A REVIEW OF THE KENYA POLICE FORCE BUDGET AND ITS EFFECT ON CRIME MANAGEMENT
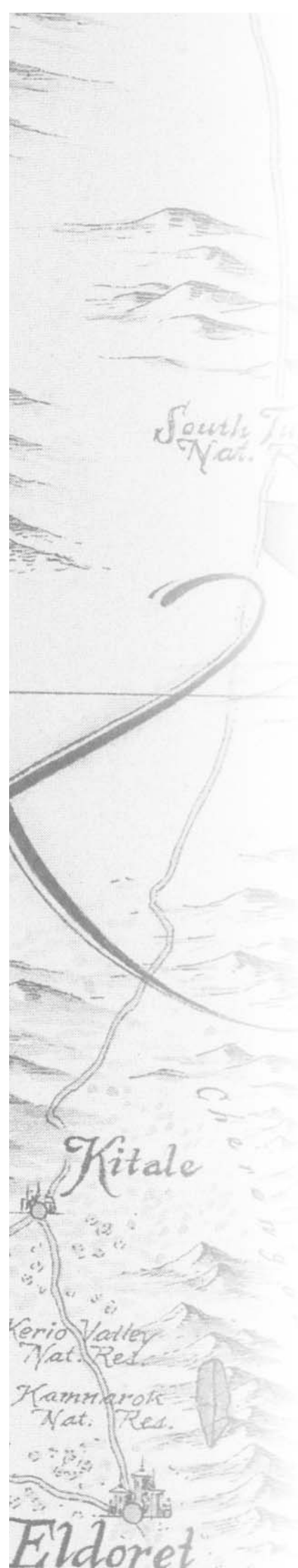
A REVIEW OF THE KENYA POLICE FORCE BUDGET AND ITS EFFECT ON CRIME MANAGEMENT

AUGUST 2005

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ACRONYMNS

AIA	-	Appropriations in Aid
AIE	-	Authority to Incur Expenditure
BMD	-	Budget Monitoring Department
CAG	-	Controller & Auditor General
CID	-	Criminal Investigation Department
CFS	-	Consolidate Fund Services
CHRI	-	Commonwealth Human Rights Initiative
DDC	-	District Development Committee
DOD	-	Department of Defence
DPP	-	Directorate of Public Procurement
ERSWEC	-	Economic Recovery Strategy Paper for Wealth and Employment Creation
GDP	-	Gross Domestic Product
CGD	-	Centre for Governance and Development
GSU	-	General Service Unit
HRD	-	Human Resource Development
KHRC	-	Kenya Human Rights Commission
KIPPRA	-	Kenya Institute of Public Policy Research and Analysis
KPF	-	Kenya Police Force
MOF	-	Ministry of Finance
MTEF	-	Medium Term Expenditure Framework
MWG	-	Macro Working Group
NARC	-	National Rainbow Coalition
NYS	-	National Youth Service
OP	-	Office of the President
PAC	-	Public Accounts Committee
PIC	-	Public Investment Committee
PRSP	-	Poverty Reduction Strategy Paper
PSLO	-	Public Safety, Law and Order
SWG	-	Sector Working Group
UN	-	United Nations

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1.0 INTRODUCTION

1.1 Scope of the Study

This study sets out to analyse trends in budgetary allocations and exchequer releases to the Kenya Police Force (KPF) and to examine whether or not they have impacted on citizen safety and crime management.

The specific objectives of this study are to:
1. understand the budgetary process in Kenya, focusing on the KPF budget;
2. analyse trends in budgetary allocations to the KPF between fiscal years 1999/00 to 2003/04;
3. compare allocations to the KPF with those to other law enforcement agencies;
4. establish whether disparities exist between budgetary allocations to the KPF and actual expenditure; and
5. identify police priorities based on analysis of budgetary trends.

1.2 Methodology

Two sets of secondary data were utilised in this study. First, data on budgetary allocations to government ministries obtained from Printed Estimates of Recurrent and Development Expenditure and second, data on actual expenditure obtained from the Budget Monitoring Department (BMD) of the Ministry of Finance and the Office of the Controller and Auditor General (CAG).

Data on actual expenditure obtained from the BMD is published in Quarterly Budget Review reports. These reports provide figures of actual recurrent and development expenditure for each expenditure vote.[1] The reports are based on expenditure returns from ministries and government departments, but they exclude public expenditure funded by the Appropriations in Aid (user charges collected by spending units). In addition, expenditure returns from districts are not always received promptly by the BMD. Another notable limitation with this set of data is that it is not broken down to departments or budget line items. By the end of August 2004, the BMD had published the second quarter report for the fiscal year 2003/04, covering the quarter ending December 2003.

Data on actual expenditures obtained from the office of the CAG is published in several volumes of the Appropriation Accounts (audited public accounts). In the past these have been delayed, coming three to four years after the relevant fiscal year. Reform in the office of the CAG has reduced this time lag to two years. The CAG has only recently (August, 2004) released the audited accounts for the 2001/02 and is yet to publish the audited public accounts for the fiscal year ending June 2003.

CAG reports tend to be more accurate and provide finer details down to budget line level. However, publication delays reduce their usefulness. In the absence of other reliable data set, the BMD data (even if relatively less accurate) provides useful indicative summaries of trends in funds utilisation by ministries and government departments.

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[1] Expenditure vote refers to the budget of a government ministry or department for which there exists an Accounting Officer who takes charge over the use of the respective budgets.
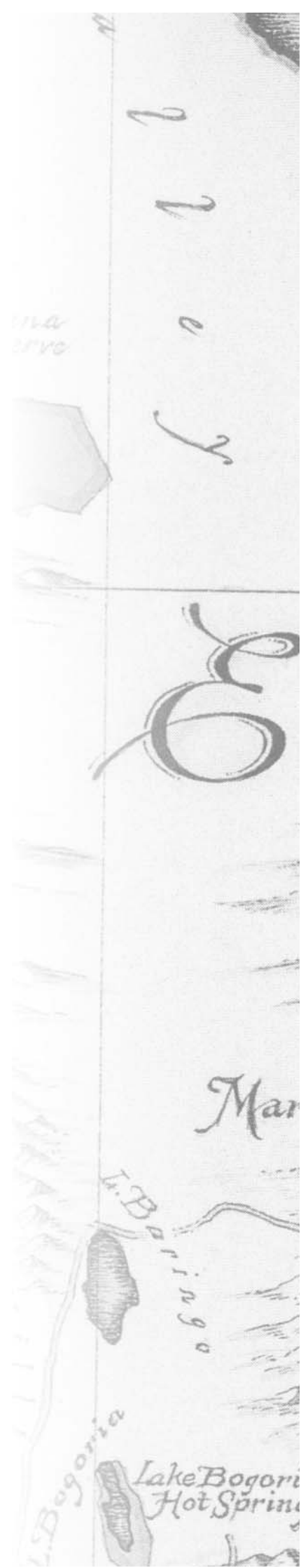
Generally, information about the police force is not available. This is partly due to weak information systems and partly due to a lack of transparency. An attempt to overcome the limitations was made by collecting information through interviews with senior officers. Some of the conclusions drawn in this study are based on this primary inquiry.

1.3   A Perspective of Crime in Kenya

According to UN Habitat et al (2002), Nairobi's crime profile resembles that of major cities in South Africa and Tanzania, with robbery, burglary, theft and assault being particularly prevalent. But, it is noteworthy that Nairobi records a relatively higher incidence of violent crimes.[2] The report estimates that over 37% of Nairobi residents were at one time victims of robbery in the year 2002. The Economic Survey, 2004, reports an increase of 9.8% in the number of reported crimes in Kenya between 2002 and 2003. This comes in the wake of an earlier report suggesting a low or downward swing in crime reporting.

Table 1: Annual Crime Statistics: Cases reported to the police

	1999	2000	2001	2002	2003
Murder (including attempt)	1,625	1,807	1,688	1,661	1,395
Manslaughter	16	18	8	3	5
Rape (including attempt)	1,465	1,675	1,987	2,005	2,308
Assault	11,891	13,035	12,611	12,689	13,401
Robbery & Allied Offences	8,612	8,923	9,180	8,504	8,711
Breakings	9,940	10,712	10,363	8,338	9,037
Theft of Stock	2,278	2,906	2,327	2,087	2,291
General Stealing	9,591	10,129	8,919	8,340	9,916
Theft of Motor Vehicle	1,004	896	960	1,043	803
Theft of Motor Vehicle parts	770	748	753	587	708
Theft from motor vehicles	526	569	558	420	399
Theft of bicycle	652	836	565	448	623
Theft by Servant	3,075	3,221	2,757	2,371	2,957
Dangerous Drugs	5,912	5,481	5,300	4,467	4,742
Handling stolen property	384	361	347	299	299
Corruption	43	42	23	76	50
Causing death by dangerous driving	259	346	301	298	295
Other offences against property	16,947	18,438	16,705	16,787	19,400
TOTAL	**74,990**	**80,143**	**75,352**	**70,423**	**77,340**

Source: Government of Kenya, Economic Survey, 2004

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[2]   UN-Habitat, UNDP, Safer Cities & ITDG: Crime in Nairobi: Results of a Citywide Victim Survey, September 2002.

The statistics above paint a rather grim picture of crime in the city of Nairobi and the country at large.[3] This scenario is further compounded by recent terrorist attacks in two of Kenya's major cities, a situation that has in recent times led to a series of travel advisories against Kenya by many countries, including the United States, United Kingdom and Germany.

A Citywide Victim Survey in 2002 showed that the KPF was grossly under-resourced. Victims of crime also perceived the KPF to be incompetent, inefficient, corrupt and unprofessional, and therefore incapable of offering much assistance in controlling crime.[4]

Damning the police further are a series of Transparency International Kenya reports that find the Police Force to be the most corrupt institution in the country.[5]

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[3] The crime situation in Nairobi is considered as representative of the country's crime profile, with up to 50% of the country's crime being reported in Nairobi.
[4] UN-Habitat, UNDP, Safer Cities & ITDG: Crime in Nairobi: Results of a Citywide Victim Survey, September 2002.
[5] See Transparency International-Kenya, Kenya Bribery Index, 2003.
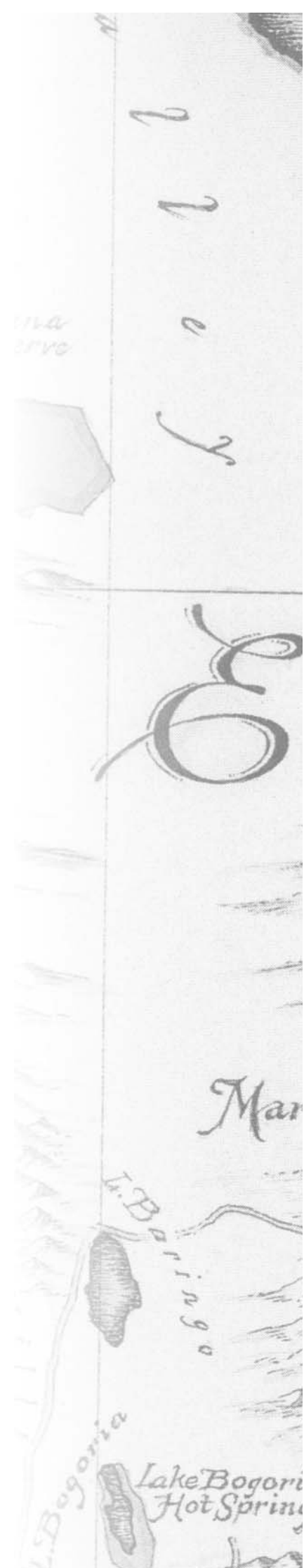
2.0 THE BUDGETARY PROCESS IN KENYA

2.1 Earlier Budgetary Systems

Kenya adopted the Medium-Term Expenditure Framework (MTEF) in 1999 and this remains its primary budgetary system. Prior to the MTEF, the government applied the line item budgeting system as well as incremental budgeting. The former focuses on controlling inputs, rather than optimising outputs. Incremental budgeting on the other hand, starts by establishing the total expenditure as well as due commitments; surplus funds are subsequently allocated on a pre-determined basis between spending agencies.

The focus in line item budgeting is on control of public spending at an item level, and authority must be granted before purchases are made under the specific budget items. This system fails to provide incentives to spending ministries and departments to economise or even relate their expenditure to output. On the contrary, spending agencies tend to avoid controls and spend on favoured activities resulting in operational inefficiency and ever increasing wasteful expenditure. This system also complicates the process of monitoring and evaluating performance, since it only indicates items purchased and not service(s) provided.

Under incremental budgeting, relative priorities are recognised by awarding differential shares of additional resources. This system assumes that allocative efficiency of the budget is in place, so that the marginal units yield the same value in each activity. The result is that there is no need to reallocate resources. However, since activities and programmes are not prioritised, it is difficult to isolate areas to beef up in case of an increase in revenue or areas to cut when financing capacity slackens. In other words, this system applies across-the-board changes (i.e., uniform increases or reductions) and allows the continuation of ongoing programmes even when policies or priorities change. This system does not facilitate the allocation of resources to high priority activities and programmes and leads to rising programme implementation costs, since any increase in budgetary allocations is not preceded by a needs assessment.

Various weaknesses in these earlier systems necessitated a review, leading to the adoption of the MTEF process.

2.2 An Overview of the Current Budgetary Process

The MTEF process is a three-year financial rolling plan (with the first year being the annual budget), which aims at matching government priorities with available resources. It is an iterative process, which aims at achieving efficient resource allocation through a two-tier approach to budgeting, i.e., a top-down macro process and a bottom-up sectoral level aggregation (see annexed diagram).

Under the MTEF approach, Kenya Government programmes are grouped into eight sectors, including the Public Safety, Law and Order Sector (PSLO) under which the KPF falls. Each sector is further split into a number of sub-sectors varying in size, mandate and level of autonomy.

Table 2: A Breakdown of Sectors and Sub-sectors under MTEF

Sector	Sub-sectors	Ministries/Departments
Agriculture and Rural Development	Crop development; livestock; food security; fisheries; land administration & survey; environment; forestry; co-operative development; rural water; human settlement; research & development	n Ministry of Agriculture n Ministry of Livestock & Fisheries n Ministry of Cooperatives Development & Marketing n Ministry of Environment & Natural Resources n Ministry of Lands & Settlement
Human Resource Development	Education; health; capacity building & training; labour & manpower development; shelter & housing; population; culture sports & recreation	n Ministry of Health n Ministry of Education, Science & Technology n Ministry of Gender, Sports, Culture & Social Services n Ministry of Labour & Human Resources Development
Physical Infrastructure	Roads; communications (information, marine, urban transport, railway, air transport); telecommunication; water & sanitation; energy; building & construction; quality control & standards; and other public works	n Ministry of Roads, Public Works & Housing n Ministry of Energy n Ministry of Transport n Ministry of Water Resources Management & Development n Ministry of Local Government
Trade, Tourism and Industry	Trade; tourism; industry	n Ministry of Trade & Industry n Ministry of Tourism & Wildlife
Public Safety, Law and Order	Security; law & order; provincial administration and state house	n Judicial Department n Ministry of Justice & Constitutional Affairs n Office of the President n State House n Office of the Vice President & Ministry of Home Affairs n Office of the Attorney General
National Security	National Security	n Department of Defence n National Security Intelligence Service

Sector	Sub-sectors	Ministries/Departments
Public Administration	General administration; personnel management; controller & auditor general; financial and economic planning; legislative & electoral process; international cooperation; local government; planning & coordination of development	n Ministry of Finance n Ministry of Planning & National Development n Directorate of Personnel Management n Ministry of Foreign Affairs n Ministry of East Africa & Regional Cooperation n Ministry of Regional Development n Public Service Commission n Controller & Auditor General
Information Communication Technology	Information Communication Technology	n Department of Government Information Technology Services (Ministry of Finance) n Central Bureau of Statistics (Ministry of Planning & National Development) n Metrology Department (Ministry of Environment & Natural Resources) n Ministry of Information & Communication

The MTEF process involves four consecutive phases- the drafting; debate and approval; implementation; and budget oversight phases.

The drafting phase involves setting macro targets such as establishing the economic growth rate, desired inflation, money supply, domestic and external debt levels, and interest rates etc. This phase results in the preparation of a Fiscal Strategy Paper, which summarises the macro targets and sets ceilings for recurrent and development expenditure.[6] Ordinarily, a Treasury Circular outlining these macro targets, in addition to requisite policy pronouncements, is communicated to Accounting Officers (normally Permanent Secretaries).[7] Often, sectoral expenditure ceilings as adopted in the Poverty Reduction Strategy Paper (PRSP) accompany the Treasury Circular.

