



Agile and Harmonized Assistance for Devolved Institutions (AHADI)

Briefing Paper 1

Supporting Kenya's Devolution Reform: An Adult Learning Approach to County Capacity Development in Kenya

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Supporting Kenya’s devolution reform: An adult learning approach to county government capacity development in Kenya

Executive Summary

The Agile and Harmonized Assistance to Devolved Institutions (AHADI) project¹ supported the implementation of Kenya’s devolution reforms and contributed to the achievement of local political, economic and service delivery transformation. To do this, AHADI focused on the public expenditure management (PEM) process at the county level as an entry point for capacity development, skills building, and civic engagement.

Between June 2016 and June 2019, AHADI provided tailored training and mentoring to support PEM processes and content, establish new structures and relationships, and to promote engagement with citizens in 22 target counties. AHADI reached a total of 21,461 county executives and assembly members and their staff, as well as 293 CSOs and 234,845 citizens².

This note focuses on why capacity development is an essential element of effective devolved governments. It also looks at AHADI’s county capacity development paradigm, interventions, approach, successes, challenges and lessons learned. This note will contribute to knowledge, policy, and practice, and inform future local government capacity development interventions.

Background and Context

The project set out in 2014 at the inception of the devolved system of government, to achieve three mutually reinforcing objectives:

- i. functioning, accountable target county governments capable of delivering equitable services,
- ii. inter- and intra- government relations and cooperation for a functional and effective the devolved system, and
- iii. improved representation of citizen interests and oversight of target county government performance.

The project’s theory of change is that,

“by developing county government capability to perform their devolved functions and deliver services equitably and accountably; supporting the creation of enabling policy, legislative and institutional frameworks and intergovernmental relationships for devolved governance and service delivery; and enhancing the ability of citizens to engage and hold their county governments accountable, the project will contribute towards the Kenya’s governance and social economic reforms as envisaged in the constitution.”

AHADI implemented a series of complementary and inter-related initiatives. It continually adapted to the evolving context, delivered project objectives and met development partner (DP) requirements.

¹ The AHADI Project is a United States (USAID) and United Kingdom Government (UKAid) funded program implemented by the Center for International Development of the State University of New York (SUNY), Local Development International (LDI) and the Urban Institute (UI). It has a total funding value of approximately USD 56 million budget and an initial duration of five-years (2014-2018), extended to end June 2020.

² These are totals of all numbers reached through the different capacity development initiatives.

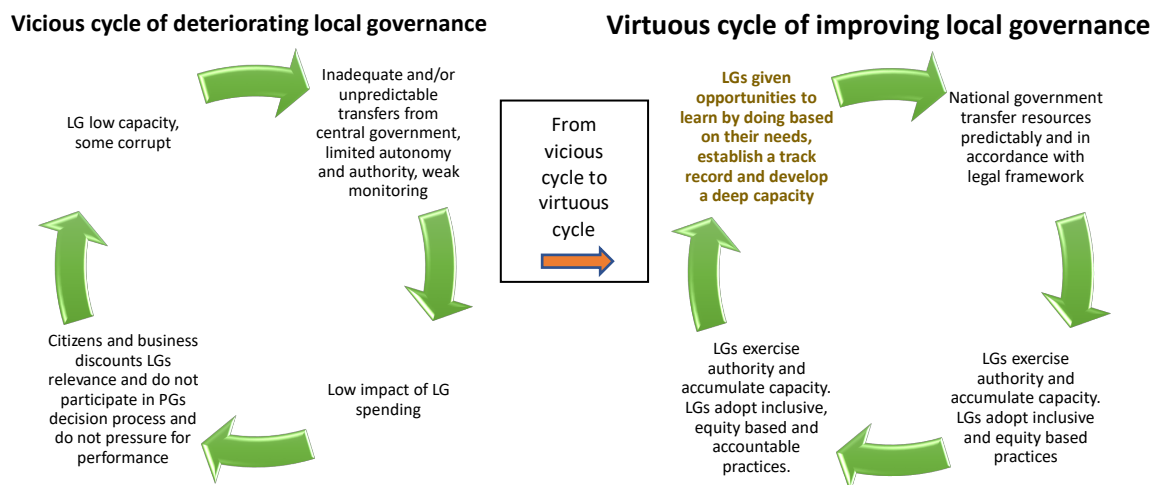
County capacity is an essential element for effective devolved government

Kenya's transition to devolved government was a massive transformation of government, governance and service delivery systems. It was designed to realize the constitutional outcomes of inclusive, equitable social economic development through improved democratic governance and the delivery of proximate and accessible services for all Kenyans. At the center of this progressive constitutional reform was the creation of 47 county governments, as well as several other institutions assigned with new powers, mandates and responsibilities to effect administrative, fiscal and political devolution. One of the main goals was the empowerment of citizens in local governance and decisions that affect their lives.

