



# Participatory Budgeting and Performance of National Government Constituency Development Fund Projects: A Case of Molo Constituency, Kenya

Mohamed Hassan Abdi<sup>1</sup>, and Solomon Ngahu<sup>2</sup>

<sup>1</sup>Student, <sup>2</sup>Lecturer,

School of Business and Entrepreneurship

Jomo Kenyatta University of Agriculture and Technology, Kenya

## ABSTRACT

*Participatory budgeting within integrated financial planning is crucial for enhancing efficiency in government-funded projects. However, NGCDF projects face challenges including delays, cost overruns, stalled developments, poor quality, and local community dissatisfaction, revealing a gap between project goals and actual outcomes, which raises significant concerns about overall effectiveness and performance at the constituency level. The current study assessed the effect of participatory budgeting on performance of NGCDF projects in Molo Constituency, Kenya. The study was anchored on Musgrave theory of public finance. A descriptive research design was applied. The target population for the present study was the 39 Ongoing NGCDF projects in Molo Constituency. The researcher involved the project manager from each project, 3 project management committee (PMC) members, and 10 NGCDF committee members, who forms the unit of observation. Therefore, the total population of interest was 127, comprising 117 committee (PMC) members, and 10 NGCDF committee members. Data collection was done using questionnaire. Both descriptive and inferential statistical methods were employed for data analysis. For inferential analysis, Pearson's correlation and multiple regression analyses were conducted. The analysis was aided by the Statistical Package for Social Sciences (SPSS). As per the descriptive research findings, the performance of NGCDF projects is affected by the participatory budgeting. The correlation analysis showed that participatory budgeting ( $r = 0.618^{**}$ ,  $p = 0.000$ ) had positive and significant relationship with the performance of NGCDF projects. In the regression analysis, the beta coefficient was found to be 0.313 with a t-value of 7.654 and a p-value of 0.000. This result indicates that participatory budgeting had a significant effect on the performance of NGCDF projects. The study concluded that effective participatory budgeting improves project prioritization, accountability, and timely execution, which enhances performance. The study recommended strengthening budget structuring to ensure that NGCDF projects are guided by realistic financial frameworks that align available resources with project priorities. Budgets should be developed based on accurate cost estimates, transparent allocation criteria, and clearly defined timelines. This will enhance overall financial efficiency and performance in NGCDF projects.*

**Key Words:** Participatory Budgeting, Integrated Financial Planning, Performance of NGCDF projects.

## 1. INTRODUCTION

Integrated financial planning represents a comprehensive approach within the broader domain of public financial management, emphasizing the interdependence of various fiscal dimensions and policy frameworks (Metsimaholo, 2022). By consolidating critical financial functions such as budgeting, forecasting, and revenue management into a cohesive framework, it ensures alignment with overarching governmental objectives. This integration fosters collaboration across departments and stakeholder groups, enabling a systemic perspective on how fiscal decisions shape social, economic, and environmental outcomes (Ngala & Musau, 2022). As a result, integrated financial planning not only enhances the efficiency and equity of resource allocation but also strengthens institutional capacity to adapt to emerging challenges, thereby ensuring that financial initiatives remain resilient, responsive, and sustainable

in a dynamic public sector environment. An integral element of this framework is participatory budgeting, which prioritizes inclusivity by directly involving communities in determining project priorities and expenditure allocations (Pulkkinen, Sinervo, & Kurkela, 2024). Through this process, citizens are provided with platforms to voice their preferences and concerns, thereby fostering transparency and accountability in fiscal governance.

In particular, engaging diverse groups, including marginalized communities, helps ensure that financial decisions capture a wider spectrum of societal needs and aspirations, ultimately leading to more contextually relevant and impactful outcomes (Setsoto, 2022). In this way, participatory budgeting operates not only as a decision-making tool but also as a mechanism for promoting civic engagement, equity, and trust in public financial systems. The performance of National Government Community Development Fund (NGCDF) projects is fundamentally evaluated through their effectiveness, efficiency, and overall contribution to local communities (Kimata, 2021). This performance dimension entails examining the extent to which projects achieve intended objectives such as advancing social welfare, stimulating economic development, and promoting inclusive participation. Performance measurement indicators include project completion rates, adherence to financial accountability standards, stakeholder satisfaction, and the long-term sustainability of outcomes (Wambua, 2022). These indicators provide an empirical basis for assessing the degree to which NGCDF projects translate allocated resources into tangible benefits for the communities they serve.

