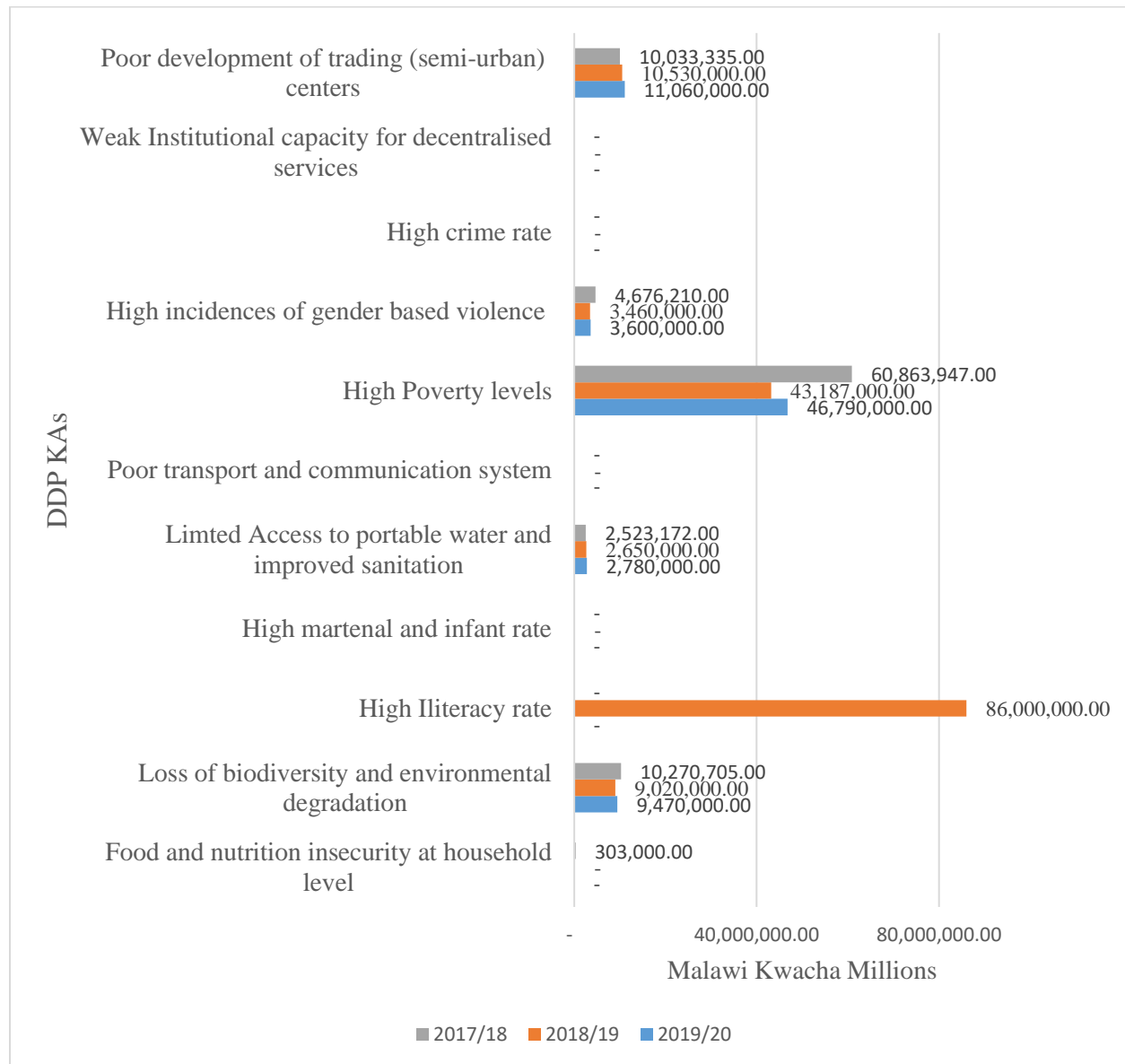


Figure 1: Budget allocation to DDP KPAs, FY 2017/18 -FY 2019/20

Source: Author’s own construction based on the KPAs in the DDP and their respective direct budget allocations for FY 2017/18-FY2018/19.