To realise this transformation requires sustained political commitment and appropriately resourced, capable and accountable institutions. It also requires progressive policy and legal instruments and institutional frameworks to implement the reform agenda, as well as an empowered and engaged citizenry. In particular, county governments as the primary local governance and service delivery interlocutors require commensurate resources and capacity; they need to be capable of taking up their devolved political, administrative and fiscal powers and mandates to deliver the constitutional outcomes expected. All this requires long-term investment towards developing their capability, creating enabling policies and laws, ensuring predictable fiscal resources. It also requires long-term work towards empowering citizens to participate in local governance and service delivery, and to hold their governments accountable.

As illustrated below, when provided with opportunities to develop deep capacities using learning by-doing and with predictable fiscal transfers, local governments can transition from the 'vicious cycle' of deteriorating local governments with low capacity, to a 'virtuous cycle' of improving local governance. This paradigm informed the AHADI framework for county capacity building in Kenya.

Figure 1 Vicious to virtuous cycles of improving local governance



Source: Zhou Yongemi (2009) *Decentralization, Democracy and Development: Recent Experience from Sierra Leone*. World Bank

Establishing a framework for county capacity building

With the 22 target county governments as primary beneficiaries of the project, AHADI was faced with many demands as counties grappled with new mandates, functions and obligations requiring new

capabilities and ways of working. At the same time, these governments were under pressure to deliver against the emerging needs and expectations of their constituents.

Following an initial year of engagement with the counties – responding to disparate requests for policy, legislative, management and administrative capacity development – the project sought to identify a more strategic approach to the county’s capacity requirements. As the county governments were all new, several common institutional, technical and process weaknesses were observed across the entire governance, service delivery and performance management framework. Informed by the project’s County Capacity Assessment (CCA)³ and the ‘vicious to virtuous cycle of improving local governance,’ the project identified common areas for intervention. As a result, AHADI shifted towards a strategic framework and approach which allowed for a more systematic and coherent response (“linked-up”).

Content framework and priorities for county capacity development – the ‘what’

County plans and budgets not talking to each other: The CCA and implementing staff found that there was an absence of robust sector policies and plans. Even where policies existed, these were not linked to county plans, priorities, budgets or service delivery outcomes, and lacked effective citizen engagement. Counties prepared these documents de-linked from one another and basically for compliance purposes to unlock budget appropriations.⁴ This mostly resulted in ineffective translation of county and citizen’s needs and priorities into sector policies, strategies, annual planning and budgeting frameworks. It also created space for the politicization of capital investment and projects. There was evidence of weak expenditure control – with little relationship between budget as formulated and budget as executed – weak monitoring and weak reporting.⁵ The effect of this was poor alignment of resources to needs and desired policy outcomes, weak basis for accountability, and shortcomings and subsequent failures in service delivery. Effective citizen engagement by county governments in governance and decision-making processes was also identified as a major weakness, as was citizen understanding of these processes and how to engage in them.⁶

Use PEM to link county processes and as an entry point to engage: Faced with these complex yet inter-related issues, the program sought a unifying framework for content and learning methodologies, so as to approach county capacity development in an efficient and coherent manner. As an entry point, it made sense to start with the county mandated public expenditure management (PEM) cycle. This would enable the program’s on-going support investments in sector policy and legislation to be advanced through links to county planning and expenditure frameworks to realize desired service delivery outcomes. The county PEM⁷ cycle, embedded within the County Performance Management Framework established by the Council of Governors (see below) provided the required focus to engage with counties.

PEM enabled a multi-faceted yet integrated approach: The project recognized that anchoring capacity development interventions around the PEM cycle and the county budget calendar⁸ provided the ideal levers to engage with and support the multiplicity of actors involved in service delivery. The PEM cycle

³ The project undertook an annual assessment of the target county’s functional capability based on the establishment of structures and legislative compliance in the areas of public participation, planning and budgeting, budget execution and monitoring and evaluation, and human resource and administration structures to determine status and monitor improvements.

⁴ Article 104 of the County Government Act 2012 stipulates that no public funds shall be appropriated outside a planning framework developed by the county executive committee and approved by the county assembly.

⁵ The County Budget Implementation Reports by the Controller of Budget and the County Auditor General Reports consistently illustrate misalignment between approved and appropriated budgets and reported expenditure.