Moreover, systematic performance assessments play a pivotal role in identifying best practices while uncovering areas requiring improvement (Setsoto, 2022). Such evaluations enhance learning across projects, ensuring that financial resources are directed toward interventions with the greatest impact. Ultimately, integrated financial planning, reinforced by participatory budgeting, provides a strategic framework that enables NGCDF projects to optimize resource use, deliver meaningful outcomes, and align with the broader developmental vision of the public sector. However, the NGCDF projects continue to grapple with delays, cost overruns, and dissatisfaction among local communities. According to the Auditor General's report on the NG-CDF for Mbeere South Constituency for the year 2024, a total of 44 projects valued at Kshs.120,663,357 were planned for implementation during the year under review. However, by 30 June 2024, only 2 projects worth Kshs.2,837,663 had been completed, 4 projects valued at Kshs.61,376,634 were still ongoing, and 38 projects worth Kshs.56,449,060 had not yet commenced. In the 2022/2023 financial year, the Starehe Constituency NG-CDF successfully implemented only 36.6% of the approved projects, indicating a low completion rate. Moreover, the Auditor General's 2023 report for Seme Constituency NGCDF reveals that a total of Kshs.8,650,000 was allocated to six primary schools; Lieye, Abol, Asino, Keyo, Asol, and Atoya for classrooms construction. Additionally, Kshs.4,200,000 was allocated to two secondary schools, Ndiru and Aduong, for the construction of a classroom and a laboratory. Base on the report, these projects were not completed within the scheduled timeframe.

As per the 2023/2024 annual report and financial statements for NGCDF Molo Constituency, Kivulini Primary School and St. Stephen Primary School were each allocated Kshs. 2,600,000 for the building of two classrooms. These projects were expected to be finished by the conclusion of the 2022/2023 financial year, but they are still not completed. Public financial planning for government-funded projects guides the allocation, management, and oversight of financial resources to ensure that projects are completed efficiently and within the allocated budget. In this regard, the financial planning approaches employed in NGCDF projects could be somewhat ineffective. Nonetheless, the past research works have not adequately addressed the integrated financial planning practices in the context of NGCDF projects. Hemed (2023) assessed the project success factors and performance of constituency development-funded projects in Nakuru Town West Constituency. The study revealed that project planning, stakeholder involvement, and project funding had a positive impact on the performance of CDF projects. While the research examined aspects of project planning and funding, it provided limited detail regarding the integration of financial planning, specifically in areas such as budgeting. Bii, Kemboi, and Langat (2022) examined the relationship between financial planning practices and the performance of selected county governments in Kenya. The study found that resource mobilization and financial reporting have a positive correlation with county performance. Contextually, the study was undertaken by county governments. Conceptually, the study fell short of incorporating the participatory

aspect into budgeting. The current research assessed the effect of participatory budgeting on performance of NGCDF projects in Molo Constituency, Kenya.

## **2. OBJECTIVE OF THE STUDY**

The objective of the study was to establish the effect of Participatory Budgeting on the performance NGCDF projects in Molo Constituency.

## **3. LITERATURE REVIEW**

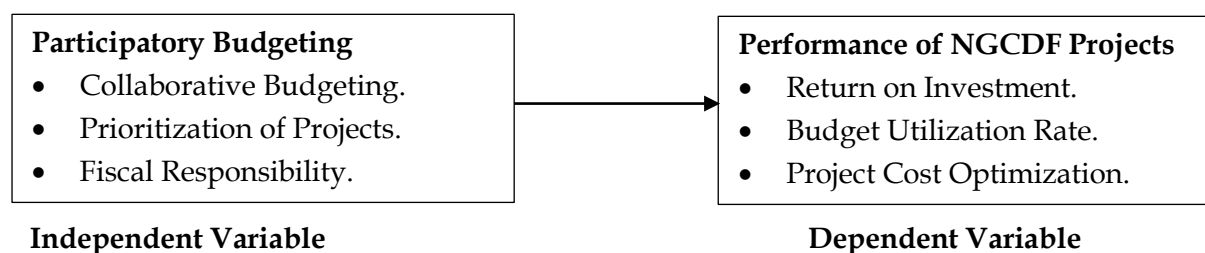
Participatory budgeting takes a dynamic and inclusive approach to financial planning in which citizens are directly engaged in determining how budgetary resources are allocated and utilized (Sinervo, Bartocci, Lehtonen, & Ebdon, 2024). Within the broader framework of integrated financial planning, participatory budgeting functions as a collaborative process where multiple stakeholders—including community members, local officials, and civil society organizations—jointly deliberate and decide on the allocation of economic resources (Danielson et al., 2024). This collaborative engagement not only empowers citizens by granting them an active role in shaping fiscal priorities that directly affect their lives but also enhances the quality and legitimacy of budgetary decisions. The inclusion of diverse perspectives ensures that financial resources are channeled toward initiatives that resonate with community needs and aspirations, thereby fostering a closer alignment between public spending and social demand (Côme, Magne, & Steyer, 2023). In this regard, participatory budgeting plays a strategic role in identifying priority projects, anchoring them to the collective interests of the community, and supporting the broader policy objectives of local governments, which creates a more inclusive, responsive, and contextually relevant budgeting environment.

