



**FACTORS AFFECTING TIMELY COMPLETION OF CONSTITUENCY
DEVELOPMENT FUND FINANCED PROJECTS - CASE OF WATER
SUPPLY PROJECTS IN KINANGOP CONSTITUENCY, KENYA**

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Abstract

The Constituency Development Fund (CDF) was launched in year 2003 in Kenya as a strategy for devolution of resources with the primary objective of enhancing development at the grassroots. It was hoped that the strategy would enhance people's participation and power in decision-making processes; promote good governance, transparency and accountability as well as expedite availability of essential infrastructure for service provision such as water supply projects. The objective of this study was to investigate the factors affecting timely completion of constituency development fund financed projects in Kinangop constituency, in Nyandarua County of the Republic of Kenya, with focus being the water supply projects. Findings from the study indicate that community members' and Government Technical Officers participation in identification, implementation, evaluation and monitoring of CDF water projects in Kinangop constituency was at a high level hence was not a contributor to failure to timely complete projects. The results also showed that Monitoring and Evaluation was done in majority of the projects at monthly or higher frequency by the PMC, Government Technical Officers and CDFC members. However, the study determined that Project Funding was the major constraint as the majority of respondents indicated that it was the single major factor that caused delay in timely completion of projects. This study recommended that the various institutions involved in decision making on CDF funding at both national and constituency level should endeavor to put in place more efficient mechanisms geared towards improving its performance.

Keywords: Constituency Development Fund, financed projects

1. Introduction

The origin of the CDF in Kenya can be traced to an initiative by opposition Members of Parliament (MP) to enact a law that would ensure equitable distribution of resources across the country (Mungai, 2009). Kiprono & Kemei et al 2015) argue that the CDF was established in 2003 to spur development at grassroots level. The CDF act was first amended in 2007 and subsequently in 2013 to align it to the new constitution. CDF funds represent 2.5% of the total revenue collected by the central government in a year, 25% of which is apportioned to constituencies based on poverty index criteria and the remaining 75% divided equally among constituencies (CDF Act 2003, 2007, 2013).

Management of the CDF is guided by all the CDF Acts 2003, 2007 and 2013; section 23 and 1 of which stipulate that the respective MP is mandated to constitute a fifteen member committee whose role is to ensure prudent management of funds and prioritize projects forwarded by the community for funding (Kirui et al 2015). Decentralization has been referred to as “the transfer of political power, decision making capacity and resources from central to sub-national levels of government.” (Walker, 2012 cited by Kairu & Ngugi 2014). The key objective of the CDF is to help in development by directing resources to the constituency level for community based development projects with the anticipated long term effects of improving both social and economic wellbeing of the local inhabitants. For the financial year 2014/2015 the total amount of funds disbursed to constituencies by CDF were 31,564,500,000 (CDF 2003-2015). The CDF projects are geared towards addressing the Social Pillar of Kenya Vision 2030 and most of the projects are under Education sector (55%) followed by Water (11%) and Health (6%).

Mwangi (2005) noted that the implementation of a CDF community development project starts with the identification of needs. This, according to Kairu & Ngugi, (2014), is in accordance with the CDF Act 2013 section 23 (23&4) which stipulates that locational meetings should be held to select projects which should be forwarded to the CDFC for onward transmission to the CDF for funding. According to the CDF Act 2013, Public Procurement and Disposal Act (2005) and the National Management Committee guidelines on implementation of CDF (2004), CDF projects should be implemented by the respective government department in which they fall. (Gikonyo, 2008 cited by Kairu & Ngugi 2014). It is thus expected that in every constituency the local inhabitants will actively participate in implementation of the approved projects with technical input from technical officers to ensure attainment of their objectives and timely utilization of

allocated resources. Authority to monitor the projects is vested in the CDFC and the technical department.

Infrastructure projects are central in promoting economic development (Chandra2002, cited by Wangari 2014). Hence water supply projects financed by the CDF are also expected to improve the social economic wellbeing of the constituents and delays in completion have the consequence of denying them the associated benefits and stalling the attainment of Vision 2030 by the country. Kinangop CDF financed water supply projects constitute part of the development projects financed in the constituency geared towards attainment of goals of the Social Pillar for Kenya Vision 2030. Since the inception of CDF in Kenya in 2003, twenty (20) water supply projects had been initiated within the constituency by the year 2013 (Kenya Open Data, 2013). The timely completion of CDF financed water supply projects is one of the criteria of determining their success and hence ability to meet the objectives for their initiation.

2. Statement of the Problem

Data available on the status of the various projects indicate that as of the year 2015, none of the projects had a complete status since all were categorized as ongoing. However, there is no documented information or reasons that explain this state of affairs. Hence in the absence of this information this study specifically sought to examine factors that affect the completion time of the CDF financed water supply projects in Kinangop constituency.