⁶ Inter-governmental Relations Technical Committee (IGRTC) Status of public participation final report. 2016

⁷ The county PEM cycle is legislated and regulated through the Constitution of Kenya, 2010, the County Government Act (CGA) 2012, Public Financial Management Act (PFMA) 2012 and Regulations among other laws including the Cities and Urban Areas Act 2012.

⁸ See: <https://www.msh.org/resources/kenyas-annual-budget-cycle-calendar>

provided the content entry points and enabled a multi-faceted yet integrated approach to interventions. It allowed AHADI to simultaneously address political, institutional, technical and process issues. It also offered a basis for structured engagement with the relevant national ministries and agencies. These actors have policy and capacity building mandates and presented the opportunity to strategically influence and invest in the development of regulatory instruments, guidelines and tools to facilitate scale-up and replication to all other counties.⁹ This was essential for the institutionalization and long-term sustainability of the project’s investment.

Figure 2 Schematic Representation of the County Performance Management Framework¹⁰

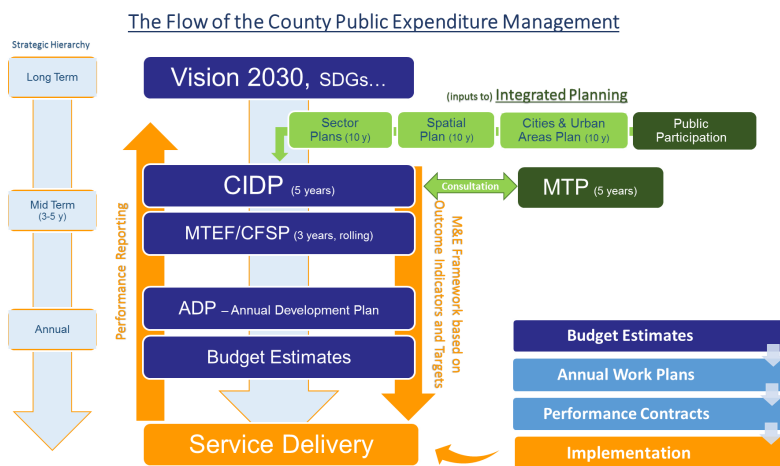


Figure 1 Source: LDI PEM Toolkit for AHADI

The theory of change underlying the selection of county PEM cycles as the focus for county capacity development was that PEM processes underpin sector governance and accountable management of public resources. So, by focusing on capacity and capability improvements around them, counties would be better able to:

- define their needs and articulate these in policies with the meaningful engagement¹¹ of their citizenry,
- translate policies to plans and prioritize resource allocation,
- effectively deliver services with better alignment to desired policy outcomes, and
- have citizens and their representatives engaged in decisions, oversee and hold county governments accountable.

Bridging the gap between sector policies, plans, resource allocation and budget execution with strong citizen engagement and functioning accountability mechanisms is a necessary foundation to establishing responsive and well performing county governments.

Developing the approach – the “how”

Demand driven adult learning approaches: Having defined the framework for the content and viable entry points, the program then developed an innovative, iterative and demand-driven delivery approach. This was done in consultation with both the counties and relevant national government institutions. AHADI designed an adult learning approach to provide in-county learning-by-doing experiences. It was important that the approach focused on technical assistance and mentoring to

⁹ AHADI interventions direct targeted 22 of the 47 counties. It engaged in institutional capacity building efforts and supported the development of guidelines, tools and training materials with national bodies including Council of Governors (COG), Ministry of Devolution and Arid and Semi-Arid Lands (MODA), The National Treasury, Ministry of Planning State Department of Planning and State Department of Monitoring and Evaluation (MED), Kenya School of Government, County Assemblies Forum (CAF), Centre for Parliamentary Studies and Training (CPST), Society for Clerks at The Table (SOCATT). This enabled leveraging the project’s investment to all 47 counties and the institutionalization of the program’s interventions.

¹⁰ Council of Governors (COG). 2017. Performance Management Framework for Counties

¹¹ As opposed to “tokenistic” engagement events with citizens to achieve statutory requirements, meaningful engagement implies processes where citizens are suitably informed, notified and equipped to engage in deliberation, their contributions are incorporated, and feedback received on decisions and outcomes as a result over a sustained period.

strengthen the capacities of individuals and institutions within their context. Specific entry-points were defined with and embraced by counties. The process-oriented, learning-by-doing approach based on local needs experienced little resistance, particularly as it involved support for implementing the little-understood county statutory processes more effectively.