Beyond participatory decision-making, the process also cultivates fiscal discipline and responsibility by embedding transparency and accountability into the financial governance cycle (Sinervo et al., 2024). When citizens are actively involved in budgetary deliberations, government institutions are compelled to articulate clear justifications for expenditure choices, thereby enhancing oversight and ensuring prudent use of resources. This participatory dimension reduces the risk of resource misallocation and curtails opportunities for corruption, while simultaneously strengthening community trust in governance systems. Prioritizing projects through participatory budgeting further allows governments to allocate funds toward initiatives that deliver the highest social impact, improving the effectiveness of public spending (Schugurensky & Mook, 2024). In addition, the participatory process deepens civic awareness by enabling citizens to understand the fiscal trade-offs and limitations that shape government budgets, which in turn nurtures realistic expectations and stronger support for budget implementation (Nacar & Falay, 2024). The integration of participatory budgeting into comprehensive financial planning thus facilitates the creation of sustainable, community-driven public services that embody shared visions of development and contribute to long-term socio-economic transformation.

The Musgrave theory of public finance provides a framework for understanding the multiple roles of government in fiscal management, emphasizing three interrelated functions: allocation, distribution, and stabilization (Aladejebi, 2021). The tri-functional model thus offers a normative framework that connects efficiency, fairness, and resilience as guiding principles of public finance (Nnanna, 2022). When applied to integrated financial planning practices, this theory becomes particularly relevant in contextualizing how government expenditure frameworks can be structured to improve accountability and performance in public projects. Participatory budgeting directly resonates with the allocation function by ensuring that resources are distributed in line with community priorities, which enhances transparency, responsiveness, and efficiency in public spending (Ademola, 2020). The conceptual framework presented in Figure 1 shows the relationship between participatory budgeting and performance of NGCDF projects:

Budgeting and performance of NGCDF projects were reviewed. Mwangi and Munene (2024) conducted a study on the influence of stakeholders' participation on performance of constituencies' development fund projects in Nakuru Town East Constituency. The target population for this study consisted of representatives from CDF projects in Nakuru Town East Constituency, totaling 160 respondents. A questionnaire was used as the primary data collection tool. Descriptive statistics were employed to analyze both quantitative and qualitative data. The Karl Pearson coefficient of determination was used to present inferential statistics. The study established that there was a moderate positive and statistically significant correlation between project identification and CDF project performance in Nakuru East

Constituency ( $r = 0.527$ ;  $p < 0.05$ ). This suggests that effective project identification improves CDF project performance by involving stakeholders and clearly prioritizing projects in Nakuru Town East Constituency, Kenya



**Figure 2.1: Conceptual Framework**

Otieno (2022) conducted a study on the effects of constituency budget process on performance of education projects within national government constituencies' development fund in Kenya. The study employed a descriptive survey research design combined with correlation analysis to investigate the impact of the budgeting process on the performance of NGCDF secondary school projects. The research targeted a population of 322 individuals, with a sample of 74 respondents selected through stratified random sampling from 52 secondary schools across the 7 wards in Ndhiwa constituency. According to the findings, most respondents strongly agreed that aspects of budget planning, coordination, control, and evaluation significantly influence the performance of NGCDF education projects in Ndhiwa Constituency. There was a significant correlation between these independent variables and project performance, with  $p$ -values below 0.01, leading to the rejection of the null hypotheses. Consequently, all the independent variables were found to be strong determinants of the performance of NGCDF education projects.