What follows is a review of sector priorities (during which civil society input may be considered), to ensure that they are in line with national priorities.[8] The outcome of this process is expected to form the basis for sectoral resource envelopes.

The next stage in the drafting phase is the sector resource bidding, during which various sectoral committees present detailed bids justifying their resource needs. The aggregate cost

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[6] The national budget comprises a recurrent budget, which caters for recurring expenditure, and a development budget, which caters for capital expenditure and donor-funded projects.

[7] The Circular contains guidelines for Ministries and Departments on how to prepare budget proposals.

[8] National priorities of the Kenya Government are set out in various Government documents.

of all policy priorities constitutes the expenditure requirement and this is matched against available resources as outlined in the Fiscal Strategy Paper. Where expenditure needs exceed permissible amounts, these are scaled down on a priority basis to required levels.

Sector-Working Groups (SWG)[9] produce final sector reports (following internal consultations) detailing a prioritised list of activities, the cost of each activity, and a three-year financial plan. Ministries and Departments that make up each sector bid for resources from the sector envelope. This process involves negotiations and making trade-offs between different activities. Allocations are subsequently made in favour of projects/expenditure items with the highest potential for poverty reduction, in line with the PRSP. Finally, resources from different sub-sectors are amalgamated to form ministerial ceilings. The Minister for Finance presents these estimates to the cabinet for approval, after which he/she proceeds to prepare Printed Estimates.

Table 3: Composition of Sector Working Groups

Sector Working Groups comprise of the following:
- Chairperson (a Permanent Secretary chosen by consensus)
- Sector Convener drawn from the Ministry of Planning and National Development
- Secretariat for the Sector
- Budget Supply Department Representative
- External Resources Department Representative
- MTEF/PRSP Secretariat Representative
- Relevant Ministries within the Sector
- Development Partners
- Private Sector
- Civil Society

The debate and approval phase involves the Minister presenting the Annual Budget[10] (as a budget speech) to parliament, usually, by 20th June every year. The annual budget includes spending proposals in the Appropriation Bill and taxation proposals in the Finance Bill. For the sake of continuity in the delivery of public service, parliament interrupts debate on the policy statement to pass the Vote on Account, which allows Ministries and Government departments to spend up to 50% of their budgetary allocations pending approval of their budgets by parliament.
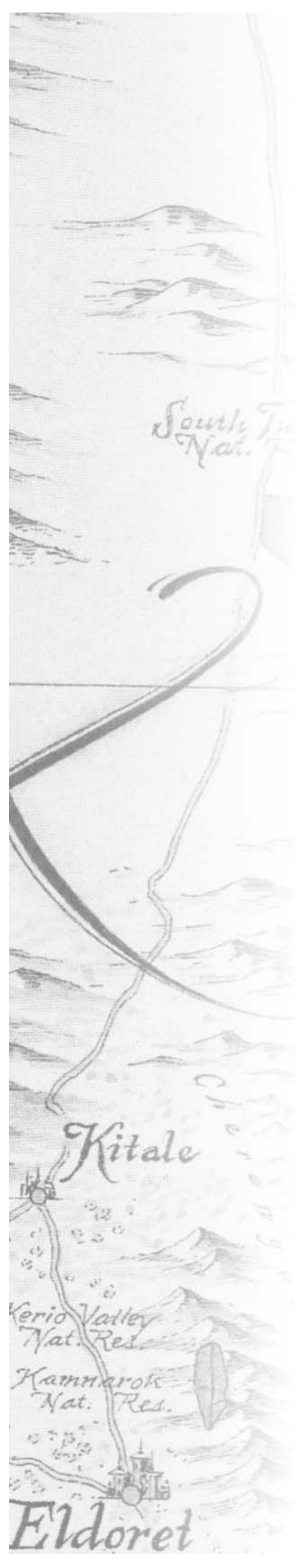
In the implementation phase, disbursements are made to Ministries and Government Departments following the Vote on Account. The Treasury issues spending units with Authority to Incur Expenditure (AIE). This allows Heads of Departments to utilise funds as approved by parliament.

Budget Oversight (through Treasury, various parliamentary committees - such as Public Accounts Committee and Public Investment Committee, the Controller and Auditor General, as well as civil society) seeks to ensure that public resources are utilised prudently.

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[9] Senior Government officials (the level of Permanent Secretary) chair Sector-Working Groups.
[10] The Annual Budget is a consolidated budget of Ministries and Government Departments, including taxation and financing proposal.
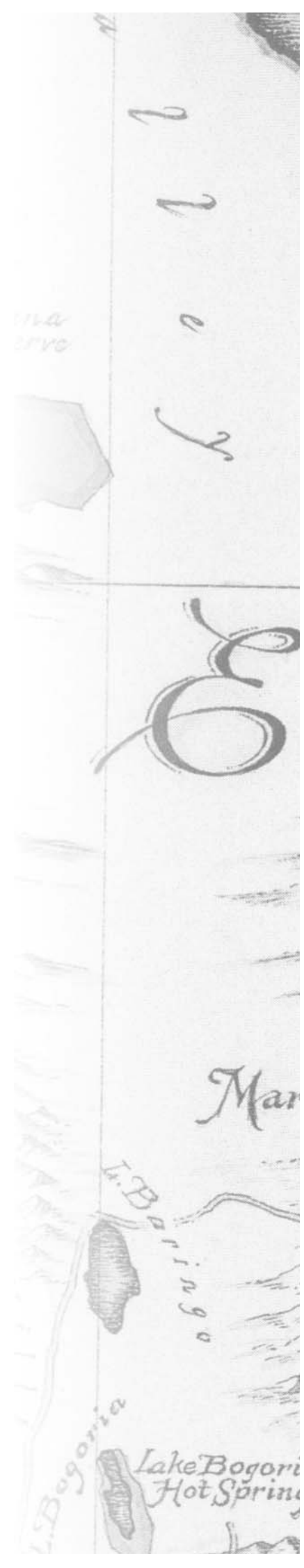
It is important to highlight the fact that attempts made in 2000 to introduce Target Based Budgeting System under the MTEF budgeting process failed to yield the desired results. Target Based Budgeting involves "ring-fencing" budgetary allocations to certain programmes e.g. pro-poor programmes. Target based budgeting failed in Kenya mainly due to acute resource constraints.

2.3   Threats to the MTEF Process

The MTEF approach as applied in Kenya faces a number of obstacles, some of which are discussed below:[11]

n   Capacity constraints: Spending agencies often lack the necessary skills and capacity to undertake the task of preparing and implementing budgets, as well as ensuring requisite oversight. Among others, the analysis of the complex policy issues, budget prioritisation and evaluation of cost of bids particularly pose difficulties. This situation is made more difficult by a compressed budget formulation timetable.

n   Difficulty in setting criteria for resource allocation: In practice, it is difficult to determine a criterion for making various trade-offs between sectors, within sectors and over time. But even where the alternatives are clear-cut, line agencies (line ministries and districts, constituencies etc.) find it difficult and time consuming to adjust individual resource bases as fast as the central agencies (e.g. Ministry of Finance) would like.

n   Determination of sector ceilings: Currently, the ceiling determination is a two-step process with the first step involving setting sector ceilings, which are then apportioned into ministerial ceilings. The value of the sector ceiling is not quite clear as the unit of accountability, budgeting and planning is the line ministry.

n   Weak Institutions: The success of the MTEF process is predicated on strong institutions. However, it is becoming increasingly difficult to establish such institutions due to the inability of the public sector to attract good human resource material.

n   Separation of Ministries: The recent separation of the Ministry of Planning from the Ministry of Finance separates the MTEF process from the annual budget circle. This is not conducive to the effective integration of spending priorities and resource allocation.

n   Credibility of Fiscal Management: Since the success of the MTEF process is dependent upon prudent fiscal management, cases of unexpected expenditure, shortfalls in revenue outcome and the withdrawal of external financing by development partners as a result of poor public finance management have undermined the MTEF process in Kenya.

n   Premature Decentralisation: It is likely that at the outset, the MTEF process gave implementing agencies too much autonomy before effective controls were put in place. The result has been an abuse of the process, as captured by the World Bank in a recent assessment of public expenditure management systems, where Kenya meets only four out of sixteen assessment benchmarks.[12]

One serious consequence of the limitations above is the continual inability to effectively link national budget to policy. This is largely due to the fact that the MTEF process and the

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[11] The national budget comprises a recurrent budget, which caters for recurring expenditure, and a development budget, which caters for capital expenditure and donor-funded projects.

[12] Public Expenditure Management Second Assessment and Action Plan (Kenya), World Bank, May 2004.

budgeting circle remain two separate processes. To realise the full potential of the MTEF process, certain reforms must be undertaken, the most critical being linking the process with the budgeting circle. Better coordination of the two processes at the institutional level (e.g. line ministries, Treasury) could prove useful in this regard.

At a more elementary level, terms of reference for Sector Working Groups ought to be more clearly and sharply defined to check against confusion and to avert overlaps. This would also ensure that the priorities of different government departments, including the KPF, are better articulated.
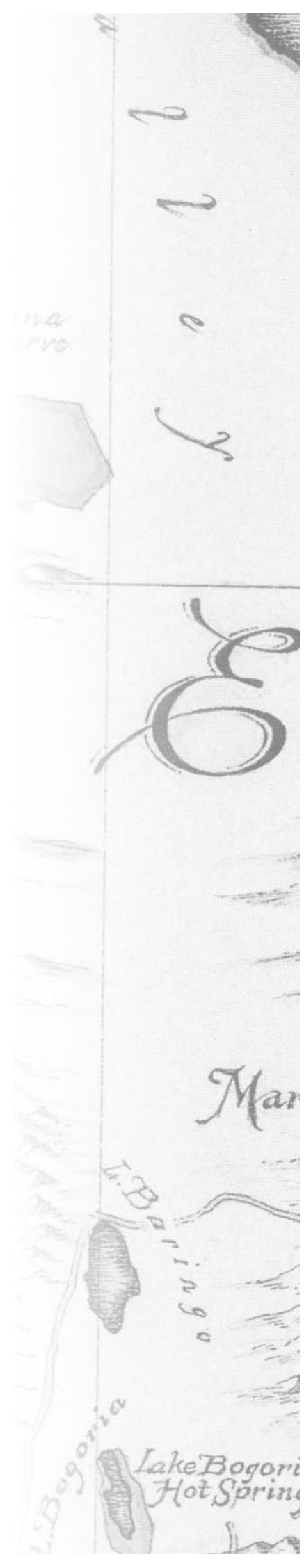
3.0   PUBLIC SAFETY, LAW AND ORDER SECTOR

The mandate of the PSLO Sector includes overseeing the security of all Kenyan residents, administering justice and maintaining law and order.

Critical governance objectives for this sector include: restoring the rule of law, promoting governance by developing strong coordinated administration and governance systems; maintaining an efficient and motivated police force; eliminating corruption; strengthening capacity for crime management including investigation and prosecution; and strengthening institutional capacity and coordination mechanisms.

Since assuming power in Kenya, the NARC government has initiated measures in the areas of public safety, law and order and police reforms, towards ensuring that the PSLO Sector fulfils its mandate and attains its governance objectives. These include:

- Setting up a Human Rights Commission and incorporating civil rights groups in various decision-making processes, with the aim of improving accountability in public sector management.
- Integrating the Police Prosecution Unit into the Attorney Generals Chambers to enhance coordination between the two.
- Facilitating recruitment of additional staff (both security oriented and administrative) to all security cadres. 1387 and 1269 individuals have since joined the ranks of the Police and Administration Police respectively.
- Training has been provided to police and other security cadres.
- Training 1680 individuals in the area of community policing, 360 in rapid response, and 120 in development and supervisory issues.
- Introducing specialised police training units such as the Force Driving School, Armourers Training School, and Anti-Stock Training Centres, etc.
- Forming a high level Police Reform Taskforce to facilitate efficiency and accountability within the police force.
- Improving the deteriorating welfare of the police, a specific action point being the revival of five stalled housing projects.
- Facilitating the commencement of operations at the Kenya Anti-corruption Commission.

(Annual Progress Report 2003/4, Investment Programme for Economic Recovery Strategy for Wealth and Employment Creation, 2005).

3.1   The Security Sub-Sector

The Security Sub-sector is mandated to provide internal security crucial for the country's goal of attaining sustainable economic development. Presently, this sub-sector comprises of four departments, namely: the Police Department, the General Service Unit, the Administration Police, and the Disaster and Emergency Response Department - all housed under the OP umbrella.

The Security Sub-sector today faces a number of challenges that pose serious threats to national security. These include: influx of refugees, terrorism, increasing numbers of street families, banditry, ethnic tensions, cattle rustling, hooliganism, robbery, rural-urban migration, drought/famine, poaching, illegal invasion of forests and other natural resources,

electoral violence, riots, etc. To the citizenry, these threats translate into an even greater demand for the services of this sub-sector, emphasis being on the maintenance of law and order.

Below are some priorities of the Security Sub-sector as per the Government of Kenya PRSP:[13]

1.   Protection of life and property.
2.   Reduction in incidents of violent crimes.
3.   Addressing both the supply and demand side of drug trafficking incidents.
4.   Fighting cattle rustling, poaching and banditry.
5.   Providing adequate uniforms, housing and necessary equipments.
6.   Controlling the infiltration of illegal firearms into the country.
7.   Enhancing community policing.
8.   Improving emergency response coordination and the ability to tackle disasters.
9.   Preventing acts of terrorism.

As already explained above, resource bidding under the MTEF system occurs at a sectoral level. Sectoral resources are subsequently allocated to relevant sub-sectors on a priority basis. Further subdivision of resources to relevant departments occurs within the various sub-sectors and finally, each department distributes its resources appropriately to pre-determined points of need.

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[13] Report of the Sector Working Group on Public Safety, Law and Order, September 2001.
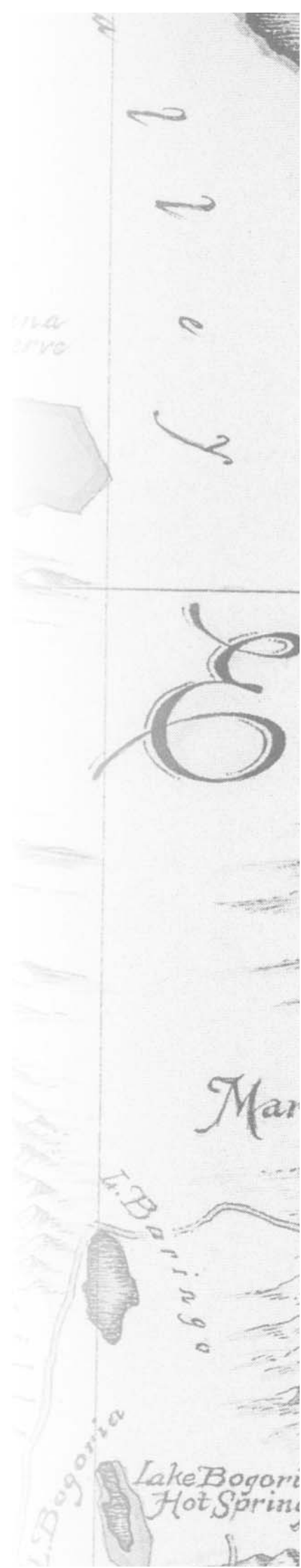
4.0 THE KENYA POLICE FORCE

4.1   Overview of the Kenya Police Force

The KPF is a national force established under the Police Act, CAP 84 of the Laws of Kenya and charged with the responsibility of maintaining law and order, protecting life and property, detecting and preventing crime, preserving peace, apprehending offenders and enforcing all laws and regulations. The KPF operates under the command of the Commissioner of Police, a presidential appointee.

KPF is organised into twenty distinct functions, each carrying out a specific mandate.

Table 4: Departments/Functions within the KPF

Police Department/Functions	Responsibilities
Air Wing	Training pilots, rehabilitation and acquisition of aircrafts.
Dog Unit	Training dog handlers, escorts and breeding, training and care of all police dogs.
Anti-Stock Theft	Preventing and recovering stolen stock.
Anti-Terrorism Unit	Detecting and preventing acts of terrorism.
Tourist Unit	Protecting tourists and popular tourist destinations.
Port Police	In-charge of port security, including: Handling incidents of hijacking; Bomb detection and disposal; Searching ship passengers and their baggage; and Investigating drug and currency related offences prevalent at ports.
Training Colleges	Training recruits and other personnel. Posting recruits as directed by the Commissioner of Police.
Criminal Investigation Department (CID)	Investigation criminal offences. Collating and issuing crime related intelligence. Dealing with matters relating to counterfeit and forged currency/coins.
Administration	Managing issues of posting, leave, promotion, discipline, retirement and dismissal of staff. Reviewing force establishment. Maintaining and controlling training, welfare votes, and police officers mess. Financial management. Other administrative functions.