The application of adult-learning principles and methodology was integral to effectively impart and anchor the new technical knowledge, competencies and skills into practice. Essential adult education principles and methodologies were used including:

- **Self-directed, self-motivated learning:** Interventions were co-designed and locally owned. Each county engaged in defining knowledge areas and gaps, creating self-awareness and appreciation for the need to learn, agreeing on an action plan for intervention, and reviewing and agreeing on next actions.
- **Responsiveness:** Interventions were asymmetrical, nuanced to local context and need, iterative and flexible, and adaptable to emerging issues.
- **Experiential learning and problem-solving:** Mentoring sessions were designed to be interactive, while bringing and building on existing knowledge. The participants were expected to bring their own knowledge to bear to address a specific issue, task, or challenge (i.e. preparing the county development plan or budget documents). The participants brought working documents to the sessions and AHADI provided guidance during and between sessions so they could apply what they learned to advance processes.
- **Timeliness:** Specific timing for sessions was determined by the counties themselves and aligned to ensure immediate application and value-add to on-going activities and processes as per the county planning and budgeting calendar.
- **Local:** Support was provided in-situ to the extent possible, for hands-on learning to take place and to optimize reach and minimize disruption.
- **Joint commitment:** The counties committed to the process and contributed resources beyond the staff time. Counties co-financed meeting costs, such as transport and accommodation where necessary.
- **Multi-faceted:** Interventions were multi-faceted, addressing the dynamics and complexity intrinsic to the county. This included orienting political leadership and nurturing political buy-in to support the effort and changes; addressing a specific technical knowledge or skill gap; addressing bureaucratic idiosyncrasies specific to each county; supporting formation of missing structures and processes (i.e. through sector working groups); and developing new relationships and ways of working.
- **Cross-cutting issues:** Cross-cutting themes (i.e. climate change, inclusion and equity) were woven into all interventions, contextualized with appropriate tools, adapted and applied.

The methodology entailed a series of proactive, sequenced interventions using a combination of in-county workshop-style training sessions and process-led, on-the-job mentoring and supported by tools. Typically, formal, workshop-style training first offered conceptual and theoretical knowledge, creating self-awareness and an opportunity for participants to identify gaps. This was followed by on-the-job mentoring on process and content, calibrated to address different county officers' needs and demands. This enabled practical learning with immediate application towards the required tasks at hand. Mentoring was demand-driven and nuanced so as to address specific gaps in conceptual and technical knowledge. A comprehensive tool kit was organically developed by mentors and technical experts. This supported county officers in continued learning of new skills and competencies in the workplace and as required to engage in the county processes.

The mentoring capacity support was offered in-county as much as possible,¹² to minimize disruption, and to ensure the optimal reach of target beneficiaries and on-the-job application. Technical experts were fielded as “mentors” and assigned one or two counties. They worked individually and as teams, bringing their complementary expertise to bear on the different processes to address the respective needs of the county executives and legislatures. Together with the AHADI program team and the county, the mentors designed and led the training sessions, and facilitated working sessions. They mentored individuals in situ and remotely on the entire PEM process, and integrated cross cutting issues of gender and climate change throughout. In this way the mentors and program team established a long-term relationship and built an understanding of the unique county context they were assigned to. This enabled them to develop a nuanced understanding of the entry points and the right approach to address the specific needs and opportunities for intervention. The process resulted in the mentors earning the trust of the county officials. The sessions were planned and designed jointly, and off-site follow-up support was available through email and phone (or Skype) calls. Each intervention was programmed and aligned to support the on-going processes the counties were engaged in as per the county PEM and budget calendar.

Shifting from ad hoc and piecemeal content to greater coherence to drive policy outcomes

Interrelated and linked interventions: A fairly robust set of policy, legislative, and regulatory frameworks for county PEM is in place in Kenya and known, in theory. However, county officials needed the broad conceptual understanding, analytical skills and competencies required for effective practice, relationships, engagement structures and processes (or “the how-to”) to effectively operationalize these frameworks. For example, counties were producing policies, plans and budgets for basic compliance. These outputs were not necessarily linked governance processes to strengthen resource allocation, performance management or accountability to actually drive development outcomes. The project chose to build conceptual understanding, practical skills and competencies for PEM to create a shift away from simple compliance to statutory processes and documents done piecemeal *towards ‘how to’* coherently and effectively use and link these processes and their content to allocate resources to drive policy outcomes.

The interventions with the counties were therefore progressive, iterative and linked to each other. For example: support was provided to translate the outputs from the sector policy development work into sector plans and the medium-term and annual county budgets. This was followed by support around budget approval and execution with the goal of improving sector service delivery performance and complemented by training on monitoring and evaluation processes and support on sector reporting and oversight. Through a series of layered, inter-related interventions, AHADI delivered targeted technical assistance, training and mentoring to both the county executives and assemblies addressing their respective roles and responsibilities within the PEM cycle and in effectively engaging citizens.