Bii, Kemboi, & Langat (2022) examined the relationship between financial planning practices and performance of selected county governments in Kenya. The study was grounded in financial distress theory and utilized a correlation survey research design. It focused on County Executive Committee Members, financial officers, Chief Officers, and County accountants from various departments in Kericho, Bomet, and Narok Counties. The target population consisted of 207 respondents, from which a sample of 136 was drawn using both stratified and random sampling techniques. The study employed both primary and secondary data, with primary data collected through questionnaires. The findings indicated that financial planning practices comprising the resource mobilization, budgeting and financial reporting have a positive correlation with county performance ( $R=0.749$ ,  $\beta_1 = 0.506$ ).

Kaithia, Moguche, and Rintari (2024) assessed the effect of budget planning on the Financial Performance of Public Universities in the Mount Kenya Region, Kenya. The findings revealed a strong and positive correlation between budgetary planning and the financial performance of public universities ( $r=0.817$ ,  $p=0.000$ ). The study concluded that most universities utilized budgets to guide their financial operations within a fiscal year. However, a significant issue was the inconsistency in revenue, which hindered their ability to sufficiently fund the budget.

Kisyang'a, Ombati, and Wahome (2024) conducted a study on the influence of budgetary control on implementation of constituency development fund projects in Makueni constituency, Makueni County. The study utilized a descriptive research design and employed a census approach. The findings indicated that variance cost analysis ( $r=0.747$ ,  $p<0.00$ ) had a significant positive impact on the implementation of constituency development fund (CDF) projects, whereas public participation did not demonstrate a significant effect.

Research gaps were identified from the reviewed studies. In assessing the stakeholder participation and performance of constituency development fund projects, the study by Mwangi and Munene (2024) was limited to stakeholder identification. The present study goes beyond identification to incorporate participatory budgeting encompassing the collaborative budgeting, and prioritization of projects based on stakeholder needs. Otieno's (2022) study underscores the importance of budget planning in NGCDF education projects but may not adequately explore the mechanisms linking these factors to outcomes. Furthermore, it overlooks external influences and stakeholder perspectives, which are crucial for understanding budget effectiveness. The current study addresses this by incorporating stakeholder views, particularly through participatory budgeting, project prioritization, and fiscal responsibility. Kaithia et al.

(2024) established a strong positive correlation between effective budgetary planning and the financial outcomes of these institutions. However, while budgetary planning was the primary focus of the study, the role of stakeholder participation was not sufficiently explored. The current study analyzed participatory budgeting, specifically through collaborative budgeting and project prioritization, and their effects on the performance of NGCDF projects.

#### 4. RESEARCH METHODOLOGY

A descriptive research design was applied. This was suitable for evaluating integrated financial planning and the performance of NGCDF projects because it enables a thorough exploration of the different characteristics and elements involved. The target population of this study was the 39 NGCDF projects in Molo Constituency, which will serve as the unit of analysis. It specifically involved the 10 NGCDF committee members, along with 3 project management committee (PMC) members from each project, constituting the unit of observation. As such, the overall population of interest consisted of 127 respondents, made up of 117 PMC members and 10 NGCDF committee members. This study applied primary data, using structured questionnaire in data collection. In this study, both descriptive and inferential statistical methods were employed for data analysis. For inferential analysis, Pearson's correlation and multiple regression analyses were conducted. The analysis was aided by the Statistical Package for Social Sciences (SPSS), using the following regression function:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where;

<b>Y</b>	-	Performance
<b><math>\beta_0</math></b>	-	Constant
<b><math>\beta_1</math></b>	-	Beta Coefficients
<b><math>X_1</math></b>	-	Participatory Budgeting
<b><math>\varepsilon</math></b>	-	Error of Margin

#### 5. Results

This section presents descriptive and inferential statistical results. A total of 127 questionnaires were distributed to members of the project management committees and the NGCDF Committees. Out of these, 97 were fully completed, yielding a response rate of 76.4%, which was deemed adequate for data analysis and interpretation.