Figure 1, shows that some KPAs were not allocated resources directly from the budget across all the fiscal years under review. For example, specific provisions were not made to the following KPAs: high crime rate; weak institutional

capacity for effective decentralized services delivery; poor transport and communication system, and high maternal and infant rate. It was established that some of the KPAs which are missing in the budgets are being heavily supported by development partners through off-budget mechanisms due to weak finance management systems in district councils. Usually donor funds are provided outside the budget for implementation of specified projects (NDI, 2015). This is attributed to challenges such as disbursement of funds, poor record keeping and financial reporting by district councils, wastage and leakages which are commonly reported despite concerted efforts by government to curb them (UNICEF, 2018). In addition, donors prefer to deliver aid through off-budget modalities, where they retain greater control of the agenda and can more directly design and implement interventions that are key to their interest (Chasukwa & Banik, 2019). However, off-budget resources are mostly earmarked and not equitably distributed, as some districts receive more donor support than others (UNICEF, 2019). To address this challenge, there is an urgent need for needs-based allocation criterion taking into account disparities which exist among district councils and the needs of the people identified through bottom up approach. The councils are also supposed to make realistic commitments to fund all KPAs and at the same time strengthening local finance management systems so that funds from all external stakeholders are directed towards on-budget modalities.

Figure 1, also illustrates that allocations were only made once to some KPAs across the fiscal years under study. Food and nutrition at household level was given K303,000.00 in FY 2017/18, and without any specific allocation in FY 2018/19 and FY 2019/20. Specific provision was also only made in FY 2019/20 for high illiteracy rate having being allocated K86,000,000.00 while missing in other fiscal years. The trend analysis shows an increased incidence of variability of allocation in the local development budget to the KPAs. However, some of it can be attributed to changes in the budget structure which make it difficult to properly trace allocations to given programmes over time (UNICEF, 2019).

Notwithstanding the absence and high level of variability of budget allocations to some KPAs, the council is commended for sustaining allocation of resources to some KPAs across all the fiscal years under review. The allocation to poor development of trading (semi-urban) centres, as illustrated in the figure 1, starts at K10,033,335.00 in FY 2017/18, expand gradually to K10,530,000.00 in FY 2018/19, then rises again to K11,060,000.00 in FY 2019/20, representing a 5% average annual growth rate. The analysis shows that the allocation to limited access to potable water and improved sanitation increased marginally over FY 2017/18-2019/20 by 5%. The allocation to loss of biodiversity and environmental degradation, decreased from K10,270,705.00 in FY 2017/18 to K9,020,000.00 in FY 2018/19, and then increased to K9,470,000.00 in FY 2019/20. However the study found an overall decline of 3.5% over FY 2017/18-2019/20. The trend analysis also shows that all the budgets under review were engendered. However, the allocations to high incidences of gender based violations declined from K4,676,210.00 in FY 2017/18 to K10,530,000.00 in FY 2018/19, a 23.01% decrease, and then increased by 4% in FY 2019/20. It can therefore be seen that Zomba District Council gives greater priority to these KPAs, although the high level of variability of allocations and meagre allocations have been common themes in all the budgets.

In summary figure 1, demonstrates that the allocations for resources in all three budgets were partially aligned to the development issues stipulated in the DDP. This finding is in line with Hussein (2019) study which concluded that there is failure to align projects, which are implemented at the local level with those in the DDP and lack of the seriousness in aligning resources to the needs or priorities at the local level. The deviation of budget priorities from policy priorities is seen as a betrayal to the fulfillment of priorities in the DDP and people residing in the local government area. This is justified on the basis that policy priorities take into account community preferences, competing claims and indicates how resources will be allocated to satisfy these claims (GoM, 2013). Therefore, the alignment of the budget priorities to the policy priorities is a critical issue and must be given careful consideration to ensure logic implementation of the DDP.