Whole of county approach: Focusing on PEM enabled an effective and coherent “whole-of-county response” simultaneously targeting both the county executive and legislative arms as well as citizens. This made it more likely that the intervention would have a positive impact on the entire county governance system and on service delivery outcomes. AHADI gave careful attention to identifying target groups and to tailoring content and delivery to ensure their relevance to the respective mandate and roles of the elected or executive officials. The approach created opportunities to improve the county executive functions while simultaneously building the complementary legislative and oversight function of the county assemblies. It also strengthened the citizen-county relationship. This approach helped build relationships and cooperation between the arms of government and, as a result, improve overall county government functionality.

¹² The mentoring was designed for in-county delivery, however for various reasons, some valid (e.g., to secure full uninterrupted and undivided attention), and others perverse (for per diem), some officials preferred to go out-of-county.

A key aspect of the approach was to support counties in strengthening democratic spaces and practices for citizen participation around county governance structures and PEM processes. To achieve this, AHADI offered support to set up or expand and train County Budget and Economic Forums (CBEFs)¹³ and Sector Working Groups (SWG). These are critical structures that bring non-state sector actors into county governance processes, to contribute and establish a wider constituency that serves as important accountability framework. In addition, the project offered technical assistance, grants and mentorship to establish and operationalize mechanisms and tools for inclusive engagement of the wider citizenry in county governance and social accountability processes.

Quality assurance

Central to AHADI's approach was a focus on consistency and quality. Significant investments and deliberate efforts were made in building a team of technical experts and mentors instilling within them a common understanding of the approach, vision and purpose of the program's technical leadership. This was achieved through:

- The selection, orientation and continual guidance of the experts and mentors to ensure coherent thinking and ways of working.
- The experts were engaged in the development, iteration, review, improvement and adaptation of the approach and tools during implementation.
- Regular monthly sessions with mentors and the program team were instrumental in co-development, review and lesson sharing; this informed agreement on common practice, methods and tools.
- Nurtured an environment of joint learning, adaptive management and excellence.

Development of a PEM Mentoring Toolkit. The program developed an online interactive toolkit which provided the program team, the experts and mentors, and counties with access to structured guidance notes to PEM processes, methods and tools (for mentoring purposes), as well as links to the key county PEM legal and statutory instruments, guidelines and tools for reference. The toolkit represents a valuable integrated resource for county capacity development and is a significant knowledge product that AHADI will leave behind. Complementary work was undertaken with the national entities responsible for policy, regulation and capacity development towards the review and development of county guidelines, tools and modules for counties.

Results

Between June 2016 and June 2019, AHADI supported tailored training and mentoring in the core areas as listed below to support PEM processes and content, establish new structures and relationships and to promote engagement with citizens in all 22 target counties. AHADI reached a total of 21,461 county executives and assembly members and their staff, as well as 293 CSOs and 234,845 citizens on topics such as:

- Sector policy development.
- Sector planning and the preparation of 10-year sector plans.
- County development planning – preparation of the 5-year County Integrated Development Plans (CIDPs), integrating the 10-year sector plans.
- County budget preparation processes – preparation of the county annual development plans, mid-term expenditure frameworks, programme-based annual estimates and appropriation.
- Public financial management – with a focus on budget execution, and sector and financial reporting.

- Setting up and improving monitoring and evaluation (M&E) systems and processes (County Integrated Monitoring and Evaluation Systems (CIMES)).
- Performance contracting and reporting.
- Citizen engagement – principles and process, setting up structures, mechanisms and tools for meaningful engagement with citizens throughout the above processes.
- Citizen engagement in civic education on PEM.

The following are examples of some of the key results from this approach to county capacity development.

1) **Paradigm shift: AHADI’s approach influenced the way county capacity development is undertaken in Kenya in terms of content, approach and form.** Focusing efforts on building county capability to perform their roles and responsibilities around the PEM functions is now well-recognized as an effective means to channel capacity development investments. The process-oriented, demand driven, learning-by doing, mentoring approach in counties around the PEM cycle has been acknowledged, adopted and adapted by the county beneficiaries themselves, capacity development institutions and development partners.¹⁴

2) **County officials’ capability to define and deliver policy outcomes has improved.** There is an observed and expressed improvement in the conceptual understanding and in the application of PEM as provisioned for in Kenyan legislation. The holistic and iterative approach reinforced and entrenched understanding of the linkages and inter-connected nature of the PEM participatory processes and structures which align public expenditure to desired policy outcomes.