Police Department/Functions	Responsibilities
Provincial/Divisional Police	Preventing and detecting crime and apprehending offenders in the province/division.
Presidential Escort	Providing security and protecting the head of state and all VIPs. Deploying the police band.
Railways Police Unit	Inquiring into offences against property or persons conveyed over railways, roads or waterways by the Kenya Railways Corporation.
Airport Unit	Provision of civil aviation security, including: Handling incidents of hijacking; Bomb detection and disposal; Searching aircraft passengers and their baggage; and Investigating drug and currency related offences prevalent at ports.
Force Armourer	Keeping and maintaining a record of location of all arms. Issuing, replacing and disposing off of outdated arms. Transferring arms between departments/regions/stations.
Force Quartermaster	In-charge of: Policy; Planning; Finance and vote control; Estimates; Controller and auditor general queries, Purchases, staff changes/transfer; Staff annual reports; and Accounting instructions.
Traffic Unit	Enforcement of traffic regulation.
Vehicle Inspection Unit	Checking and verifying that all public service vehicles, private vehicles and heavy commercial vehicles are road worthy and meet required legal standards.
Government Vehicle Check Unit	Checking and verifying that all government vehicles are road worthy and meet required legal standards.
Telecommunication	Selecting communication equipment. Maintaining and repairing equipment.
Motor Transport	Selecting motor vehicles. Maintaining and repairing motor vehicles.
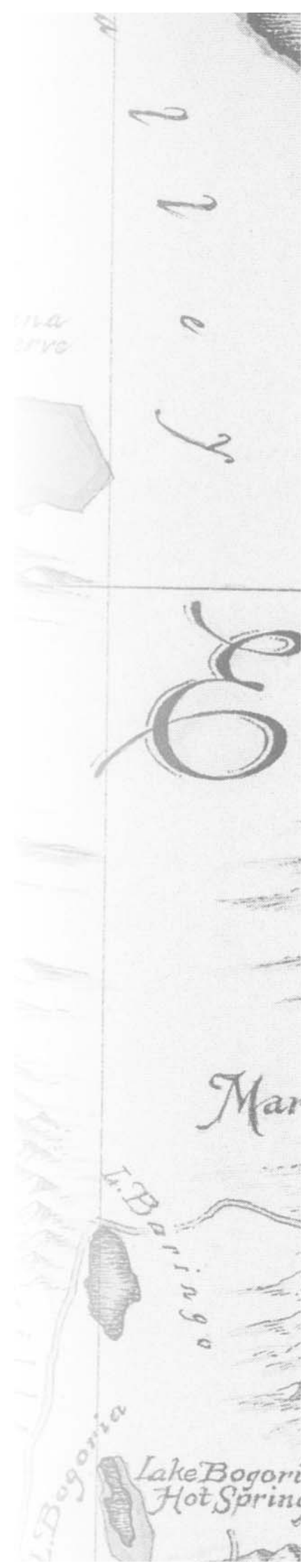
4.2   Challenges Facing the Kenya Police Force

The KPF today faces numerous difficulties, most of which are linked to inadequate funding. These difficulties undermine KPF's efforts to live up to its mandate.[14]

Shortage of personnel: The KPF needs additional manpower to improve its service delivery. Presently, police officer to citizen ratio averages 1:900 - way below the UN recommended ratio of 1:450. The department aims to raise this ratio to 1:650 by 2007,[15] and hopefully, to the UN recommended ratio in subsequent years. This will require a serious review of funding available to the KPF.

Increase in Administrative Units: The creation of approximately twenty-five new districts in Kenya has necessitated the establishment of twenty-eight additional police divisions within a period of less than twenty years. Unfortunately, general resources including housing for officers, equipment, arms and motor vehicles to back this rapid expansion of the police force have not been readily available.

Lack of research on crime and other security concerns: The KPF lacks the capacity to carry out research on crime and other security related issues. Of the various KPF departments, none are dedicated to doing research on crime, police and security issues.

Terrorism and Terror Gangs: The terrorist violence calls for a police force that is well equipped and trained to cope with new security demands.

4.3   The Kenya Police Service Strategic Plan (2003-2007)

In an effort to address some of its challenges faced by the KPF, they have developed a strategic plan in partnership with various stakeholders. Mentioned in the draft is the need to change the image of the police, and specifically, to inculcate a culture of service delivery within its ranks. Towards this end, a change of name is proposed in the Strategic Plan - from the Kenya Police Force to Kenya Police Service - emphasising a service delivery orientation.

The plan states that the police institution's overall goal is to create an efficient and effective police service that is responsive to the needs and expectations of its clients and the people of Kenya. Towards this end, four broad areas of focus are proposed. These are:
- Preventing and detecting crime, maintaining law and order, and upholding justice.
- Managing human resources better.
- Improving and expanding facilities, equipment and necessary technologies to facilitate effective service delivery.
- Building a positive image of the Kenya Police Service.

It is expected that implementing this strategic plan over its entire duration will cost the KPF in excess of Ksh.52.5 billion, excluding personnel expenses. Clearly, this is far beyond

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[14] Government of Kenya, Poverty Reduction Strategy Paper, 2001-2004; Report of the Sector Working Group on Public Safety, Law and Order, September 2001.
[15] Kenya Police Service Strategic Plan, 2003 2007.

current budgetary allocations to the KPF (as shown below). The government must therefore solicit for additional budgetary support from alternative sources.

4.4   Reforming the Security Sub-sector: Focus on the KPF

Chapter Three of the ERSWEC 2003, outlines the Kenya Government's proposals on how to reform the security sub-sector. Listed below are some of the proposals that are relevant to the KPF, including that the Government:

n   Reiterates its commitment to increasing the overall police population to internationally acceptable standards by 2007;
n   Proposes to adequately retrain and equip the police;
n   Proposes to improve housing and the terms and conditions of employment for the police;
n   Proposes to enforce cross border collaboration in the fight against crime and to enact laws to deal with modern crime; and
n   Proposes to facilitate an improved relationship between the police and public.

4.5   Setting Budget Priorities Within the KPF

The Accounting Officer in-charge of the OP has overall responsibility for managing the police budget. The OP reviews and prepares expenditure estimates for all programmes/ activities (including those under implementation) within its docket for the medium term. This essentially means that the preparation of the police budget remains an integral part of the OP budgetary process as opposed to an independent police driven process. Further, once parliament grants authority to incur expenditure, it is the OP headquarters that distributes the budget among the field stations. This clearly indicates that the OP and Treasury retain the capacity to make decisions regarding the KPF budget.

Every year, Treasury Circulars re-emphasise the need for an all-inclusive MTEF exercise, involving departments at the district level. This notwithstanding, a recent review of the MTEF process establishes that not all ministries allow sufficient time for the involvement of districts in the preparation of the budget.[16]   Indeed, several district departmental heads have expressed concern that they only receive authority to incur expenditure in October following Parliament approval of the budget.

Execution of ministerial and departmental budgets remains another concern. A significant proportion of KPF procurement is centralised, with items such as police equipment, clothing, uniforms and vehicles purchased and maintained centrally. Delays in this process tend to have a negative impact on the quality of police services.[17]   Also, the process has in the past been grossly abused, resulting in unmitigated wastage of funds. The purchase of police cars and communication equipment valued at Ksh.390 million and Ksh.11 billion respectively, are some of the transactions that have been viewed with suspicion in recent times.[18]

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[16] KIPPRA, Budget Reforms and the Medium-Term Expenditure Framework in Kenya, June 2002.
[17] In January police were unable to operate because the fuel depot had run dry (see East African Standard Newspaper, Thursday, 15th January 2004).
[18] See Daily Nation newspaper, Wednesday, February 16, 2005.

5.0 BUDGETARY TRENDS

As already stated above, under the MTEF approach to budgeting as applied in Kenya, the KPF falls under the PSLO Sector. This means that its spending proposals are forwarded through the PSLO Sector Working Group. This section of the paper analyses trends in budgetary allocations to the PSLO Sector relative to other MTEF Sectors, over a five-year period.

5.1 Analysis of the PSLO Budget

Overall Budget: The graph below indicates that over the period in review, three sectors, namely, the Human Resource Development (HRD), Physical Infrastructure (PI) and the PSLO receive the highest budgetary allocations.
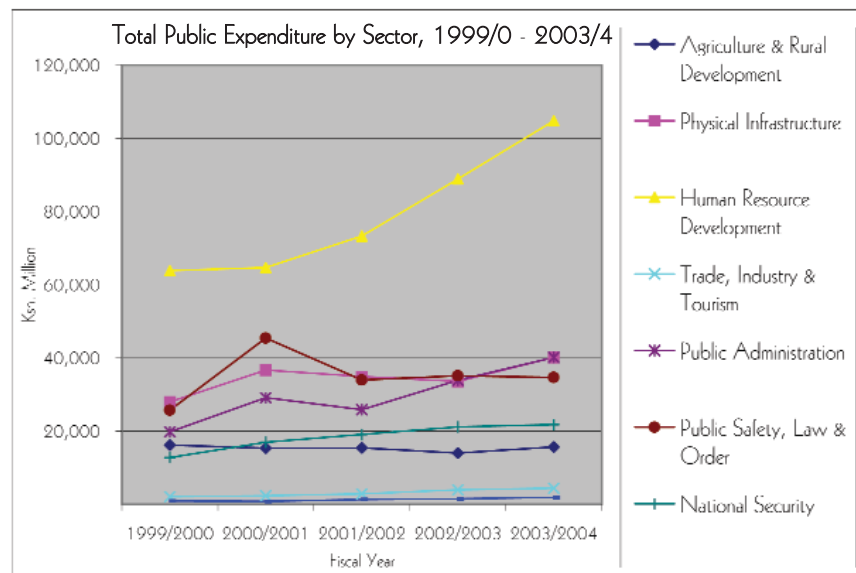
Table 5: Total Budgetary Allocation by Sector

	1999/00 Ksh. Million	2000/01 Ksh. Million	2001/02 Ksh. Million	2002/03 Ksh. Million	2003/04 Ksh. Million
Agriculture & Rural Development	16,161	15,346	15,373	13,987	15,649
Physical Infrastructure	27,937	36,674	34,891	33,527	40,148
Human Resource Development	63,865	64,643	73,288	88,902	104,793
Trade, Industry & Tourism	2,069	2,293	2,843	3,905	4,358
Public Administration	19,777	29,119	25,832	33,902	40,136
Public Safety, Law & Order	25,671	45,429	33,964	35,126	34,648
National Security	12,755	16,919	19,064	21,130	21,755
Information Communication Technology	875	756	1,271	1,505	1,884
TOTAL	**169,109**	**211,179**	**206,526**	**231,984**	**263,371**

HRD, PI and PSLO account for averagely 36.40%, 16.10% and 16.30% of the total budgetary allocation respectively during this period.

The allocation to the PSLO Sector increases drastically to stand at 21.5% of the total budget, during the year 2000/01. This increase is due to an extraordinary budget item of over Ksh.12 billion under the OP development vote towards famine relief. Famine relief is clearly not directly related to the mandate of the PSLO Sector, but, as it falls under the scope of the OP, it is accounted for under PSLO Sector.
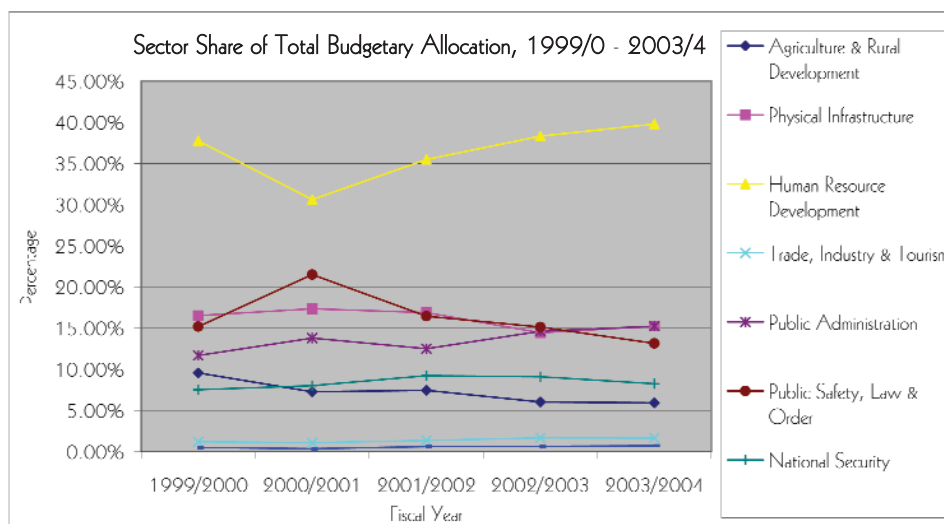
Notably, the allocation to the PSLO sector dips to 13.1% of the total discretionary expenditures in the 2003/04 fiscal year. This follows the restructuring of Ministries and Government Departments, resulting in the relocation of certain departments such as the National Youth Service (NYS) and Immigration Department from the OP.

Table 6: Sector Share of Total Budgetary Allocation

	1999/00	2000/01	2001/02	2002/03	2003/04
Agriculture & Rural Development	9.56%	7.27%	7.44%	6.03%	5.94%
Physical Infrastructure	16.52%	17.37%	16.89%	14.45%	15.24%
Human Resource Development	37.77%	30.61%	35.49%	38.32%	39.79%
Trade, Industry & Tourism	1.22%	1.09%	1.38%	1.68%	1.65%
Public Administration	11.69%	13.79%	12.51%	14.61%	15.24%
Public Safety, Law & Order	15.18%	21.51%	16.45%	15.14%	13.16%
National Security	7.54%	8.01%	9.23%	9.11%	8.26%
Information Communication Technology	0.52%	0.36%	0.62%	0.65%	0.72%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Recurrent Budget: The PSLO Sector receives the second highest recurrent budget allocation after HRD between 1999/00 and 2002/03, peaking in 2000/01 at 17.4% of total discretionary expenditures. This trend changes in the 2003/04, following the departmental relocations mentioned above. This realignment sees budgetary allocation to the PSLO Sector drop both in absolute terms and as a proportion of total budgetary allocations. It is important to note that these changes are merely intended to realign functions of the line ministries, and therefore do not directly impact on the KPF budget.
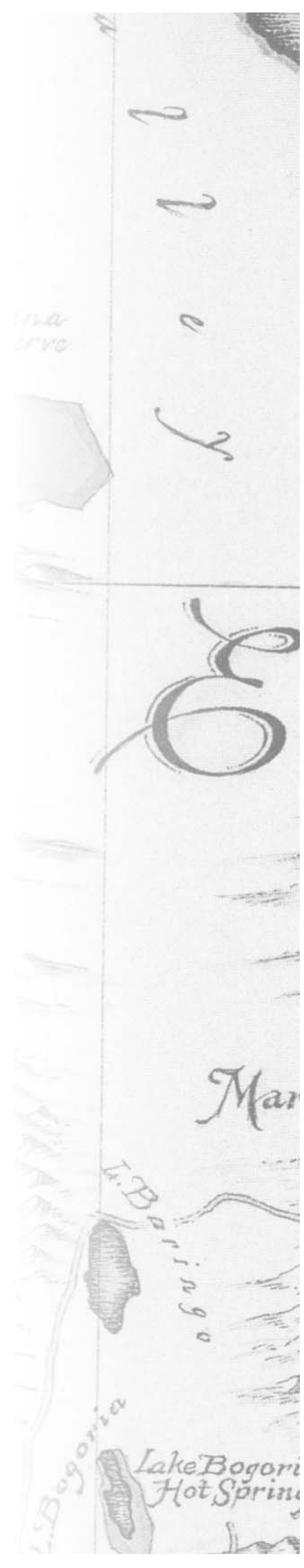
Table 7: Recurrent Estimates by Sector

	1999/00 Ksh. Million	2000/01 Ksh. Million	2001/02 Ksh. Million	2002/03 Ksh. Million	2003/04 Ksh. Million
Agriculture & Rural Development	8,677	9,545	10,967	9,878	10,561
Physical Infrastructure	13,427	16,126	16,684	17,776	18,757
Human Resource Development	57,744	60,392	66,893	78,602	90,438
Trade, Industry & Tourism	1,482	1,834	2,523	2,809	2,867
Public Administration	12,580	21,358	19,308	24,166	30,080
Public Safety, Law & Order	19,417	26,878	26,353	26,500	27,734
National Security	12,622	16,919	19,064	21,130	21,755
Information Communication Technology	805	756	1,157	1,389	1,668
TOTAL	**126,755**	**153,807**	**162,949**	**182,249**	**203,861**

Table 8: Sector Share of Recurrent Budget

	1999/00	2000/01	2001/02	2002/03	2003/04
Agriculture & Rural Development	6.85%	6.21%	6.73%	5.42%	5.18%
Physical Infrastructure	10.59%	10.48%	10.24%	9.75%	9.20%
Human Resource Development	45.56%	39.26%	41.05%	433.13%	44.36%
Trade, Industry & Tourism	1.17%	1.19%	1.55%	1.54%	1.41%
Public Administration	9.92%	13.89%	11.85%	13.26%	14.76%
Public Safety, Law & Order	15.32%	17.48%	16.17%	14.54%	13.60%
National Security	9.96%	11.00%	11.70%	11.59%	10.67%
Information Communication Technology	0.64%	0.49%	0.71%	0.76%	0.82%
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Development Budget: Estimates of the capital expenditure for the PSLO Sector average 26% of total budgetary allocation to the sector over the period in review, peaking at 32.34% or Ksh.18.5 billion in 2000/01.