3. Objectives of the Study

The general objective of the study was to examine factors that affect timely completion of Constituency Development Fund financed projects in Kenya. The specific objectives were to;

- i. Examine the effect of financing on the timely completion of projects.
- ii. Examine the effect of community participation on timely completion of projects.
- iii. Assess the effect of the level of involvement of technical staff in timely completion of projects.
- iv. Determine the effect of monitoring and evaluation on timely completion of projects.

The research questions were founded by the specific objectives.

4. Literature Review

The study was guided by two theories;

Stakeholder Theory as advocated by Freeman, is inclined towards management in that it provides guidance to managers on how to articulate the shared sense of the value they create, explain the role of management in promoting stakeholder interests and what brings its core stakeholders together.

Motivation Theory by Victor Vroom (1964) who defines motivation as a process governing choices among alternative forms of voluntary activities, a process controlled by the individual. The individual makes choices based on estimates of how well the expected results of a given behavior are going to match up with or eventually lead to the desired results.

5. Conceptual Framework

The dependent variable completion time of water projects is affected by: Financing, monitoring and evaluation, Technical staff involvement and community participation.

Independent variables

Dependent variables

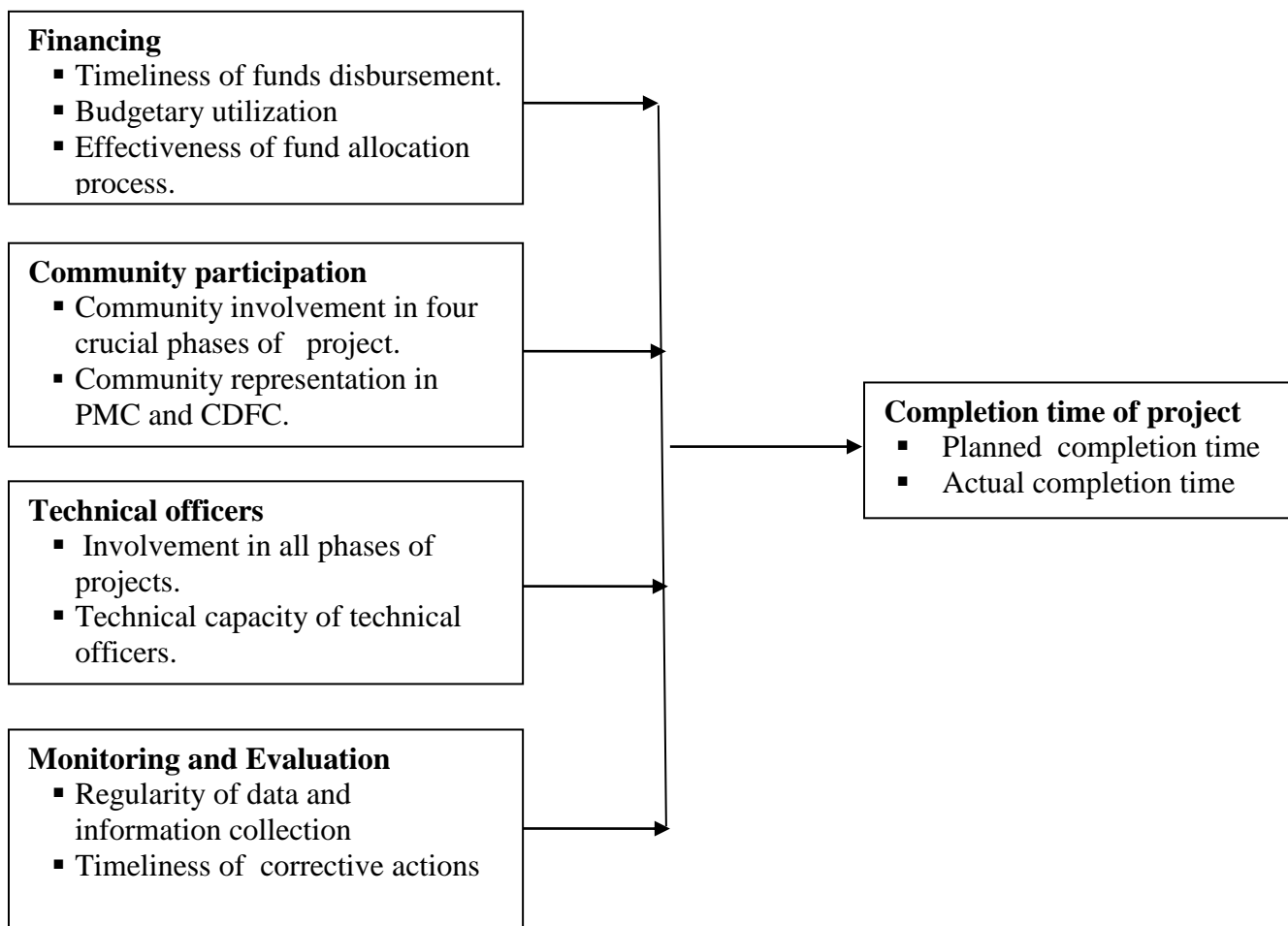


Figure 1: Conceptual Framework

6. Research Methodology

Due to the need for sufficient and precise data, the researchers deployed a descriptive research design. A census survey was employed and a structured questionnaire was used to collect primary data which was analyzed using weighted average in form of both descriptive and inferential statistics.

RESULTS AND DISCUSSION

7. Completion Status of Water projects

The study sought to establish from the respondents on the effects of financing on completion status of CDF projects that had been involved in Kinangop Constituency. The response rate from the field were recorded as in table 1 below.