#### 5. DESCRIPTIVE STATISTICAL RESULTS

The objective of the study was to establish the effect of participatory budgeting on the performance NGCDF projects in Molo Constituency. A descriptive analysis was performed, and the findings are presented in Tables 1 and 2:

**Table 1: Effect of Participatory Budgeting on the performance NGCDF projects in Molo Constituency**

	N	SA	A	N	D	SD	Mean	Std. Dev
	Percentage (%)							
1) Collaborative budgeting ensures that stakeholder inputs are considered in the resource allocation decisions.	97	50.5	34	10.3	3.1	2.1	4.28	0.921
2) The budgeting process reflects the priorities of the community.	97	51.5	36.1	8.2	4.1	0	4.35	0.804
3) Budget proposals are openly discussed with the community.	97	51.5	30.9	8.2	8.2	1	4.24	0.987
4) We emphasize accountability and responsible use of public funds.	97	35.1	23.7	18.6	9.3	13.4	3.58	1.398
5) The budgeting process reflects the needs of the community.	97	37.1	20.6	11.3	16.5	14.4	3.49	1.487

The study findings indicate that 50.5% of respondents strongly agreed, while 34% agreed, totaling 84.5% in agreement (Mean=4.28; Std. Dev=0.921) that collaborative budgeting ensures that stakeholder inputs are considered

in the resource allocation decisions. It aligns project resources with community needs and priorities, increasing project relevance and support. As a result, it enhances the effectiveness and success of NGCDF projects by promoting better utilization of funds and improved overall performance. 51.5% of the respondents strongly agreed, and 36.1% agreed, resulting in a total of 87.6% who at least agreed (Mean=4.25; Std. Dev.=0.804) that the budgeting process reflects the priorities of the community. Aligning the budgeting process with the community's priorities ensures that funding targets the most urgent and relevant needs. This alignment encourages stronger community engagement and ownership, which supports smoother project execution and long-term sustainability. As a result, NGCDF projects are better positioned to deliver successful outcomes and improve overall performance. Moreover, 51.5% of respondents strongly agreed, and 30.9% agreed (Mean=4.14; Std. Dev.=0.987) that budget proposals are openly discussed with the community. his collaborative approach helps ensure that funds are allocated efficiently, improving budget utilization rates by minimizing misallocation or waste. Ultimately, it enhances the return on investment by aligning spending with community needs and increasing the likelihood of successful outcomes. 35.1% of the respondents strongly agreed that they emphasize accountability and responsible use of public funds. This focus on prudent financial management supports cost optimization by minimizing waste and maximizing the value of allocated resources. Although 57.7% agreed, 11.3% held differing views, and 16.5% disagreed (Mean=3.49; Std. Dev.=1.487) that the budgeting process fully reflects the needs of the community. When budgeting accurately reflects the community's needs, resources are directed toward the most important priorities, minimizing the risk of funds being underused or wasted. Consequently, it boosts the budget utilization rate and strengthens the performance of NGCDF projects. The findings correspond with those of Kaithia et al. (2024), who examined the influence of budget planning on the financial performance of public universities in the Mount Kenya Region, Kenya. Their study revealed a strong positive relationship between budget planning and the financial performance of these universities.

**Table 2: Performance of NGCDF Projects**

	N	SA	A	N	D	SD	Mean	Std. Dev
	Percentage (%)							
1) Projects' return on investment depends on efficient fund use.	97	42.3	43.3	12.4	2.1	0	4.26	0.754
2) Our budget utilization rate is aligned with project milestones.	97	34	49.5	15.5	1	0	4.15	0.755
3) Optimal cost control enhances the financial outcomes of projects.	97	39.2	35.1	17.5	8.5	0	4.05	0.951
4) Accurate forecasts optimize project costs.	97	39.2	46.1	12.4	2.1	0	4.23	0.743
5) Integrated financial planning drives projects' performance.	97	34	37.1	20.6	7.2	1	3.96	0.967

The findings show that 42.3% strongly agreed and 43.3% agreed, resulting in 85.6% who at least agreed (Mean=4.26; Std. Dev.=0.754) that projects' return on investment depends on efficient fund use. 34% of respondents strongly agreed and 49.5% agreed, totaling 83.5% who expressed agreement (Mean=4.15; Std. Dev.=0.755) their budget utilization rate is aligned with project milestones. 74.3% of the respondents agreed (Mean=4.05; Std. Dev.=0.951) that optimal cost control enhances the financial outcomes of projects. Moreover, 39.2% strongly agreed and 46.1% agreed, bringing the total agreement to 85.3% (Mean=4.23; Std. Dev.=0.743) that accurate forecasts optimize project costs. Additionally, 34% of respondents strongly agreed and 37.1% agreed, bringing the overall agreement rate to 71.1% that integrated financial planning drives projects' performance. The findings indicate that participatory budgeting significantly enhance the performance of NGCDF projects, as reflected by improved return on investment, optimized project costs, and efficient budget utilization. It contributes to these outcomes by actively engaging stakeholders, which ensures that funds are directed toward community-prioritized initiatives, thereby maximizing the return on investment through more relevant and impactful projects.