The development budget for the PSLO Sector as a proportion of total public spending is high in 2000/01 and 2001/02, coming second only to the PI Sector. As explained earlier, the sharp increase in the development budget in the 2000/01 is to finance famine relief activities following a severe food shortage.

Budgetary allocations for capital expenditures remain erratic for most sectors, including the PSLO sector. This reflects the volatility of external financing on which the development budget is heavily dependent (see Annex I).

Table 9: Development Estimates by Sector

	1999/00 Ksh. Million	2000/01 Ksh. Million	2001/02 Ksh. Million	2002/03 Ksh. Million	2003/04 Ksh. Million
Agriculture & Rural Development	7,485	5,801	4,406	4,109	5,088
Physical Infrastructure	14,510	20,548	18,207	15,752	21,390
Human Resource Development	6,121	4,251	6,395	10,300	14,355
Trade, Industry & Tourism	586	459	320	1,096	1,490
Public Administration	7,196	7,761	6,524	9,736	10,056
Public Safety, Law & Order	6,253	18,551	7,610	8,626	6,915
National Security	133	-	-	-	-
Information Communication Technology	70	0	114	117	216
TOTAL	**42,354**	**57,371**	**43,577**	**49,736**	**59,510**

Table 10: Sector Share of Development Budget

	1999/00	2000/01	2001/02	2002/03	2003/04
Agriculture & Rural Development	17.67%	10.11%	10.11%	8.26%	8.55%
Physical Infrastructure	34.26%	35.82%	41.78%	31.67%	35.94%
Human Resource Development	14.45%	7.41%	14.68%	20.71%	24.12%
Trade, Industry & Tourism	1.38%	0.80%	0.73%	2.20%	2.50%
Public Administration	16.99%	13.53%	14.97%	19.58%	16.90%
Public Safety, Law & Order	14.76%	32.34%	17.46%	17.34%	11.62%
National Security	0.31%	0.00%	0.00%	0.00%	0.00%
Information Communication Technology	0.17%	0.00%	0.26%	0.23%	0.36%
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

5.2   Analysis of the OP Budget

Budgetary allocations to the OP constitute the third highest public expenditure item after the Consolidated Fund Services (i.e. constitutional expenses) and the allocation to the Ministry of Education, Science and Technology. During the year 2003/04, OP receives 6.72% of the total national budget. The KPF recurrent budget accounts for 35% of this allocation, which translates to Ksh.8.7 billion, while Ksh.517 million goes towards capital expenditure.

Security services (that is the KPF, Administration Police and General Service Unit) take up the highest share of recurrent budget allocations to the OP, ranging between 64% and 79%, over the period in review. Of the three security service departments above, KPF receives the highest recurrent budget allocation at an average of over 30% of total recurrent budget allocation to the OP during the period in review. However, the share of allocation to the KPF varies considerably from year to year, as with other departments within the ministry, reflecting diversion of funds to the OP's emergency portfolio. In the event of disasters such as floods and famine, which are catered for under the same expenditure vote, budgets of other departments including the KPF are normally adjusted downwards and
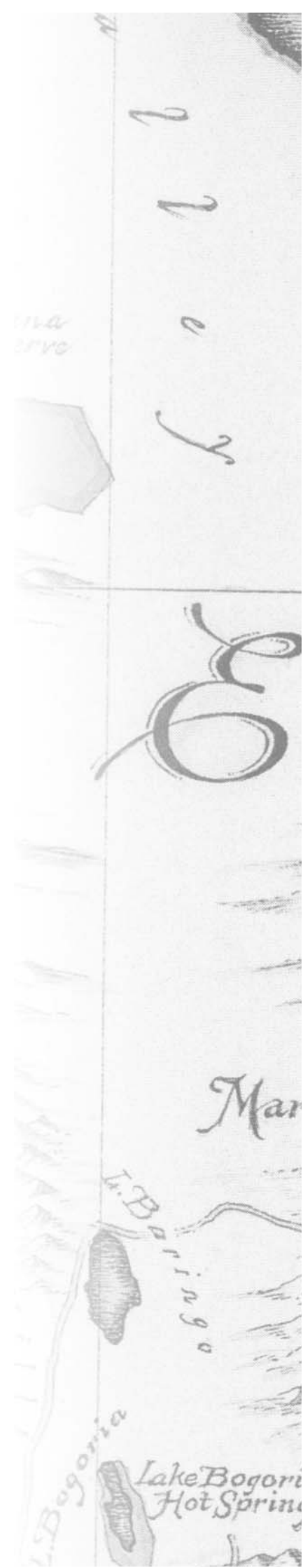
savings thus realised are redirected to the management of the disasters. Indeed, emergency and disaster related expenses, such as the purchase of strategic maize reserves and drought relief account for approximately 34% of the OP's budget.

Table 11: Analysis of OP Recurrent Expenditure: 1999/00 - 2003/04

	1999/00		2000/01		2001/02		2002/03		2003/04	
	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total
OP	14,515	100%	21,141	100%	19,586	100%	18,476	100%	20,536	100%
KPF	5,380	37%	6,309	30%	6,730	34%	8,209	44%	8,734	43%
AP	1,786	12%	2,203	10%	2,101	11%	2,367	13%	2,443	12%
GA	2,752	19%	7,272	34%	4,922	25%	3,550	19%	4,882	24%
FA/PA	2,042	14%	2,007	9%	1,917	10%	2,086	11%	2,162	11%
GSU	1,101	8%	1,564	7%	1,849	9%	2,024	11%	2,060	10%
GP	339	2%	624	3%	209	1%	240	1%	255	1%
ID	393	3%	436	2%	558	3%	N/A	N/A	N/A	N/A
NYS	722	5%	726	3%	1,298	7%	N/A	N/A	N/A	N/A

Key: AP - Administration Police, GA - General Administration, FA/PA - Field/ Provincial Administration, GSU - General Service Unit, GP - Government Press, ID - Immigration Department, NYS - National Youth Service.

Most of the development budget allocation to the OP goes to funding Arid Land Resource Management, National AIDS Control, National Registration of Persons and Rehabilitation of Roads Infrastructure under the El-Nino Emergency Project over the review period - all these under General Administration. The development budget allocation to the Police Department does not exceed 9% of the total during the entire period under review.

Table 12: Analysis of OP Development Expenditure: 1990/00 - 2003/04

	1999/00		2000/01		2001/02		2002/03		2003/04	
	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total	Ksh. M	% of Total
OP	5,420	100%	17,894	100%	6,757	100%	7,175	100%	5,900	100%
KPF	171	3.2%	189	1.1%	350	5.2%	506	7.1%	517	8.8%
AP	11	0.2%	13	0.1%	23	0.3%	20	0.3%	56	0.9%
GA	4,392	81.0%	17,313	96.7%	5,822	86.2%	6,322	88.1%	5,040	85.4%
FA/PA	114	2.1%	59	0.3%	103	1.5%	187	2.6%	120	2.0%
GSU	49	0.9%	23	0.1%	170	2.5%	125	1.7%	112	1.9%
GP	24	0.4%	15	0.1%	17	0.3%	15	0.2%	54	0.9%
ID	10	0.2%	3	0.0%	5	0.1%	N/A	N/A	N/A	N/A
NYS	646	11.9%	270	1.5%	260	3.8%	N/A	N/A	N/A	N/A
KAA	3	0.1%	10	0.1%	7	0.1%	N/A	N/A	N/A	N/A

Key: KAA - Kenya Airports Authority

The OP's share of the national budget drops sharply between 2001/02 and 2003/04 mainly due to restructuring the expenditure vote, with the relocation of the NYS and the Immigration Department to more appropriate parent ministries. The total ministerial expenditure to the OP during the years 2001/02 to 2003/04 reflects a decline of approximately 32%.

5.3   Comparative Analysis of KPF Budget

This section analyses trends in budgetary allocation to the KPF in comparison to other law enforcement agencies, ministries and government departments.

The graph below shows that while allocations to high priority government departments and ministries increases, budgetary allocations to the KPF remain constrained. Budgetary allocations to the KPF vis-à-vis the national budget remains almost unchanged during the period under review.
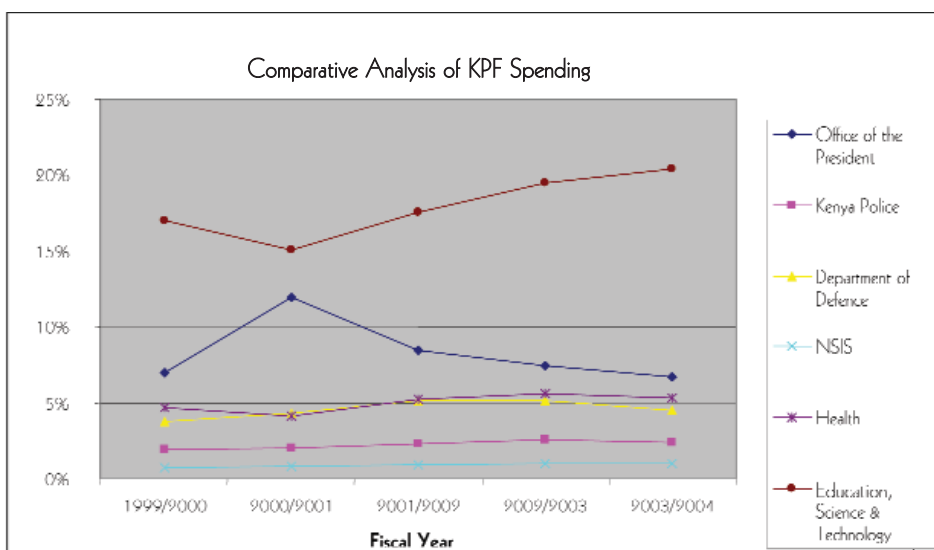
Budgetary allocations to the KPF grow by 65.3% or Ksh.3.6 billion in absolute terms, over the period in review. This, however, remains far below the figures required to implement the KPS Strategic Plan 2003-2007.

Development budget allocations to the KPF do not exceed 9% of the total OP development budget during the period in review. As already explained, funds are diverted towards the emergency items leaving the KPF grossly under-resourced. For instance, according to the Strategic Plan mentioned above, Ksh.1.5 billion and Ksh.15.7 billion is to be spent on ICT systems and on the acquisition and rehabilitation of police offices, cells and residences respectively between January 2004 and December 2005. However, the bulk of the OP development expenditure vote goes towards financing disaster and emergency related expenditure, the result being that KPF development projects remain unaccomplished.

It is important to note that not a single KPF development programme has benefited from external financing during the period in review.
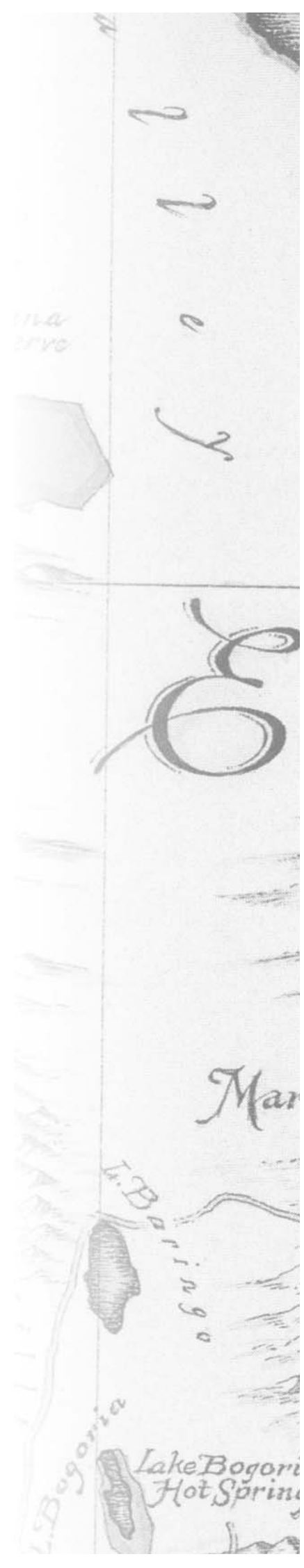
5.4 Allocations to KPF Functions/Departments

KPF operations are grouped into 20 functions as shown in Table 10 below.

Table 13: KPF Budgetary Allocations by Functions

	1999/00		2000/01		2001/02		2002/03		2003/04	
	Ksh. M	%	Ksh. M	%	Ksh. M	%	Ksh. M	%	Ksh. M	%
CID	541	9.7%	688	10.6%	892	12.6%	900	10.3%	908	9.8%
Commissioner of Police	384	6.9%	489	7.5%	437	6.2%	1,426	16.4%	1,367	14.8%
Police College/Training	252	4.5%	322	4.9%	412	5.8%	625	7.2%	636	6.9%
Provincial/Div Admin	2,910	52.4%	3,460	53.3%	3,590	50.7%	3,697	42.4%	3,861	41.7%
Traffic	75	1.3%	79	1.2%	86	1.2%	137	1.6%	111	1.2%
Presidential Escort	203	3.7%	179	2.8%	256	3.6%	351	4.0%	350	3.8%
Police Dog Unit	80	1.4%	94	1.4%	95	1.3%	113	1.3%	117	1.3%
Anti-Stock Theft Unit	166	3.0%	196	3.0%	213	3.0%	230	2.6%	333	3.6%
Railway & Port Police	103	1.9%	117	1.8%	128	1.8%	128	1.5%	183	2.0%
Telecommunication	72	1.3%	68	1.0%	77	1.1%	92	1.1%	99	1.1%
Motor Transport	307	5.5%	210	3.2%	215	3.0%	236	2.7%	238	2.6%
Police Airwing	62	1.1%	125	1.9%	102	1.4%	166	1.9%	179	1.9%
Force Quartermaster	172	3.1%	211	3.3%	268	3.8%	271	3.1%	264	2.8%
Force Armourer	19	0.3%	28	0.4%	68	1.0%	72	0.8%	175	1.9%
Central Firearms Bureau	5	0.1%	7	0.1%	6	0.1%	7	0.1%	7	0.1%
Airport Police Unit	124	2.2%	142	2.2%	155	2.2%	181	2.1%	180	1.9%
Vehicle Inspection Unit	41	0.7%	50	0.8%	53	0.8%	55	0.6%	63	0.7%
Government Vehicle Check Unit	18	0.3%	20	0.3%	13	0.2%	14	0.2%	14	0.2%
Tourist Protection Unit	19	0.3%	12	0.2%	15	0.2%	16	0.2%	46	0.5%
Anti-Terrorism Unit	-	0.0%	-	0.0%	-	0.0%	-	0.0%	121	1.3%
TOTAL	5,551	100%	6,498	100%	7,080	100%	8,715	100%	9,251	100%

Source: Estimates of Recurrent Expenditures (various), Government of Kenya

The training function, originally centralised at the Kenya Police College in Kiganjo, is now split into several specialised units such as the CID Training School, Provincial Training Centre, Force Driving School, Signals Training Schools, Lang'ata Police Dogs Training Centre, Anti-Stock Theft Training Centres and Armourers Training School.

