

Decentralisation and health systems development: the question of planning, budgeting and financial structures.

Decentralised district health delivery in Kenya: chronic problems with management and finance

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Champions of health sector decentralisation argue that it empowers the lower level tiers in health planning and management by transferring the responsibilities for planning, management, resource generation and allocation from the Central government and promotes coverage and access to modern health care for the vulnerable, but does it work in reality? This paper analyses the decentralisation programme undertaken by the Kenyan Ministry of Health, which has favoured decentralisation as part of a broad policy framework to promote efficiency and effectiveness in health care delivery. A background to the decentralisation process in the health sector is first given. The focus of the study is then outlined, concentrating on the areas of health planning and budgetary and financial management processes and structures. The findings are outlined, and recommendations made for enhancing health systems development in Kenya are presented. The paper finds:

- weak linkages between district development plans, annexes and the actual budgetary allocations as well as unclear mechanisms for allocating resources to the districts
- weak monitoring and evaluation of plans and budgets
- weak inter-sectoral collaboration in planning and budgeting, ineffective implementation of plans and budgets and inadequate capacity to plan and budget at the districts
- inflexibility in the budget as well as conflict of interest on prioritisation of projects and budgeting
- problems with disbursement of district float and ineffectiveness of the reimbursement system at the District Treasury
- bureaucracy and ineffective financial management at the district treasury
- lack of an effective integrated health management information system

The study recommends:

- unification of plans and budgets in the short term
- building team work to avoid working at cross-purposes as well as more responsive training for the district health staff and other stakeholders involved in planning, budgeting, monitoring and evaluation
- use of block grants to address budget inflexibility
- strengthening the district health management information system by providing adequate resources such as computers, trained personnel, standardised HMIS software etc
- increased use of district development committees to ensure more effective intersectoral collaboration among the various stakeholders

- departmentalisation of the district floats and strict adherence to budgets as well as rationalisation of district resource allocation
- equipping the districts with relevant accounting and financial management software to enhance the reimbursement process and more effective networking at all levels