## 5.2 Inferential Analysis Results and Discussions

Inferential analysis was carried out to draw conclusions and make predictions about the relationship between participatory budgeting and performance. The analysis involved both Pearson's correlation and regression techniques.

### 4.5.1 Correlation Analysis Results and Discussions

Correlation analysis was performed to determine the strength and direction of the relationship between participatory budgeting and performance of NGCDF projects. The findings are presented in Table 3.

**Table 3: Correlation Analysis Results**

		Performance of NGCDF Projects
Participatory Budgeting	Pearson Correlation	.618**
	Sig. (2-tailed)	.000
	N	97

The correlation analysis results show that the relationship between participatory budgeting and performance of NGCDF projects was positive and significant ( $r=0.618^{**}$ ;  $p=0.000$ ) at 1% significance level. The result implies that an increase in participatory budgeting within integrated financial planning leads to an increase in performance of NGCDF projects. The results indicate that NGCDF projects developed through highly participatory processes tend to achieve higher returns on investment (ROI). Stakeholder involvement was instrumental in identifying high-impact areas, which enhanced both economic and social value. Collaborative budgeting also reduced project redundancies, further contributing to financial efficiency. Where participatory budgeting enabled communities and local committees to influence priority-setting, there was a clear improvement in budget utilization rates. Projects aligned with locally agreed priorities encountered fewer implementation bottlenecks, resulting in higher absorption of allocated funds and more efficient fiscal execution. Fiscal responsibility, when integrated into participatory budgeting, showed a positive correlation with both ROI and budget utilization. The study found that greater emphasis on accountability led to stronger adherence to cost controls. This contributed to improved performance, reflected in reduced cost variances and enhanced returns on investment.

### 4.5.2 Regression Analysis Results and Discussions

Regression analysis provided insights into how changes in performance of NGCDF projects corresponded with changes in integrated financial planning, which was valuable for making predictions. It was particularly useful in testing hypotheses and establishing the relationship between integrated financial planning and performance.

**Table 4: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.618 <sup>a</sup>	.381	.375	.36590

a. Predictors: (Constant), Participatory Budgeting

The regression model in Table 4 shows a coefficient of determination of  $R = 0.381$ , indicating that participatory budgeting explained 38.1% of the variation in the performance of NGCDF projects. The 61.9% is accounted for by other factors which are not aspects of participatory budgeting. This underscores the influence of participatory budgeting on NGCDF projects performance, particularly in enhancing return on investment and improving cost optimization.

**Table 5: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.844	1	7.844	58.589	.000 <sup>b</sup>
	Residual	12.719	95	.134		
	Total	20.563	96			

a. Dependent Variable: Performance

b. Predictors: (Constant), Participatory Budgeting

The findings indicate that the Analysis of Variance (ANOVA) show a significant F-test value ( $F = 58.589$ ) at the 95% confidence level. This confirms that the overall model is valid and statistically significant. Participatory budgeting affected the performance of NGCDF projects.

**Table 6: Regression Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.880	.167		17.207	.000
Participatory Budgeting	.313	.041	.618	7.654	.000

a. Dependent Variable: Performance

Based on the results in Table 6, the model was expressed as  $Y = 2.880 + 0.313X_1 + \epsilon$ . This indicates that a one-unit increase in participatory budgeting resulted in corresponding increase of 0.313 unit in the performance of NGCDF projects. The results confirm that variations in participatory budgeting reliably predicted changes in performance of NGCDF projects. The t-value was significant ( $t=7.654$ ;  $p=0.000<0.05$ ) at 95% confidence level, leading. This indicate a significant relationship between participatory budgeting and performance NGCDF projects. Consequently, participatory budgeting was found to affect the performance NGCDF projects.