The Provincial and Divisional Administration units have consistently received higher budgetary allocations since 1999/00. The units receive 41.9% of the total KPF budget during the year 2003/04. The Office of the Commissioner of Police receives the second highest allocation at 14.8%, followed by the CID Department at 9.5% and the college/training units at 6.9%. Each of the remaining KPF departments receives less than 5% of the total KPF budget.

The bulk of the Provincial and Divisional Administration's expenditure is personnel related, with the units employing over 50% of the total KPF strength. However, the share of this

item to the total KPF budget dropped from a high of 52.2% in 1999/00 to 41.9% in 2003/04. This happened due to diversion of resources to new units such as the Anti-Terrorism Unit. In absolute terms, the Anti-Terrorism Unit's budget grew by 32.7% - from Ksh.2.9 billion in 1999/00 to Ksh.3.8 billion in 2003/04.

The Force Armourer at 828.2% registered the highest growth in budgetary allocations over the period in review, possibly due to a program of replacing outdated arms.

During the fiscal years 2002/03 and 2003/04, the Office of the Commissioner of Police received vast resources for centralised procurement of certain high cost items such as motor vehicles and the acquisition of security equipment. At 256%, this office alongside the Force Armourer, registered a high growth in budgetary allocation over the period in review.

Table 14: Growth in Expenditure by Functions - 1999/00 to 2003/04

	Growth +ve/(-ve)	
	Ksh. Million	%
CID	367.7	68.0%
Commissioner of Police	983.6	256.4%
Police College/Training	384.2	152.6%
Provincial/Divisional Admin	950.9	32.7%
Traffic	36.5	48.9%
Presidential Escort	147.4	72.7%
Police Dog Unit	37.5	47.1%
Anti-Stock Theft Unit	167.3	100.8%
Railway & Port Police	80.1	77.7%
Telecommunication	27.2	38.0%
Motor Transport	(69.6)	-22.6%
Police Airwing	117.4	189.7%
Force Quartermaster	91.4	53.1%
Force Armourer	155.7	828.2%
Central Firearms Bureau	2.1	45.7%
Airport Police Unit	56.2	45.5%
Vehicle Inspection Unit	21.5	52.4%we
Government Vehicle Check Unit	(4.0)	-21.9%
Tourist Protection Unit	26.3	135.6%
Anti-Terrorism Unit	121.0	
TOTAL	**3,699.3**	**66.6%**

Source: Estimates of Recurrent & Development Expenditures, Government of Kenya
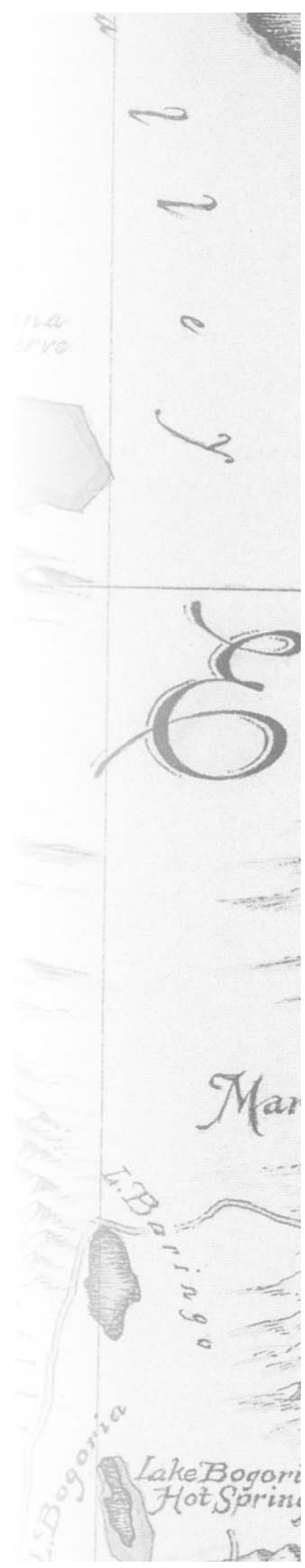
5.5 The KPF Budget Mix

Although the overall KPF staff establishment expands while that of the host expenditure vote, OP, shrinks between the 2000/01 and 2002/03 fiscal years, total KPF personnel expenditure grows at a slower rate than the average for the entire OP expenditure vote. In essence, the Government appears to be progressively spending proportionately less (on salaries, housing, transport etc.) on any additional police, compared to other OP staff.

Table 15: Analysis of KPF Recurrent Expenditure Mix, 1990/00 - 2003/04

	1999/00	% of Total	2000/01	% of Total	2001/02	% of Total	2002/03	% of Total	2003/04	% of Total
OP	**14,515**	**100%**	**21,141**	**100%**	**19,586**	**100%**	**18,476**	**100%**	**20,536**	**100%**
Personnel Emoluments	6,426	44%	6,574	31%	6,320	32%	6,427	35%	6,663	32%
Other Personnel Expenses	1,754	12%	2,888	14%	3,243	17%	3,607	20%	3,609	18%
Total Personnel Expenses	**8,180**	**56%**	**9,461**	**45%**	**9,563**	**49%**	**10,034**	**54%**	**10,272**	**50%**
Operation, Maintenance &										
Other	6,335	44%	11,680	55%	10,023	51%	8,442	46%	10,264	50%
Per capita Expenditure on Personnel	98,129		108,240		116,243		127,249		128,334	
Personnel (No. of employees)	**83,360**		**87,408**		**82,267**		**78,853**		**80,041**	
KPF	**5,380**	**100%**	**6,309**	**100%**	**6,730**	**100%**	**8,209**	**100%**	**8,734**	**100%**
Personnel Emoluments	2,693	50%	2,681	42%	2,597	39%	2,788	34%	2,900	33%
Other Personnel Expenses	584	11%	1,130	18%	1,257	19%	1,436	17%	1,465	17%
Total Personnel Expenses	**3,277**	**61%**	**3,811**	**60%**	**3,854**	**57%**	**4,224**	**51%**	**4,364**	**50%**
Operation, Maintenance & Other	2,103	39%	2,497	40%	2,876	43%	3,985	49%	4,370	50%
Per Capita Expenditure on Personnel	97,151		112761		111349		121599		122995	
Personnel (No. of employees)	**33,731**		**33,797**		**34,612**		**34,737**		**35,481**	

Source: Estimates of Recurrent & Development Expenditures, Government of Kenya

Analysis of other KPF recurrent and capital expenditure reveals several notable gaps in public spending.

PSLO SWG reports indicate that the police suffer poor remuneration, inadequate transport, housing and accommodation resulting in low morale, which impacts on service delivery. Indeed, a visit to some police stations and posts in Nairobi reveals that many of the officers live in squalor, in makeshift dwellings. In some police lines, up to four families share a residential unit. This is, to say the least, demoralising and inhumane. Despite these inadequate conditions, there is little evidence that there will be changes in budgetary allocations to ensure improved terms and conditions of employment for the KPF. For instance, allocations for construction and maintenance of residential and non-residential buildings remain within a 3% to 5% range during the period in review (see table below).

Table 16: Analysis of Other KPF Recurrent and Capital Expenses

Expenditure Item	1999/00 Ksh. M	% of Total	2000/01 Ksh. M	% of Total	2001/02 Ksh. M	% of Total	2002/03 Ksh. M	% of Total	2003/04 Ksh. M	% of Total
Transport Expenses	463	8.34%	554	8.53%	636	8.99%	663	7.61%	715	7.73%
Travel/ Accommodation Allowance	251	4.53%	306	4.72%	395	5.58%	426	4.89%	468	5.06%
Purchase of Motor Vehicles	254	4.58%	175	2.69%	213	3.01%	997	11%	794	8.58%
Purchase/ Hire of Equipment	120	2.17%	188	2.90%	297	4.20%	344	3.95%	449	4.85%
Maintenance of Equipment	36	0.64%	45	0.69%	42	0.60%	72	0.83%	88	0.96%
Residential Buildings	36	0.64%	108	1.66%	64	0.90%	100	1.15%	167	1.80%
Non-Residential Buildings	149	2.68%	162	2.49%	278	3.92%	340	3.90%	400	4.32%
Computer Expenses	2	0.04%	5	0.08%	6	0.09%	50	0.57%	33	0.36%
Training Facilities	271	4.88%	356	5.47%	463	6.54%	698	8.01%	791	8.55%
Aircraft/Boats	28	0.51%	5	0.08%	0	0.00%	0	0.00%	21	0.23%
Total Personnel Expenses	**3,277**	**59%**	**3,811**	**59%**	**3,854**	**54%**	**4,224**	**48%**	**4,364**	**47%**
Other Expenses	**664**	**12%**	**783**	**12%**	**832**	**12%**	**801**	**9.19%**	**961**	**10%**
Total KPF Expenses	**5,551**	**100%**	**6,498**	**100%**	**7,080**	**100%**	**8,715**	**100%**	**9,251**	**100%**

Source: Estimates of Recurrent & Development Expenditures (various), Government of Kenya

A recent salary increment by over 100% to all cadres of the police is certainly a step in the right direction in trying to improve the service conditions of the police. Previously, Constables earned Ksh.4,645, which is slightly above the prescribed minimum wage.
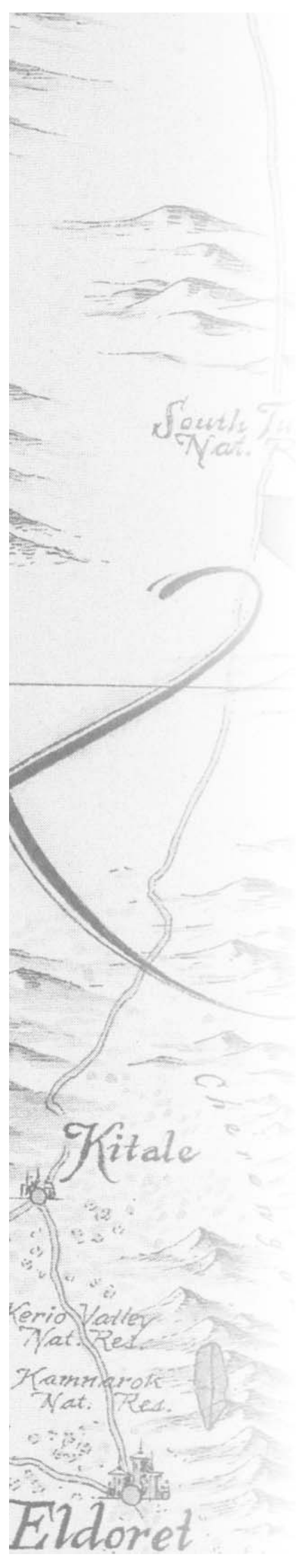
Table 17: KPF Salary Adjustments, 2004

Police Designation	Previous Pay Ksh.	Current Pay (Effective Jan 2004) Ksh.
Constables	4,645 - 7,195	10,000 - 16,080
Corporals	5,965 - 11,110	12,860 - 24,780
Sergeants	8,255 - 11,910	17,790 - 26,500
OCS	9,780 - 14,050	21,060 - 31,175
Chief Inspectors	10,760 - 15,505	23,165 - 34,460
Superintendents	11,110 - 16,525	23,920 - 36,650
Assistant Commissioners	16,015 - 22,060	34,460 - 49,710
Senior Assistant Commissioner	18,180 - 24,220	39,190 - 55,000
Senior Deputy Commissioner	28,115 - 35,325	62,420 - 100,173
Commissioner of Police*	34,700	100,620

Source: Kenya Police Force
* Estimate derived from the schedule of staff establishment in the 2004/05 Printed Estimates of Recurrent Expenditure.

Informal discussions with police officers reveals the extent to which operations of the force, particularly the fight against crime, are inhibited by the lack of proper equipment, be it bullet proof vests, communication equipment, proper firearms or motor vehicles. Criminals are getting more sophisticated by the day - and ignoring the need of the police for better equipment will prove counter productive.

The Police force has recently acquired a new fleet of motor vehicles in light of a pressing need to improve its mobility, particularly in responding to distress calls. Obviously, this is not enough, as even a post such as Capital Hill in Nairobi, staffed by five officers, has no serviceable vehicle. There are several other stations, which do not have adequate or proper motor transport.

Also, several police vehicles are grounded due to lack of a rigorous O&M programme. Consequently, on several occasions the police have been unable to respond to distress calls promptly (see annex 1). This problem is largely attributed to inadequate allocations and/or delayed exchequer releases.[19] CAG reports of Audited Public Accounts also show that some of the funds allocated for utilities expenses such as fuel and spare parts are not disbursed.

Listed below are specific communication equipment requirements, as per the Kenya Government PRSP PSLO SWG report for September 2001:

- Fast, reliable and efficient personal communication equipment and accessories, in a bid to reduce the ratio of equipment to officer from 1:15 to 1:1.
- Fast, reliable and efficient telephone, data and image transmission network, between provinces and district headquarters.
- Provision of an independent wireless telephone network between districts headquarters and surrounding police stations to reduce telephone bills.
- Provision of hotlines in all major towns to facilitate prompt and easy collection of information from the general public free of charge.
- Provision of computer network system connecting police headquarters, provincial/district/divisional headquarters and border stations.

As with the police vehicles, it is equally difficult to obtain statistics relating to the stock movement of police equipment.

Less than 1% of total budgetary allocation to KPF is dedicated towards the acquisition of Information Management Systems, during the period in review. This is insufficient to meet the force's need to upgrade its communication and information management system. Worse still, exchequer releases, especially for development expenditure are not forthcoming in certain cases where such allocations are made. The Police Strategic Plan, 2003-2007 estimates the cost of upgrading the Information Communication and Technology (ICT) systems at approximately Ksh.1.5 billion over the period of the plan. Yet, annual allocations for ICT systems fluctuate between Ksh.2 million and Ksh.50 million - significantly below the estimated cost.

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[19] CAG Reports, Appropriation Accounts and Accounts of Funds for fiscal years 1999/00-2001/02.

CAG reports, Appropriations Accounts and the Account of the Funds for the fiscal years 1999/00 - 2001/02 indicate that telephone bills of some police offices remain unpaid, meaning that these offices will have access to telephone services cancelled. Generally, inadequate allocation of resources to communication systems continues to slow down the operations of the force, mostly resulting in a long response time to crime.[20]

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[20] UN-Habitat et al, September 2002.
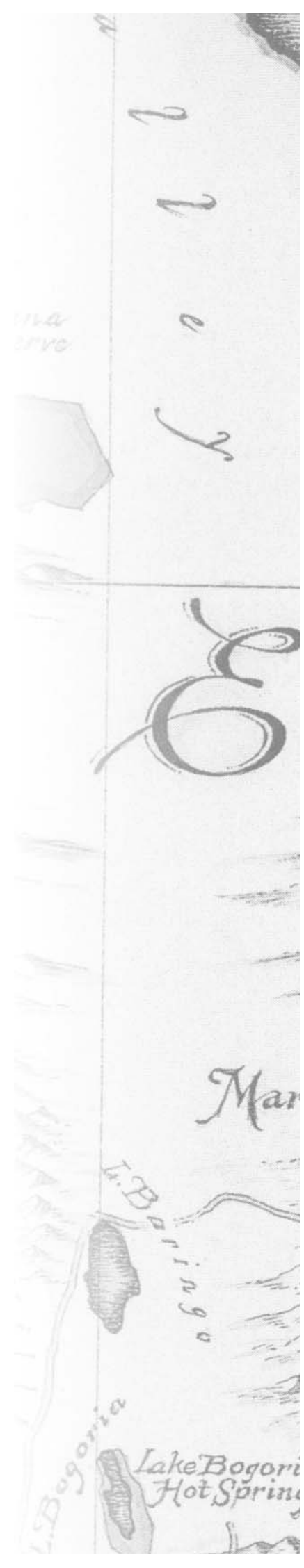
6.0 FUNDS UTILISATION

This section analyses the KPF's actual expenditure relative to that of other government ministries and departments in related sectors.

6.1 PSLO Sector Analysis

During the period in review, the National Security Sector registers a higher funds utilisation rate[21] compared to the PSLO Sector. Of the spending units under the two sectors, the OP records the poorest funds utilisation rate in the year 2000/01, drawing down only 65.34% of the total allocated to it. This low funds utilisation rate is mainly attributable to inconsistent exchequer releases for capital expenses. The OP records an improvement in its funds utilisation in the years 2001/03 and 2002/03 but even then, this is lower than that of other ministries and departments within the PSLO and National Security Sectors.