Factors reinforcing the misalignment of budget allocations to policy priorities

This objective sought to interrogate the reasons behind loopholes manifested in the misalignment between the DPP and the allocation of resources. The study found that the challenges that cause a disjuncture between resource allocation and DDP KPAs in district councils are administrative, political and economic in nature.

The first challenge which reinforces a mismatch between policy priorities and budget priorities concerns unrealistic commitments exacerbated by fiscal space constraints. The common theme among the three budgets is the allocation of inadequate funds to the KPAs and worse still some KPAs were not allocated resources. For example, food and nutrition at household level was given K303,000.00 in FY 2017/18, and without any specific allocation in FY 2018/19 and FY

2019/20. One would argue, do these commitments worth to sustain the alignment of the budget priorities to the policy priorities? Arguably, this kind of lip service raises serious sustainability concerns as it fuels the culmination of financing gaps, resulting in substantial gaps between budget priorities and policy priorities. To give weight and credence to this finding Msiska, Chiweza and Chirwa (2018), lamented that although the School Improvement Grant (SIG) is highly valued in the education sector, the amount given to schools is very small to make a huge impact on the availability of education facilities. In addition, UNICEF (2019) filed reports confirmed delays in disbursement of SIG, sometimes exceeding five months. The foregoing said, it is abundantly clear that there is a strong need to strategically rethink how best to allocate enough resources to all KPAs and in good time to ensure fruitful outcomes.

However, the fundamental problem confronting district councils in Malawi is that their budgetary rooms are not spacious enough to accommodate all the KPAs declared in the DDP. This is attributed to limited revenue generation, internal system inefficiencies and fiscal indiscipline (UNICEF, 2019). Similarly, the central government has also been faulted for devolving some functions to district councils without been accompanied by resources (Msiska et al. 2018; UNICEF, 2018). Started differently, the central government refuses to pay the political and financial costs of the decentralisation of roles and responsibilities (UN-Habitat, 2015). The proliferation of these challenges make councils to operate under limited resource envelopes resulting in widening gaps between the resources at their disposal and expenditures. Without financial sustainability, local governments are unable to govern effectively or provide services to their communities, and their developmental capacity and autonomy are undermined (Chikulo, 2010). This is becoming a bigger challenge impeding the sustainable allocation of resources in the development budget to finance the implementation of KPAs stipulated in the DDP.

The second challenge is overdependence on donor funding. The study found that district councils rely heavily on donor funding to finance some KPAs. The dominant narrative was that: “Truth be told, we still remain a council that looks to development partners for both technical and financial support. Sometimes we allocate inadequate funds or even without any provision since donors help us” (An extract from an interview with the Director of Finance). This finding was also noted by UNICEF (2019), where it was established that Districts’ dependency on donor support is very high, ranging from 70% to 88% of the total health funding. However, the overdependence on donor aid also implies the likelihood of projects not moving at the expected speed as donor resources are usually released with several conditionalities and it is also heavily skewed towards specific sectors (UNICEF, 2018; UNICEF, 2019). In addition, financial dependence also tends to limit the scope for establishing independent positions on development policy issues (Chikulo, 2010). To illustrate this point, the study disclosed that in Zomba District, faith organisations prefer to direct their support to areas where there are more believers of their religion notwithstanding the District Sector Plans and Village Action Plans (VAPs). In other words, service delivery and development are ‘supply driven’ instead of ‘demand driven’ (Chikulo, 2010).

Arguably, this implies that donors defile the KPAs declared in the DPP to serve their interests thereby, weakening the capacity and autonomy of district councils to implement the KPAs declared in the DDP. This understanding was eloquently captured by Chasukwa and Banik (2019), when they lamented that the bypassing of local institutions results into fragmentation of aid, a lack of coordination among aid industry actors, a general weakening of policy space and domestic capacity to formulate and implement development policy. Therefore, it is increasingly important for Ward Councillors in collaboration with actors to formulate by-laws that will ensure that Nongovernmental Organisations (NGOs) and donors support councils in the implementation of projects already identified in the DDP (NDI, 2015) in order to ensure greatest outcomes and equity in spending in all sectors and areas.