3) **New and improved County Integrated Development Plans:** Mentorship has contributed to improvements in the participatory and strategic planning processes involved in sector policy development and the preparation of the second-generation CIDPs. With AHADI support, target counties prepared 10-year sector plans for the first time or reviewed existing plans through inclusive and participatory processes and structures involving both the

Climate change champions in Meru county promote mainstreaming:¹

In Oct. 2018, Meru county government formed a Climate Change and Environmental Conservation Champions’ team for the first time as a result of the project’s intervention. The Champions’ team brings together cross-sectoral representation from the relevant county departments. This results in increasing technical leadership and sustainability for climate change and environmental mainstreaming in (cross) sectoral initiatives. As members of sector working groups, the Champions continually advocate for resource allocation towards climate adaptation and environmental conservation. Given that Champions are technical staff embedded within their departments, with capacity on climate change and environmental conservation, they act as a consistent voice and drive technical leadership and application.

county and non-state actors. These sector policies and plans informed the preparation of the second generation, five-year CIDPs for the first time. These CIDPs have been acknowledged as being more closely aligned to national development plans and strategic county development priorities. They also have a better program grounding and outcome orientation than the first generation.¹⁵ In selected counties, AHADI also supported the mainstreaming of climate change and gender into the county planning and budgeting processes. The newly created structures, improved processes, and acquired skills and competencies built during the CIDP development have been applied in the preparation of the annual and mid-term expenditure planning and

¹⁴ DFID Kenya has acknowledged mentoring around PEM as a successful approach for county capability building; DFID intends to continue to invest in mentoring in its future devolution support program.

¹⁵ This was noted at a workshop to review the draft CIDPs which was held for all counties in March 2018 by the Ministry of Devolution and Planning (now Ministry of Devolution and Arid and Semi-Arid Lands).

budgeting frameworks. These include the county fiscal strategy papers, the county annual development plans and county program-based annual estimates.

- 4) **Increasing appreciation of performance management, monitoring and evaluation and reporting:** Mentorship around performance management gradually led the political leadership and the officers within executive and legislature to appreciate M&E and reporting. It became clear to these leaders that these tools facilitate their respective roles in decision making and oversight. While the organizational culture will need time to fully embrace M&E, open and transparent reporting and accountability, there have been some positive results. The targeted counties (including Bomet, Meru and Nandi, Wajir) reviewed their M&E frameworks and have made investments in data management and analysis. They prepared sector reports and performance contracts that reflect this shift with output- and outcome-oriented performance indicators (as opposed to input- and activity-oriented indicators).
- 5) **Establishment of foundational county governance structures and mechanisms to engage with citizens:** An important result from the capacity development effort was the establishment and strengthening of sector working groups and CBEFs. While some counties had these structures, most were not functional and/or lacked the necessary institutional tools to guide their operation. With the mentoring support, counties prepared or adapted local county policies, laws, guidelines and tools on citizen engagement and were facilitated in operationalizing these. This has led to more effective citizen engagement in policy, planning, budget decision-making processes and involvement in monitoring. The counties were supported through the mentorship program to prepare statutory citizen engagement reports for the first time for some counties. Together these efforts have contributed to the building of the county-citizen relationship and to enhancing the legitimacy and accountability of county governments.
- 6) **Development of Kenyan consulting capacity:** AHADI has created a team of public sector capacity building experts from diverse disciplines who now have improved understanding and capability to contribute to Kenya's devolution reform agenda. While there is no shortage of highly qualified experts in Kenya from diverse fields, the project was successful in orienting, tooling and skilling them to direct their expertise effectively to contribute to the transformation necessary to implement devolution reform.
- 7) **Strengthened intra-governmental relations:** Focusing on PEM processes provided opportunity to amplify the inter-dependencies essential for the effective performance of county government. Understanding and fostering the relationships between the county executive departments, the executive and legislative arms as well as between the two tiers of government was critical. The program made deliberate efforts to nurture cross-sectoral working relationships (e.g. between the technical/sector departments and the planning and finance departments around key planning and budgeting processes) and to bring the county executives and legislative representatives together for joint sessions. This allowed them to better appreciate and respect their respective roles and nurtured cooperative relationships, moving away from past antagonistic relationships. This has improved county decision-making and governance.
- 8) **Social accountability strengthened:** The support to the counties' citizen engagement structures and inclusive and participatory processes has resulted in more effective engagement with citizens. The processes and tools developed and operationalized have enhanced transparency and encouraged citizens to participate. Complementary work through AHADI's grants to civil society actors supported building citizens' capacity to engage in PEM processes and hold their governments accountable. The grantee interventions were coordinated and aligned to the PEM cycle. In the target counties, citizens are now using social accountability tools such as score cards and expenditure tracking tools to monitor and hold their county governments accountable for resource allocation, expenditure and service delivery.