Table 18: Funds Utilisation Rate

	Funds Utilisation Rate 1999/00	Funds Utilisation Rate 2000/01	Funds Utilisation Rate 2001/02	Funds Utilisation Rate 2002/03
Public Safety, Law and Order Sector	**84.89%**	**69.79%**	**90.68%**	**81.21%**
Office of the President	86.10%	65.34%	90.04%	80.76%
State House	97.54%	98.60%	100.08%	87.11%
Min. of Home Affairs	81.99%	98.58%	90.31%	83.45%
Min. of Justice & Constitutional Affairs	-	-	-	68.37%
Office of the Attorney-General	66.76%	90.18%	96.89%	88.52%
Judicial Department	71.61%	92.34%	97.56%	72.60%
National security Sector	**100.62%**	**99.57%**	**99.85%**	**98.99%**
Department of Defence	101.00%	99.96%	99.98%	98.87%
National Security Intelligence Service	98.62%	97.47%	99.08%	99.63%
TOTAL	**90.11%**	**77.87%**	**93.98%**	**87.89%**

Between the fiscal years 1999/00 and 2002/03, the OP registers the highest negative variance[22] between actual recurrent expenditure and the amount budgeted for this. The OP accounts for 71.55%, 89.61% and 37.57% of the total negative variance for the two sectors in the fiscal years 1999/00, 2000/01 and 2002/03 respectively. This means, in absolute terms, the OP has the highest recurrent expenditure shortfall among the ministries and departments in the PSLO and the NSS sectors.

The OP accounts for 3.22% of the total recurrent expenditure variance for the PSLO Sector during the 2002/03 fiscal year. This low variance is attributable to the release of

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[21] Funds Utilisation rate is the ratio of actual expenditure to the budget amount.
[22] Negative variance occurs where the actual expenditure falls short of the budget while positive variance occurs where the actual expenditure exceeds the budget.

substantial funding by donors towards the National AIDS Control Campaign and El-Nino Emergency Project to rehabilitate infrastructure.

Recurrent Expenditures:

Table 19: Actual Recurrent Expenditure for the PSLO and National Security Sector

	B 1999/00 Ksh. M	AE 1999/00 Ksh. M	B 2000/01 Ksh. M	AE 2000/01 Ksh. M	B 2001/02 Ksh. M	AE 2001/02 Ksh. M	B 2002/03 Ksh. M	PA 2002/03 Ksh. M
Public Safety, Law and Order Sector	**19,417**	**18,357**	**26,878**	**26,695**	**26,079**	**26,183**	**26,501**	**24,305**
Office of the President	14,515	13,851	21,142	20,912	19,586	19,582	18,476	17,571
State House	448	437	501	494	623	624	770	761
Min. of Home Affairs	3,286	3,220	3,746	3,923	4,378	4,322	5,448	4,534
Min. of Justice & Constitutional Affairs	N/A	N/A	N/A	N/A	N/A	N/A	76	59
Office of the Attorney-General	410	277	401	360	500	487	463	423
Judicial Department	758	572	1,089	1,005	1,188	1,168	1,268	957
National Security Sector	12,622	12,753	16,919	16,847	19,064	19,035	21,130	20,917
Department of Defence	10,548	10,707	14,266	14,261	16,269	16,265	17,630	17,430
National Security	**12,622**	**12,753**	**16,919**	**16,847**	**19,064**	**19,035**	**21,130**	**20,917**
Intelligence Service	2,074	2,045	2,653	2,586	2,795	2,769	3,500	3,487
TOTAL	**32,039**	**31,110**	**43,797**	**43,542**	**45,143**	**45,217**	**47,631**	**45,222**

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance
Key:B - Budget, AE - Actual Expenditure, PA - Provisional Actual

Table 20: Recurrent Expenditure: Variance Analysis (Actual-Budget)

VOTE TITLE	1999/00 Ksh. M	%	2000/01 Ksh. M	%	2001/02 Ksh. M	%	2002/03 Ksh. M	%
Public Safety, Law and Order Sector	**-1,060**	**114.07%**	**-184**	**71.83%**	**-92**	**76.16%**	**-2,196**	**91.16%**
Office of the President	- 665	71.55%	-229	89.61%	-4	3.22%	-905	37.57%
State House	-10	1.12%	-7	2.90%	1	-0.91%	-9	0.37%
Min. of Home Affairs	-66	7.06%	177	-69.37%	-56	46.34%	-914	37.94%
Min. of Justice & Constitutional Affairs	N/A	N/A	N/A	N/A	N/A	0.00%	-17	0.71%
Office of the Attorney-General	-133	14.34%	-41	15.92%	-13	10.98%	-40	1.66%
Judicial Department	-186	20.01%	-84	32.77%	-20	16.52%	-311	12.91%
National Security Sector	**131**	**-14.07%**	**-72**	**28.17%**	**-29**	**23.84%**	**-213**	**8.84%**
Department of Defence	159	-17.14%	-5	1.96%	-3	2.67%	-200	8.30%
National Security Intelligence Service	-29	3.07%	-67	26.21%	-26	21.17%	-13	0.54%
TOTAL	**-929**	**100.00%**	**-256**	**100.00%**	**-121**	**100.00%**	**-2,409**	**100.00%**

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance

Development Expenditures: The OP records the highest negative variance in development expenditure between the fiscal years 1999/00 and 2002/03, accounting for between 73% and 99% of the total development expenditure variances (see below).

Table 21: Actual Development Expenditure for the PSLO and National Security Sectors

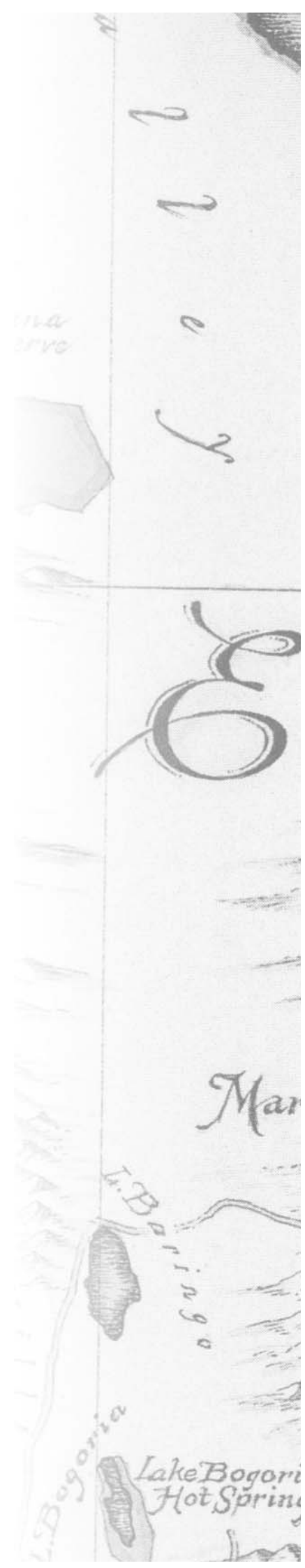| VOTE TITLE	B 1999/00	AE 1999/00	B 2000/01	AE 2000/01	B 2001/02	AE 2001/02	B 2002/03	PA 2002/03
Public Safety,Law and Order Sector	6,253	3,434	18,551	5,011	7,610	4,544	8,627	4,222
Office of the President	5,420	3,314	17,894	4,593	6,757	4,137	7,175	3,146
State House	19	18	35	35	41	140	223	104
Min. of Home Affairs	760	97	595	356	679	245	1,127	953
Min. of Justice & Constitutional Affairs	N/A						22	8
Office of the Attorney-General	10	4	17	17	11	8	16	1
Judicial Department	44	2	10	10	24	14	64	10
National security Sector	133	81	0	0	0	0	0	0
Department of Defence	133	81						
National Security Intelligence Service								
TOTAL	6,386	3,515	18,551	5,011	7,610	4,544	8,627	4,222

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance

Table 22: Development Expenditure: Variance Analysis (Actual-Budget)

VOTE TITLE	1999/00		2000/01		2001/02		2002/03	
	Ksh. M	%	Ksh. M	%	Ksh. M	%	Ksh. M	%
Public Safety, Law and Order Sector	-2,819	98.19%	-13,541	100.00%	-3,067	100.00%	-4,405	100.00%
Office of the President	-2,106	73.37%	-13,301	98.23%	-2,620	85.44%	-4,029	91.46%
State House	-1	0.04%	0	0.00%	-1	0.02%	-119	2.70%
Min. of Home Affairs	-663	23.10%	-239	1.76%	-434	14.15%	-174	3.95%
Min. of Justice & Constitutional Affairs	N/A	N/A	N/A	N/A	N/A	N/A	-14	0.32%
Office of the Attorney-General	-6	0.22%	0	0.00%	-3	0.08%	-15	0.34%
Judicial Department	-42	1.46%	0	0.00%	-10	0.31%	-54	1.23%
National security Sector	-52	1.81%	0	0.00%	0	0.00%	0	0.00%
Department of Defence	-52	1.81%	-	0.00%	-	0.00%	-	0.00%
National Security Intelligence Service	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TOTAL	-2,871	101.81%	-13,541	100.00%	-3,067	100.00%	-4,405	100.00%

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance

Overall Expenditure: Overall, the OP accounts for the highest proportion of negative variance in total expenditure realised by any single unit under the two MTEF sectors. Its contribution to the variance is in excess of 70% for each fiscal year in review. While the OP registers shortfalls in actual expenditure, the Department of Defence (DOD) overshoots the budget by 2.82% in 1999/00.

Table 23: Actual Total Expenditure for the PSLO and National Security Sectors

VOTE TITLE	B 1999/00 Ksh. M	AE 1999/00 Ksh. M	B 2000/01 Ksh. M	AE 2000/01 Ksh. M	B 2001/02 Ksh. M	AE 2001/02 Ksh. M	B 2002/03 Ksh. M	PA 2002/03 Ksh. M
Public Safety, Law and Order Sector	25,670	21,791	45,430	31,705	33,690	30,727	35,128	28,527
Office of the President	19,935	17,164	39,036	25,506	26,147	23,719	25,651	20,717
State House	467	455	536	528	763	764	993	865
Min. of Home Affairs	4,046	3,317	4,341	4,279	5,057	4,567	6,575	5,487
Min. of Justice & Constitutional Affairs	N/A	N/A	N/A	N/A	N/A	N/A	98	67
Office of the Attorney-General	420	281	418	377	511	495	479	424
Judicial Department	802	574	1,099	1,015	1,212	1,182	1,332	967
National security Sector	12,755	12,834	16,919	16,847	19,064	19,035	21,130	20,917
Department of Defence	10,681	10,788	14,266	14,261	16,269	16,265	17,630	17,430
National Security Intelligence Service	2,074	2,045	2,653	2,586	2,795	2,769	3,500	3,487
TOTAL	38,425	34,625	62,349	48,552	52,753	49,761	56,258	49,444

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance

The DOD budget is a one line item and is not subject to any form of external scrutiny, even by the legislature, a feature that exposes it to great abuse. The NSIS budget is also immune from external scrutiny, while those of other security agencies such as the KPF and GSU are open to external scrutiny.

Shortfalls in OP expenditure slow down the implementation of programmes/projects, including those under the KPF, such as housing, many of which remain incomplete to date.

Table 24: Total Expenditure: Variance Analysis (Actual-Budget)

VOTE TITLE	1999/00		2000/01		2001/02		2002/03	
Public Safety, Law and Order Sector	-3,879	102.07%	-13,724	99.48%	-2,963	99.03%	-6,601	96.87%
Office of the President	-2771	72.92%	-13,530	98.07%	-2,428	81.15%	-4934	72.41%
State House	-11	0.30%	-8	0.05%	1	-0.02%	-128	1.88%
Min. of Home Affairs	-729	19.18%	-62	0.45%	-490	16.38%	-1,088	15.97%
Min. of Justice & Constitutional Affairs	N/A	N/A	N/A	N/A	N/A	N/A	-31	0.45%
Office of the Attorney-General	-140	3.68%	-41	0.30%	-16	0.53%	-55	0.81%

VOTE TITLE	1999/00		2000/01		2001/02		2002/03	
Judicial Department	-228	5.99%	-84	0.61%	-30	0.99%	-365	5.36%
National security Sector	**79**	**-2.07%**	**-72**	**0.52%**	**-29**	**0.97%**	**-213**	**3.13%**
Department of Defence	107	-2.82%	-5	0.04%	-3	0.11%	-200	2.94%
National Security Intelligence Service	-29	0.75%	-67	0.49%	-26	0.86%	-13	0.19%
TOTAL	**-3,800**	**100.00%**	**-13,796**	**100.00%**	**-2,992**	**100.00%**	**-6,814**	**100.00%**

Source: Appropriation Accounts (various), Office of the Controller & Auditor General & Quarterly Budget Review (various), Ministry of Finance

6.2   Funds Utilisation by OP Departments

Although the KPF registers the highest actual expenditures of the OP departments, between the fiscal years 1999/00 and 2001/02, it also suffers the highest negative recurrent expenditure variances during the same time period, with the actual expenditure falling short of the approved budget by Ksh.469 million and Ksh.262 million in the fiscal years 1999/00 and 2000/01 fiscal years respectively. In the same period, General Administration and Planning exceeds its recurrent budget by Ksh.260 million and Ksh.202 million respectively (see tables 25 & 26 below). This could be interpreted as a diversion of resources from, among others, the Police Department to GA, whenever financial constraints are experienced. The consequences to the KPF include the accrual of unpaid bills, particularly for utilities (such as telephone, electricity and water) with a direct impact on its operations.[23]

The trend described above is reversed in the year 2001/02 when actual recurrent expenditure by the police department exceeds the approved budget by Ksh.345 million, while the recurrent expenditure by GA reflects a shortfall of Ksh.145 million. Also, Field Administration and AP Departments surpass their approved recurrent budgets marginally. The rest of the departments under OP incur reductions in expenditure.

Table 25: Analysis of OP Actual Recurrent Budget

Department	1999/00		2000/01		2001/02	
	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M
General Administration & Planning	2,752.0	3,012.0	7,272.4	7,474.9	4,991.0	4,845.6
Field Administration	2,041.6	2,042.0	2,007.5	2,025.1	1,917.2	1,990.7
Administration Police	1,786.0	1,761.8	2,203.1	2,088.5	2,101.3	2,341.1
Government Press	339.2	243.8	624.4	613.9	209.1	179.7
National Youth Service	721.6	615.6	725.8	704.9	1,298.0	970.9
Immigration	393.2	206.4	435.7	407.8	558.5	432.8
Police	5,380.2	4,911.0	6,308.8	6,046.1	6,729.8	7,075.4
General Service Unit	1,101.4	1,057.0	1,563.8	1,551.2	1,849.4	1,745.8
TOTAL	**14,515.2**	**13,849.6**	**21,141.5**	**20,912.4**	**19,389.3**	**19,582.0**

Source: Appropriation Accounts (various), Office of the Controller & Auditor General

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[23] GOK, Public Expenditure Review, 2004.

Table 26: Variance Analysis of Recurrent Expenditure of OP Departments

Department	1999/00		2000/01		2001/02	
	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M
General Administration & Planning	260.0	-39.06%	202.5	-88.39%	(145.4)	201.11%
Field Administration	0.4	-0.06%	17.6	-7.68%	73.5	-101.66%
Administration Police	(24.2)	3.64%	(114.6)	50.02%	239.8	-331.67%
Government Press	(95.4)	14.33%	(10.5)	4.58%	(29.4)	40.66%
National Youth Service	(106.0)	15.93%	(20.9)	9.12%	(327.1)	452.42%
Immigration	(186.8)	28.06%	(27.9)	12.18%	(125.7)	173.86%
Police	(469.2)	70.49%	(262.7)	114.67%	345.6	-478.01%
General Service Unit	(44.4)	6.67%	(12.6)	5.50%	(103.6)	143.29%
TOTAL	(665.6)	100.00%	(229.1)	100.00%	(72.3)	100.00%

Source: Appropriation Accounts (various), Office of the Controller & Auditor General

Actual development expenditure for the OP remains low over the three fiscal years as government financial constraints grow tighter with worsening economic recession and continued withholding of external funds.

Surprisingly, the actual development expenditure by the police department exceeds the approved budget by Ksh.29 million in 2000/2001, with the bulk of the funds going to the acquisition of security equipment (see table 27 & 28). Even though there is evidence that the police force suffers shortages of housing and office space and lack of modern security and communication equipment, the capital expenses on such items remains low.