Finally, the study disclosed that political interference has a bearing on disjuncture between resource allocation and the KPAs declared in the DPP. It came out during interviews that some political figures influence the council to allocate resources to projects that are not outlined in the DDP. Broadly speaking, political prestige motivates some projects (Rodman, 1968) since choices are based more on political power of the different actors than on facts, integrity and facts (Schiavo-Comp, 2007). In the same vein, Sangala (2018) affirm that, at the national level, chiefs’ honoraria and youth internship programmes were introduced purely for political reasons to secure cooperation and votes in 2019 elections. This continues to be the case as political interests were more on investing in projects that could demonstrate quick gains and therefore sustain political and electoral support for the party in government (Chingaipe & Chikadza, 2019). This costs councils to defile the KPAs during the allocation of resources in order to please the interests of party loyalists which are not a true reflection of the needs and circumstances of the people residing in the local government area.

More precisely, budgetary resources that would have been used to anchor the implementation of some KPAs have been misallocated to finance development issues imposed on district councils by political figures. Consequently, the efforts to align budget priorities to policy priorities remain a pipe dream since budget priorities are not informed by policy priorities.

Despite a proliferation of political interferences, both the central and local governments have been undertaking reforms to structure their budgets religiously based on guiding policy documents. However, as noted by Pollit and Bouckaert (2011), that budgeting is an intensely political process, and actual behaviours can be very difficult to change—even when formal procedures are modified and it may take years for all the various organizations concerned to become comfortable with and fully practice the new procedures. Visibly so, the same could be said of district councils given that they are hotbed of reforms. Arguably, time will tell.

V. CONCLUSION

The budget analyses have shown that the alignment of the allocation of resources to the KPAs declared in the DDP in district councils hangs precariously in a balance as it has been married with challenges which have negative implications. The study findings have shown that the DDP is used as a sham with little progress to show notwithstanding the fact that it is a blueprint for budgetary resource allocations. To this end, there is a need for councils to duly recognize that the DDP is not an end in itself, it is a means to an end. In this regard, the dismal performance should rejuvenate energies for better alignment of resources in the budget to the KPAs. This is the case since the budgetary allocations remain the most crucial means to operationalise the KPAs declared in the DDP. The findings support the call by Msiska et al. (2018), for accompanying all earmarked functions from line ministries devolved to district councils with enough resources cognizant of the fiscal space constraints district councils face from time to time. The prolonged fiscal space challenges limit the capacity of district councils to support the implementation of KPAs declared in the DDP. Secondly, district councils should put mechanisms to increase the revenue base and to strengthen the finance management systems in order to lessen the donor dependent syndrome. Thus, until such time as local authorities become capable of raising significant amounts of their own revenue, the mentality of ‘he who pays the piper, calls the tune’ is bound to continue (Chikulo, 2010). Improvement in this area would tremendously escalate revenues district councils collect in so doing creating the fiscal space for financing the execution of all the KPAs.

VI. LIMITATIONS OF STUDY

The major challenge faced by this study was an uneven access to the monthly, quarterly and annual financial reports showing the trends in revenue and expenditure in comparison with the budget. As such, the local budget variance analysis was not conducted since the study depended so much on allocations in the development budget. Secondly, the study does not take into account the off-budget mechanisms funded by the development partners that are directed towards the KPAs and those that are carried out alongside other activities. It would, therefore, be dishonesty to assume that the study presented all the resources allocated to the KPAs declared in the DDP. It is hoped, nevertheless, that the established findings will still enable scholars and practitioners to have the general picture on the linkages between budget priorities and policy priorities in Malawi’s local governments and follow this line of enquiry by conducting further localized and rigorous research endeavors.

VII. ACKNOWLEDGEMENTS

The author would like to thank Martin S. Kanyinji and Pleasant H. Macheso for their helpful comments on earlier drafts of this paper.

VIII. DISCLOSURE OF CONFLICT OF INTEREST

No conflict of interest for this research was declared by the author.

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