Challenges and lessons

Overall, the [A1] results are positive and there is improvement among the target counties in their capability to perform the tasks around the PEM cycle. However, results are uneven across counties given the varying contextual factors. The project's CCA has shown incremental improvement in the existence of requisite plans, county budget documents, Public Financial Management Act (PFMA) compliance and structures for citizen engagement.¹⁶ However – as would be expected – multiple, often inter-related contributory factors, either aided or hindered progress and achievement of results.

The most significant include:

- the county buy-in and leadership support,
- the political context and the effects of the transition from an intervening election,
- internal bureaucracy including informal and formal structures and relationships,
- variation in starting point and trajectory,
- timing, sequencing, and individual initiative,
- competing priorities, perverse incentives and the efforts of other partners.

These along with factors internal to the project – such as the project's internal fund flows and unforeseen issues causing delays – also contributed to uneven results. While there were obvious limits to AHADI's ability to control factors external to the project, there is an important lesson here concerning some built in flexibility in the program design, funding and planning cycles to support adaptation and alignment to context. To the extent possible program resources and operations should be responsive to the dynamics and complexity of such a reform.

Establish and maintain county ownership and commitment: One of the most critical ingredients in the success of any public sector reform is political leadership. Political will, coupled with technical aptitude and a commitment to learn, are crucial to transformative change. Better results were visible in places where there were key individuals willing to lead the process and act as champions.

This is an important lesson for future efforts: development partners should build in deliberate investment in creating transformative county leadership. There should be a focus on equipping political leadership with the knowledge and tools to support the desired change so that they buy into it and drive it. This should be built in at the design stage, securing negotiated agreements and commitments as a prerequisite. Design should include identifiable performance incentives and measures, and regular reviews and adaptation as needed. This would contribute to greater ownership, continuity and sustainability of reform efforts.

Consolidate local government capacity and minimize disruption: AHADI targeted and invested capacity building efforts in the senior and mid-level technical and administrative cadres of the executive (i.e. the County Chief Officers and below, and clerks and officers within the legislatures). These cadres form the institutional, administrative and technical bureaucracy with the main responsibility for devolved public service delivery. Thus, accumulating and sustaining capability therein is essential to the virtuous cycle of improving devolved governance and effective service delivery (see Diagram 1). Institutional capability is retained in these officers; their presence provides stability and continuity during transitions between elected governments. During the 2017 elections – both in counties where there was a change in elected leadership and where the leadership remained – there was some level of disruption (as revealed by the 2018 CCA results). However, the senior sector, planning, finance and administrative officers in the AHADI target counties continued to offer support through the transition.

¹⁶ The project undertakes an assessment of the target county's functional capability based on the establishment of structures and legislative compliance in the areas of public participation, planning and budgeting, budget execution and monitoring and evaluation, and human resource and administration structures on an annual basis to determine status and monitor improvements. It should be noted the CCA's is on compliance, ensuring statutory documents and structures are in place; the qualitative assessment and relationship with service delivery improvement is not established.

They were acknowledged by the incoming elected leadership to be of immense value, acting as anchors of institutional memory and knowledge.

Be attentive to both the political leadership and bureaucracy of each arm of government in tandem:

Development partners should anticipate and prepare for the inevitable disruption caused during electoral cycles to protect against backsliding and to ensure continuity.

Embed technical experts in-county over extended periods: The project mentoring approach with county-assigned experts traveling intermittently to work with the counties had its shortcomings. These included, for example, delays in the facilitation arrangements due to project administrative and logistical requirements, or experts not being available due to commitments with other assigned counties (or clients) when their presence was most required. A system of embedding technical advisers to coach on a continual basis (long-term) would address the issues of intermittency raised above. In-house technical assistance affords continuity and consistent contact, resulting in experiential learning on-the-job without breaks. It also enables on-the-spot support for problem-solving and timely advice where the opportunity to influence behavior and anchor learning is greatest.

Expenditure on domestic travel: The project approach was designed for in-county training and mentoring support. However, this proved to be difficult to sustain. County officials preferred to hold sessions outside of their county, with claims that this would minimize possible interruption from duty-calls. Officers claimed being out of the county and away from their constituents would lead to their undivided attention and productivity. While this had some merit, these mentoring sessions, on occasion, ended up as a means to justify out-of-county trips to earn county travel^[A2] allowances. In some cases, this even influenced which officials were selected to attend, which impaired effective targeting. This had the unintended consequence of encouraging county expenditure on domestic travel as the program did not cover transport or travel allowances. To solve this dilemma going forward – and still provide in-county mentoring and on-the-job training – future projects could embed mentors into a single county rather than have mentors travel between counties.