Table 27: Analysis of OP Actual Development Budget

Department	1999/00		2000/01		2001/02	
	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M
General Administration & Planning	4,392.0	2,469.4	17,312.8	4,066.8	5,821.9	3,187.8
Field Administration	114.0	110.8	59.3	13.6	102.9	151.3
Administration Police	11.4	0.4	13.0	13.6	23.0	21.0
Government Press	24.0	30.4	15.1	15.8	17.0	10.3
National Youth Service	646.0	563.8	269.9	170.4	260.1	284.8
KAA	3.0	3.0	10	-	7.0	-
Immigration	10.0	3.5	2.5	2.1	5.0	-
Police	170.6	78.0	188.5	218.2	349.7	319.0
General Service Unit	48.4	54.4	23.0	32.0	169.9	162.3
TOTAL	5,419.4	3,313.7	17,894.1	4,532.5	6,756.5	4,136.5

Source: Appropriation Accounts (various), Office of the Controller & Auditor General
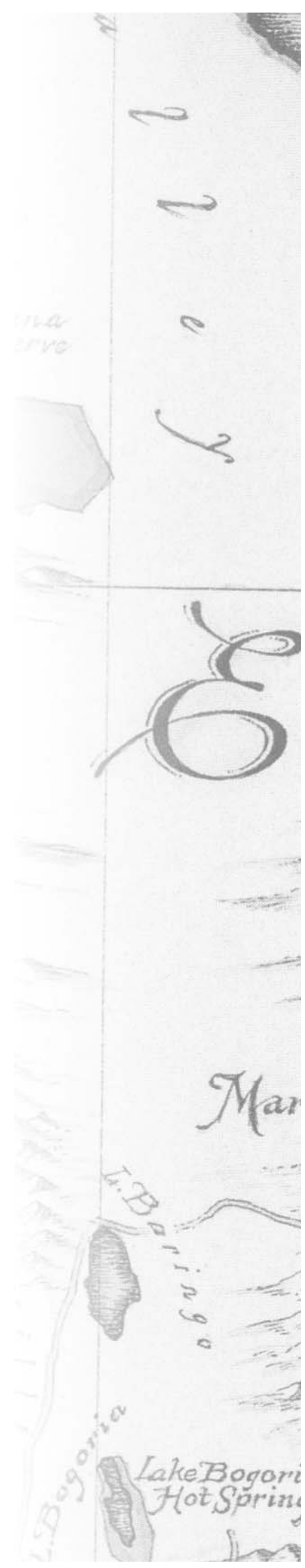
Table 28: Variance Analysis of Development of OP Departments

Department	1999/00		2000/01		2001/02	
	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M
General Administration & Planning	(1,922.6)	91.30%	(13,246)	99.13%	(2,634.1)	100.54%
Field Administration	(3.2)	0.15%	(46)	0.34%	48.4	-1.85%
Administration Police	(11.0)	0.52%	1	0.00%	(2.0)	0.08%
Government Press	6.4	-0.30%	1	-0.01%	(6.7)	0.26%
National Youth Service	(82.2)	3.90%	(100)	0.74%	24.7	-0.94%
KAA	-	0.00%	(10)	0.07%	(7.0)	0.27%
Immigration	(6.5)	0.31%	(0)	0.00%	(5.0)	0.19%
Police	(92.6)	4.40%	30	-0.22%	(30.7)	1.17%
General Service Unit	6.0	-0.29%	9	-0.07%	(7.6)	0.29%
TOTAL	(2,105.7)	100.00%	(13,362)	100.00%	(2,620.0)	100.00%

Source: Appropriation Accounts (various), Office of the Controller & Auditor General

6.3 Analysis of Funds Utilisation by Police Functions

In the fiscal year 1999/00, only the Motor Transport Unit exceeds its approved budget. In the fiscal year 2000/01, four police functions exceed their budgets. The shortfall in public spending on the various KPF functions is either a result of diversion of funds or shortfalls in revenues, grants and loans realised. Besides contributing to an increase in pending bills, the shortfalls in exchequer releases have a direct negative impact on the ability of the KPF to deliver services (see Annex 1).

The utilisation of donor funds remains extremely low (see Annex II for a summary of donor funds utilisation rates between 1990 and 2000).

According to the Government of Kenya Public Expenditure Review (2004), some of the reasons given for the deviation between the budget and expenditure outturn relate to the weaknesses in the budgetary process, from preparation, approval and execution to reporting. These include:
  n Unrealistic budgets that tend to underestimate expenditures for individual programmes and projects. The reasons why budgets are underestimated include incomplete information on costing, and the desire to accommodate more projects in the budget.
  n Policy changes that take place during budget execution resulting in "parachuted" projects.
  n There are no legal limits for changing appropriations (approved estimates) within a line ministry. The only limits that are set are highly summarised with a spending limit set for each ministry. This makes it easy for ministries to apply for frequent reallocation of their budgets at any times during the fiscal year.
  n Reporting on donor funded operations tend to be incomplete which creates a divergence between the budgeted and the actual expenditure.
  n Donors also withhold funds for various reasons in the middle of the financial year. Indeed, some of the pending bills in the development budget are a result of projects being abandoned midstream by donors.

n   The complexity of government procurement procedures often resulting in delays in project implementation and hence delays in spending.

n   There are also observable delays in cash disbursements, particularly at the district level, often resulting in less expenditure particularly at sub-vote level. Because funds at the district level tend to be disbursed towards the end of the fiscal year, this creates uncertainty about funds availability. The ministries thus are unable to spend in a planned manner.

Table 29: KPF Expenditure by Function

Department	1999/00		2000/01		2001/02	
	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M	Budget Ksh. M	Actual Ksh. M
CID	541	477	688	741	892	826
Commissioner of Police	384	288	489	446	437	489
Police College/Training	252	235	322	305	412	456
Provincial/Div Admin	2,910	2,745	3,460	3,317	3,590	3,604
Traffic	75	62	79	78	86	91
Presidential Escort	203	147	179	172	256	255
Police Dog Unit	80	61	94	98	95	276
Anti-Stock Theft Unit	166	148	196	189	213	214
Railway & Port Police	103	102	117	116	128	130
Telecommunication	72	56	68	66	77	80
Motor Transport	307	319	210	169	215	224
Police Airwing	62	49	125	123	102	89
Force Quartermaster	172	122	211	192	268	262
Force Armourer	19	6	28	25	68	158
Central Firearms Bureau	5	1	7	9	6	5
Airport Police Unit	124	117	142	144	155	154
Vehicle Inspection Unit	41	31	50	49	53	52
Government Vehicle Check Unit	18	12	20	9	13	13
Tourist Protection Unit	19	11	12	10	15	17
Anti-Terrorism Unit	-	-	-	-	-	-
TOTAL	5,551	4,989	6,498	6,259	7,080	7,394

Source: Appropriation Accounts, Office of the Controller & Auditor General

Table 30: Expenditure Variance by Police Function (Actual-Budget)

Police Function	1999/00		2000/01		2001/02	
	Ksh. M	%	Ksh. M	%	Ksh. M	%
CID	(64)	11.41%	53	-22.57%	(66)	-20.94%
Commissioner of Police	(97)	17.30%	(43)	18.46%	52	16.43%
Police College/Training	(16)	2.80%	(17)	4.88%	44	14.04%
Provincial/Div Admin	(165)	29.42%	(143)	61.24%	15	4.67%
Traffic	(13)	2.27%	(1)	0.39%	5	1.53%
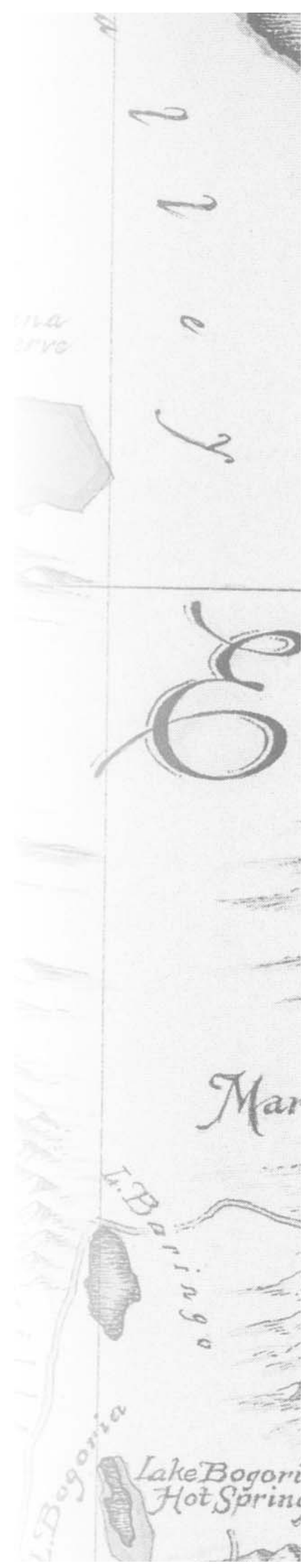
Police Function	1999/00		2000/01		2001/02	
	Ksh. M	%	Ksh. M	%	Ksh. M	%
Presidential Escort	(56)	9.88%	(7)	3.17%	(1)	-0.35%
Police Dog Unit	(19)	3.36%	4	-1.63%	181	57.41%
Anti-Stock Theft Unit	(18)	3.17%	(7)	2.95%	1	0.38%
Railway & Port Police	(1)	0.18%	(1)	0.26%	2	0.51%
Telecommunication	(15)	2.68%	(2)	0.81%	3	1.02%
Motor Transport	12	-2.08%	(41)	17.52%	10	3.02%
Police Airwing	(13)	2.31%	(2)	0.73%	(14)	-4.35%
Force Quartermaster	(50)	8.85%	(19)	8.14%	(6)	-1.81%
Force Armourer	(13)	2.32%	(3)	1.37%	90	28.62%
Central Firearms Bureau	(3)	0.58%	2	-0.77%	(1)	-0.19%
Airport Police Unit	(7)	1.25%	2	-0.81%	(2)	-0.54%
Vehicle Inspection Unit	(10)	1.74%	(1)	0.34%	(1)	-0.22%
Government Vehicle Check Unit	(6)	1.13%	(11)	4.88%	0	0.05%
Tourist Protection Unit	(8)	1.43%	(2)	0.64%	2	0.73%
Anti-Terrorism Unit	-		-		-	
TOTAL	(562)	100.00%	(240)	100.00%	315	100.00%

Source: Appropriation Accounts, Office of the Controller & Auditor General

7.0 CONCLUSIONS AND RECOMMENDATIONS

This paper attempts to correlate budgetary funding and quality (effectiveness and efficiency) of policing in Kenya. The paper analyses various budgetary trends, with a keener focus on the PSLO Sector. This sector houses the OP - the parent ministry to the KPF.

It is unarguably the police's responsibility to detect and prevent crime and to maintain and enforce all laws and regulations. But effective and efficient delivery of service by the police obviously requires appropriate support from the relevant quarters.

This paper identifies a need for closer monitoring of the application of the MTEF budgetary process. Changes to this process are recommended to get the most out of the budget; particularly in as far as it facilitates KPF operations. There is a definite need for the KPF to enhance its capacity to manage crime and guarantee some level of citizen safety. This is not possible unless the police force is provided adequate funds to modernise and meet its essential requirements.

The following points are suggested:

- n Creating a separate expenditure vote for the KPF.
- n Ensuring objective based budgeting.
- n Increasing the development budget and expediting exchequer releases.
- n Establishing public spending patterns.
- n Streamlining public procurement procedures.
- n Establishing an effective service delivery monitoring and evaluation system.
- n Planning growth.
- n Initiating KPF partnerships with immediate communities as well as the private sector.
- n Finally, improving on reporting.

7.1 A Separate Expenditure Vote

A separate expenditure vote should be created for the KPF, de-linking its budgetary process from that of the OP. It is remarkable that the KPF, despite being a part of the office of the President, is not getting its due share and that the amount allocated for its development is not being released from the exchequer. Being part of the highest office in the land does not appear to have been financially advantageous. The administrators and accounting officers, who determine final departmental estimates to be sent to the treasury and final allocations to departments like KPF, have considerable discretion. Every emergency results in cutting budgets and reducing allocations and the data shows that the KPF is invariably affected.

An alternative is the proposed Police Service Commission[24], through which a separate expenditure vote with an Accounting Officer could be created. The creation of a separate expenditure vote would assist in expressing and meeting KPF's financial requirements more efficiently. The KPF would play a more prominent role in the formulation and implementation of its own budget. It is necessary that the budgetary process be more inclusive, inviting submissions from stations at all levels including those at the district level, as envisaged in the MTEF process.

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[24] The Proposed Police Service Commission is patterned on the model of the Nigerian Police Service Commission.
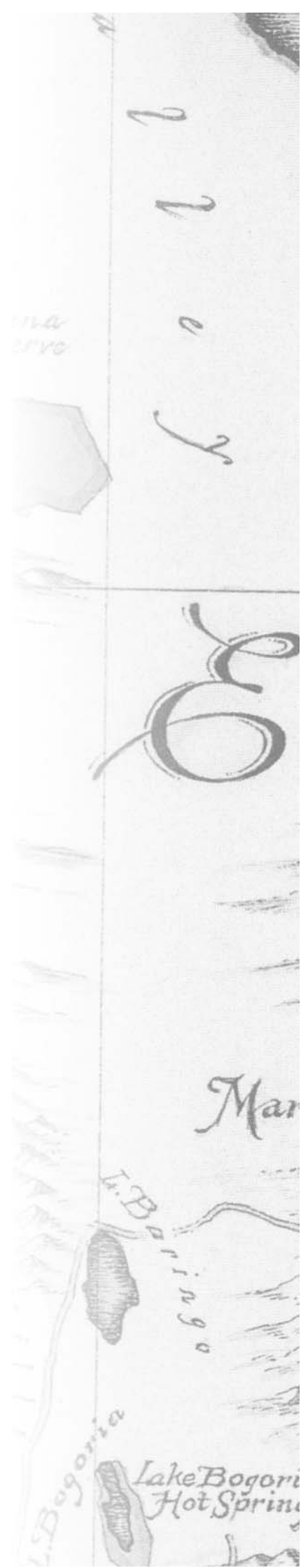
7.2   Objective Based Budgeting

To ensure that the MTEF objective of linking policy making, planning and budgeting is achieved, the government should demand that all ministries and departments include their objectives and priorities - as stipulated in policy papers and plans - in their budget submissions to the Treasury. They must further state how the budget would assist in the achievement of their stated objectives. While this would facilitate the monitoring process, it would also act as a check against midstream alterations of objectives or faltering in the implementation of plans.

7.3   The Development Budget and Exchequer Releases

Increasing the development budget and expediting exchequer releases will go a long way towards mitigating the inadequate circumstances under which the KPF presently live and work.

7.4   Public Spending Standards

There is need to improve planning, implementation and oversight over the budget. This includes, among others measures, establishing clear public spending standards, adopting a 'value for money' approach to public funding and streamlining public procurement procedures. Theoretically, a 'value for money' approach to public budgeting vis-à-vis service delivery returns provides an effective budgetary utilisation impact assessment. Both procedures (above) can be achieved by benchmarking against pre-determined minimum standards.

7.5   Public Procurement Process

Inflated contracts, pending bills, incomplete projects, general delays and un-prioritised expenditure are flaws in any public procurement process. Unfortunately, these are not uncommon to the KPF.

Given the massive losses arising from flawed procurement procedures, it is imperative that this process be streamlined. At a fundamental level, this may require the enactment of a Public Procurement Act. It is also important to undertake a holistic restructuring of the procurement process, eliminating unnecessary bureaucracy where possible. With regards to goods and/or services that are not subject to open tendering, independent technical teams could be set up to oversee such procurement processes. Transparency is the principle that should underpin all public procurement processes.

7.6   Service Delivery Monitoring and Evaluation System

The current approach to budgeting does not provide mechanisms for judging the relative impact or necessity of the various spending proposals (cuts and increases). For instance, it is difficult to isolate programs that are efficient but under-funded from those that are inefficient but abundantly funded.

Regular independent service delivery audits should also be undertaken. Such audits could help point out the gaps in the spread, reach and quality of KPF services. Appropriate policy interventions could then be formulated to address the gaps.

KPF should assess the project success rates on the basis of completion rate, costs and deliverables (outputs and outcomes). Such reports on project success rate should accompany budget proposals for the following fiscal year. In addition, the National Budget should be accompanied by reports that depict, for example, the five most efficient and five least efficient programs/projects in the KPF by function and/or region.

To safeguard against harmful expenditure cuts, the budget should also isolate programs in which expenditure cuts would result in the least or the most damage to the KPF plan(s).