## 6. CONCLUSION

The study concluded that effective involvement of community stakeholders improves NGCDF projects' performance. In particular, participatory budgeting ensure that projects with lasting socio-economic impact are prioritized, which imply better NGCDF projects' return on investment. It was concluded that participatory budgeting within integrated financial planning enhances the effectiveness of budget execution, as prioritized projects are implemented on time and within the allocated financial period, reducing the risk of underutilization. Furthermore, effective financial planning encourages active scrutiny of proposed expenditures, leading to early identification of inefficiencies and the adoption of more cost-effective practices. In conclusion, the participatory budgeting not only fosters accountability but also improves budget utilization and cost control in the context of NGCDF projects.

## 7. RECOMMENDATION

First, the study recommends that NGCDF management should strengthen project budget structuring and prioritization. Projects should be selected based on clear financial criteria linked to long-term value and measurable outcomes. Budgets should be aligned with realistic cost estimates and implementation timelines. This approach will improve return on investment and reduce financial inefficiencies, thus enhance performance of NGCDF projects.

## REFERENCES

- Ademola, O. (2020). Fiscal policy and sustainable development in sub-Saharan Africa: Revisiting Musgrave's framework. *Journal of Public Administration and Policy Research*, 12(2), 35–47.
- Aladejebi, O. (2021). Revisiting the Musgravian approach: Public finance and resource allocation in African economies. *African Journal of Economic Policy*, 28(1), 55–72.
- Bii, H. K., Kemboi, R. K., & Langat, P. C. (2022). Relationship between financial planning practices and performance of selected county governments in Kenya.
- Côme, T., Magne, S., & Steyer, A. (2023). Participatory Budgeting: Behind the Words, the Euros. Empirical Study of 4043 Projects in Paris (2014–2021). In *Participatory and Digital Democracy at the Local Level: European Discourses and Practices* (pp. 241–254). Cham: Springer International Publishing.
- Hemed, S. O. (2023). *Project Success Factors and Performance of Constituency Development Funded Projects in Nakuru Town West Constituency, Kenya* (Doctoral dissertation, Kenyatta University).
- Kimata, H. W. (2021). Challenges Affecting Implementation of Constituency Development Fund Projects in Kenya: A Case of Kinangop Constituency in Nyandarua County.

- Kisyang'a, A. M., Ombati, R., & Wahome, W. (2024). Influence of budgetary control on implementation of constituency development fund projects in Makueni constituency, Makueni County. *International Academic Journal of Economics and Finance*, 4(2), 340-354.
- Mwangi, N. Z., & Munene, R. (2024). Influence of stakeholders participation on performance of constituencies development fund projects in Nakuru Town East Constituency, Kenya. *International Academic Journal of Economics and Finance*, 4(2), 294-305.
- Nacar, B., & Falay, N. (2024). Participatory Budgeting in Public Sphere, Governance, Transparency and Participation. *Politik Ekonomik Kuram*, 8(1), 149-159.
- Ngala, B. M., & Musau, S. (2022). Integrated financial management information system and quality of financial reporting in Nairobi city county government, Kenya. *International Academic Journal of Economics and Finance*, 3 (7), 453-473.
- NGCDF Molo Constituency. (2023). *Annual report and financial statements 2022/2023*.
- NGCDF Molo Constituency. (2024). *Annual report and financial statements 2023/2024*.
- Nnanna, O. (2022). Musgrave's theory and contemporary fiscal management: An African perspective. *Journal of Public Finance and Policy Analysis*, 8(3), 76–91.
- Pulkkinen, M., Sinervo, L. M., & Kurkela, K. (2024). Premises for sustainability–participatory budgeting as a way to construct collaborative innovation capacity in local government. *Journal of Public Budgeting, Accounting & Financial Management*, 36(1), 40-59.
- Report of the Auditor General on NGCDF for Mbeere South Constituency for the financial year 2023/2024.
- Report of the Auditor General on NGCDF for Seme Constituency for the financial year 2022/2023.
- Schugurensky, D., & Mook, L. (2024). Participatory budgeting and local development: Impacts, challenges, and prospects. *Local Development & Society*, 1-13.
- Setsoto, L. M. (2022). Setsoto Local Municipality-Integrated Development plan 2022/2023 2026/2027 draft.
- Sinervo, L. M., Bartocci, L., Lehtonen, P., & Ebdon, C. (2024). Toward sustainable governance with participatory budgeting. *Journal of Public Budgeting, Accounting & Financial Management*, 36(1), 1-19.
- Wambua, N. K. (2022). Project Management Practices and Performance of National Government-Constituency Development Fund Projects in Malindi Constituency, Kenya.