Need for adaptive management: Given this was a new innovation and an iterative, learning process for the project, an adaptive approach to management was critical, with strong monitoring and feedback loops. An open and adaptive management approach was used by both the development and implementing partner and supported innovation^[A3] around emerging implementation realities. At times the project's contractual and management obligations constrained its capacity to nimbly seize new opportunities. Future efforts would benefit from a more refined and robust^[A4] results and indicator framework, baseline^[A5] data, longitudinal data collection and analyses, and capability to support continual gathering evidence to test the TOC and for learning, review and adaptation.

Promote cooperation among development efforts: The complexity and multi-dimensional nature of capacity development in this setting cannot be underestimated. While the Ministry of Devolution has a National Capacity Building Framework (NCBF) that outlines capacity development approaches to guide the public sector, its implementation has not been systematic. Counties receive inconsistent support from national government institutions and the efforts of development partners have not been well coordinated. There is a planned collective review of the NCBF engaging the multiple actors involved in capacity development. This review should be informed by political economy assessments, needs analysis and the lessons learned from the past few years of devolution. The revised framework should aim to improve harmonization and coherence in approaches adopted. Attention should be given to developing capacity of the institutions responsible for capacity development, reviewing and improving adult learning practices including the project's mentoring approach to capacity development, which should be fully institutionalized, encouraging innovation and embracing technology in the delivery processes.

Conclusion

Kenya's "big-bang" approach to devolution meant that newly established institutions and structures were expected to immediately assume new roles, responsibilities and relationships regardless of their respective capacities.¹⁷ While there were intensive efforts¹⁸ ahead of devolution to establish institutions, frameworks, processes, and capacity, these were still incomplete. After devolution, there were unresolved transition issues; institutional capacity was inadequate and uneven. Within an evolving context and a political economy in flux, nascent national institutions and county governments were required to perform, even as they sought to understand the changing realities. This dynamic context, a diverse set of actors and interests, a multiplicity of beneficiaries with disparate needs, multiple development actors intervening in the same space – all presented a challenge for any capacity development project to be effective within the project constraints. For AHADI, the focus on the fundamental processes of expenditure management offered an effective entry point and line-of-sight to focus finite program resources and coherently address multiple objectives simultaneously.

The improvements to county public expenditure management processes and decision making has contributed to the important institutional, organizational and individual capabilities underpinning devolved governance and service delivery. However, while there is evidence of better capacity in the target counties indicated by the improved structures, processes and process outputs, these gains must be sustained to realize long-term impact.

Going forward, it will be necessary to continue innovative and flexible efforts that enable county governments (both arms) to engage with citizens effectively, exercise authority and accumulate deep capacity. This will allow them to perform devolved functions through inclusive, equity-based, and accountable practices and develop and transform society.

There is an equally pressing need to increase support for the development of an empowered citizenry engaged in determining their own needs, participating in service delivery, meeting their tax obligations and holding their county governments accountable. There is also need for the continued political commitment towards devolution and review of national policy and legislative environment and predictable fiscal transfers to counties. Even the most capable county government cannot exercise authority and perform their functions effectively without these.

A major contributory factor to the project's achievements lay in its design and logical framework, which enabled it to effect the necessary, mutually reinforcing interventions to support the implementation of the devolution reforms.

Specifically, this meant simultaneous and complementary support to:

- i. the national policy, institutional and legal frameworks for devolution;
- ii. the county government's capacity to perform their functions accountably and engage citizens; and
- iii. an engaged and empowered citizenry able to participate in devolved governance and service delivery.

¹⁷ The county governments, national bodies, the legislatures and constitutional commissions and independent offices Kenya's "big-bang" approach to the devolved system of government meant that new structures, functions, responsibilities including fiscal responsibilities were devolved at once before robust systems and process in place. All counties assumed new responsibilities, relationships, legal & regulatory requirements, systems and processes at once regardless of existing capability and not asymmetrically according to capacities.

¹⁸ The Task Force on Devolved Government and Transition Authority led efforts to establish and prepare for the devolved system of government through the transition period between the promulgation of the new 2010 constitution to the initiation of the devolved system of government in 2013

It is still early in Kenya's governance reform process (10 years to date). Mutually reinforcing efforts at all these three levels are still necessary for Kenya's transformation toward democratic and accountable governance and the inclusive, social and economic prosperity sought after in the Constitution. It is imperative that development partners continue to work with Kenyan governmental bodies across all these areas.