7.9   Planned Growth

Growth of the KPF should be well planned and be backed by necessary resources. In the past, creation of institutional offices has been preceded by the creation of new administrative regions. Unfortunately, the setting up of these administrative units has been shaped by political considerations to reward regions perceived as pro-establishment. Such unplanned expansion has spread the KPF too thin in terms of manpower and material resources, thereby compromising its ability to manage crime and ensure citizen safety.

7.7   Community and Private Sector Partnerships

The potential impact of community and private sector partnerships in enhancing policing cannot be underestimated. Dogged by resource constraints, this is one strategy that the KPF could pursue in its endeavour to manage crime and enhance citizen safety. However, it is important to note that such forms of interaction are prone to abuse making it is necessary to exercise extreme caution. The models of such partnerships built or selected by the KPF must reflect the realities of the Kenyan situation.

7.8   Reporting

This paper identifies a three-fold weakness in reporting - those relating to weak information gathering systems, the suspected cause of delays in the publication of actual police expenditure; those emanating from capacity constraints, particularly in the office of the CAG, resulting in delayed audit reports; and a deliberate attempt by the government to withhold information, especially on public expenditure, by invoking the Secrecy Act. In this regard, the National Audit Commission established under the Public Audit Law enacted in 2003 needs to exercise its mandate and is that the National Audit Office is adequately resourced and ensures providing far-reaching access to information.
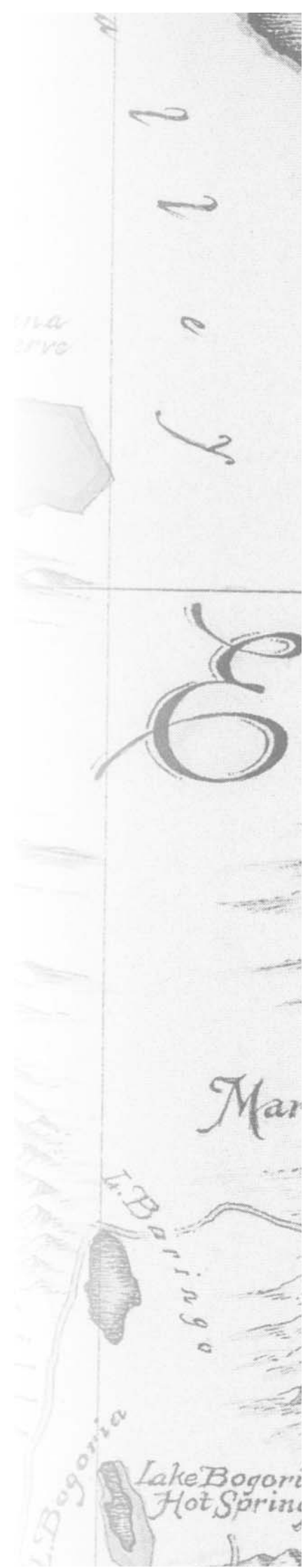
ANNEX - I

It is estimated that the total financial outlays sourced externally for development projects as at 31/12/2001 amounted to 1,919,664,583 US dollars in both grants and loans (External Resources Department, Ministry of Finance, 2002). This amount represents all programme and projects started between 1990/91 and 2001/2002. So far only about 28% of these resources have been utilised as shown in table 1 below:

Utilisation of Externally Funded Projects, Loans and Grants (US$) - 1990/91 - 2001/02

Ministry	Project Loans/Grants Amount (US$)	Utilised In (US$)	Unutilised In (US$)	% Unutilised
Office of the President	306,209,012	72,057,164	234,151,861	76
Directorate of Personnel Management	57,628,509	2,036,851	55,591,658	96
OVP/Home Affairs	89,118,921	5,153,423	83,965,498	94
Ministry of Finance	68,080,199	22,813,212	45,266,987	66
Min. of Agriculture and Rural Development	155,912,874	75,336,830	80,576,044	52
Ministry of Health	204,609,574	38,280,469	166,329,105	81
Ministry of Local Government	139,627,583	83,916,207	55,711,375	40
Ministry of Roads & Public Works	220,763,050	62,422,441	158,340,609	72
Ministry of Transport and Communication	5,497,402	**	5,497,402	N/A
Ministry of Labour & Human Resources	34,331,200	21,095,274	13,235,926	39
Industry and Trade	20,082,361	7,730,296	12,352,065	62
Ministry of Environment & Natural Resources	107,198,905	19,819,962	87,378,943	82
Ministry of Energy	393,262,780	110,710,620	282,552,160	72
Ministry of Science & Technology	90,915,533	11,659,231	79,256,302	87
Ministry of Lands & Settlement	4,026,667	419,195	3,607,472	90
Ministry of Information & Tourism	22,400,000	666,667	21,733,333	97
TOTAL	**1,919,664,583**	**534,117,842**	**1,385,546,740**	**72**

Assumed Exchange rate of Kshs 75 per 1 US $
** Data not yet found

Source: External Resources Department, Ministry of Finance

In the past three financial years external funding accounted for over 60% of Kenya's total development budget. This huge contribution underlines the importance of external funding to Kenya's development.

However, the utilisation of budgeted donor funds has been extremely low. Though donor funds are absorbed in the budget every year that does not mean that the entire allocation is utilised. When disbursements are not realised the Government is forced to cut on its expenditures and when this happens, resources also get reallocated from some spending units to other high priority ones.

External Financing

Source	2000/2001 Budget Ksh. M	%	2001/2002 Budget Ksh. M	%	2002/2003 Budget Ksh. M	%	2003/2004 Budget Ksh. M	%
Loans & Grants	23,886.1	42%	26,254.2	60%	32,259.7	65%	35,854.6	60%
GOK Contribution	33,485.5	58%	17,323.3	40%	17,475.9	35%	23,655.4	40%
TOTAL	57,371.6	100%	43,577.5	100%	49,735.6	100%	59,510.0	100%

Source: Estimates of Recurrent & Development Expenditure, various

Authority to Incur Expenditure (AIE): This refers to the approval granted by the Accounting Officers of various line ministries and government departments to the Heads of Departments at the national or district level to enable them finance budgetary activities. An AIE specifies the amounts allocated and the range of authorised expenditures, and is en-cashed at the district accounts office.

Appropriations Bill: This is a bill tabled in parliament that contains estimates of recurrent and development expenditure for each expenditure vote.

Appropriations Act: This is an Appropriation Bill that has been debated and approved by parliament.

Annual Estimates: This refers to the Spending and taxation proposals tabled in parliament for approval by the Minister for Finance as part of the annual budget.

Budget Deficit: The amount by which government receipts from taxes and borrowing fall short of expenditures.

Capital Expenditure: Expenditure on projects of a more permanent nature, which last more than one financial year.
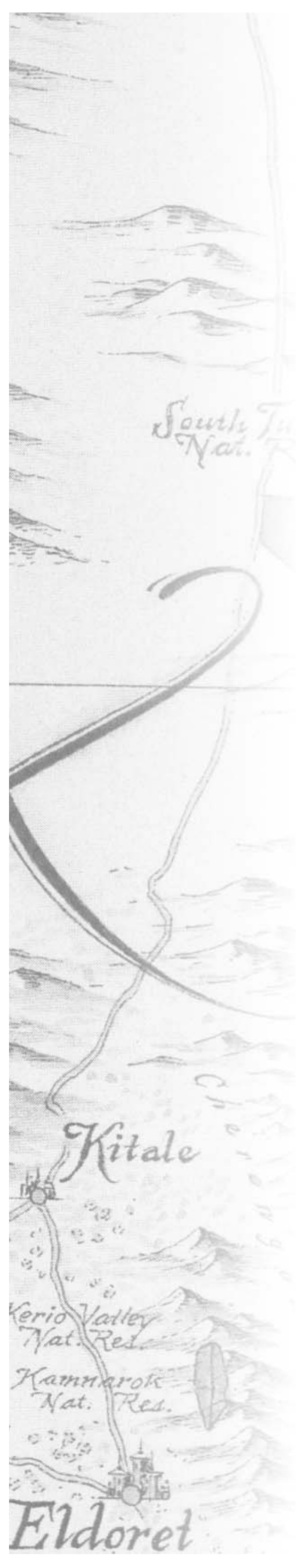
Consolidated Fund: An account into which all government revenues and grants and loan receipts are deposited.

Consolidated Fund Services (CFS): This includes all compulsory expenditures incurred by the government to cover all expenditures on borrowed funds and other constitutional expenses, such as salaries of holders of constitutional offices like the Attorney General.

Exchequer Account: A bank account maintained for the government at the Central Bank of Kenya from where all withdrawals and deposits in the name of the government are managed.

Expenditure Vote: This is a spending unit in the form of a government ministry or department that submits a separate budget to the Treasury for consideration and is overseen by an accounting officer who is expressly nominated by the Minister for Finance for this purpose.
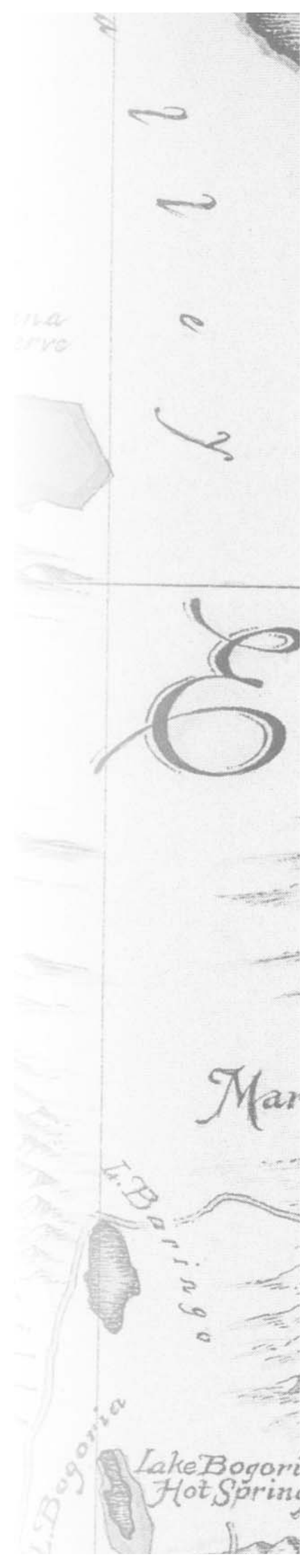
Finance Bill: A bill presented to parliament by the Minister for Finance detailing the proposals on revenue raising measures through taxes, levies, fees and other charges on the use of various government services. When passed by parliament it becomes the Finance Act.

Fiscal Year: Also referred to as the financial year. In Kenya the fiscal year begins on 1st July and ends on the 30th June of every year.

Line Ministries: Ministries other than the Ministry of Finance, which are charged with the responsibility of implementing budgeted and planned activities relating to specific sectors of the economy. Each line ministry submits a budget to the Ministry of Finance for consideration.

Medium-Term Expenditure Framework (MTEF): This is a three-year rolling budgeting system that seeks to link budget to policy.

National Budget: This is a government plan on how it proposes to raise revenue and spend funds in a given year.

Office of the Controller and Auditor General: This is constitutional office with the supreme authority to audit all government ministries and departments, including state corporations for compliance with the government financial regulations regarding withdrawal and use of government funds.

Printed Estimates: This refers to the annual estimates of expenditure for ministries and government departments.
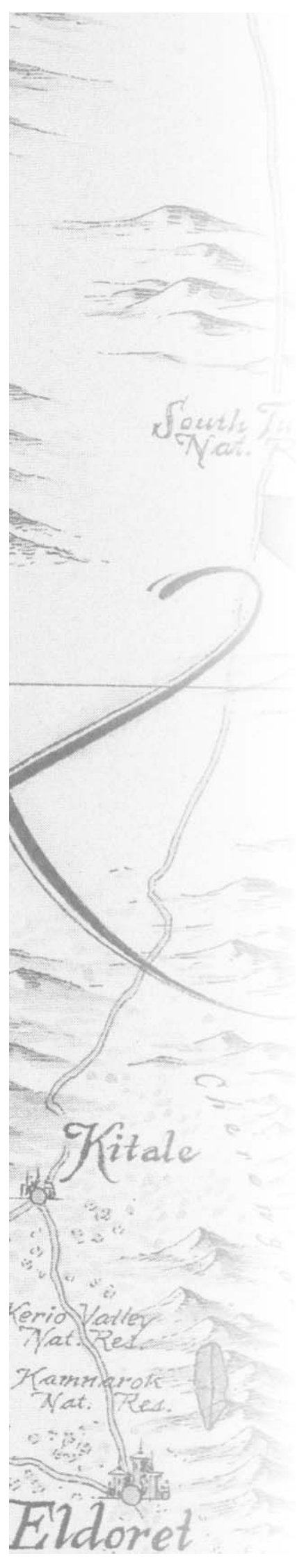
Supplementary (Revised) Estimates: These contain the reallocations and adjustments to the Annual Printed Estimates and must be approved by Parliament.

Treasury: This is a section in the Ministry of Finance that is responsible for the formulation of economic policies and presides over the preparation and planning of the budget and the implementation of the budget approved by parliament.

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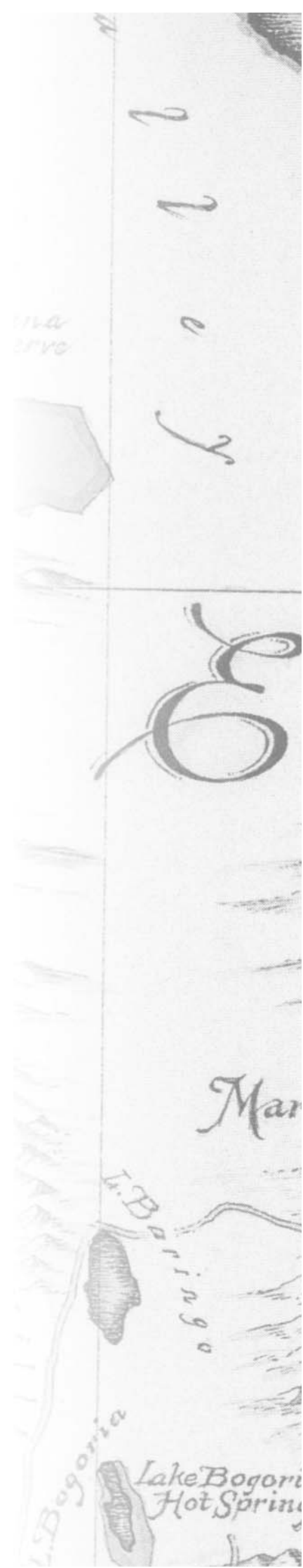
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COMMONWEALTH HUMAN RIGHTS INITIATIVE

The Commonwealth Human Rights Initiative (CHRI) is an independent, non-partisan, international non-governmental organisation, mandated to ensure the practical realisation of human rights in the countries of the Commonwealth. In 1987, several Commonwealth associations founded CHRI because they felt that while the member countries had both a common set of values and legal principles from which to work and a forum within which to promote human rights, there was relatively little focus on human rights issues.

CHRI's objectives are to promote awareness of and adherence to the Harare Commonwealth Declaration, the Universal Declaration of Human Rights, and other internationally recognised human rights instruments, as well as domestic instruments supporting human rights in the Commonwealth member states.

Through its biennial CHOGM reports and periodic fact finding missions, CHRI continually draws attention to progress and setbacks in human rights in Commonwealth countries. In advocating for approaches and measures to prevent human rights abuses, CHRI addresses the Commonwealth Secretariat, member governments and civil society associations. By holding workshops and developing linkages, CHRI's approach throughout is to act as a catalyst for activity around its priority concerns.

The nature of CHRI's constituent groups - journalists, lawyers, legal educators, trade unionists, doctors and parliamentarians - ensures for it both a national presence in each country and local networks. More importantly, these are strategic constituencies, which can effectively steer public policy in favour of human rights. By incorporating human rights norms into their own work and acting as a conduit for the dissemination of human rights information, standards and practices, their individual members and collectives are themselves capable of affecting systemic change. In addition, these groups bring knowledge of local situations, can access policy makers, highlight issues, and act in concert to promote human rights. The presence of eminent members of these professions on CHRI's International Advisory Commission assures CHRI credibility and access to national jurisdictions.

Originally based in London, United Kingdom, CHRI's headquarters moved to New Delhi, India in 1993. It currently has a Trustee Committee office in London, and an Africa office in Accra, Ghana.

CHRI presently focuses on issues related to:
u   Right to Information
u   Police Reforms
u   Prison Reforms
u   Constitutionalism
u   Human Rights Advocacy
u   Facilitation of Judicial Dialogue

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