Table 1 Completion Status of Water projects

Completion status of the CDF project	Respondents	%	Period of Delay
10-20 percent complete	20	19.6	Above 6 years
20-50 percent complete	57	55.9	3 to 6 years
50-90 percent complete	13	12.7	1 to 3 years
90-100 percent complete	12	11.8	Below 1 year.
Total	102	100	

Table 1 shows that 19.6% of the respondents indicated that CDF projects in Kinangop constituency were 10-20 percent complete; during the period of study the majority of CDF projects in Kinangop Constituency at 55.9% were reported at between 20 to 50 % completion state; 12.7% of the respondents indicated that CDF projects at Kinangop Constituency were at 50-90 percent completion state and only a very minor proportion of projects at 11.8% reported a completion status of between 90 and 100%. Hence it was determined that the majority of projects reported a delay of between 3 to 6 year delay in completion time. The respondents further indicated that project financing played a greater role in enhancing completion state or delay state of projects in Kinagop constituency.

8. Effect of Project Financing

The study sought to establish the effect of project financing on timely completion of projects in Kinangop constituency. The responses are shown in figure 2.

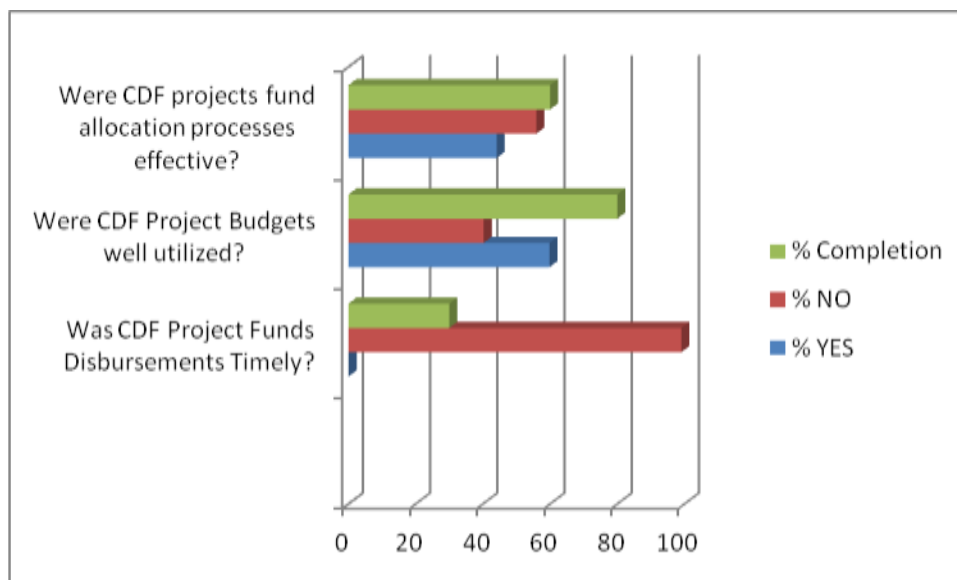


Figure 2 Effect of Project Financing

The results obtained during the study with regard to the effects of Project Financing on timely completion of CDF financed water projects in Kinangop constituency are shown in figure 4.1 above. The findings show that most respondents indicated that the disbursement of CDF funds was not timely at 99.05%. The findings also showed that only a small majority at 59.8 % agreed that projects budgets were well utilized as opposed to 40.2% who disagreed. Additionally, the research determined that only a slight majority of respondents at 57% showed that Fund allocation process was not effective as opposed to 45% who indicated to the contrary.

Table 2. Correlation between Project Financing and Completion Rate of CDF Projects

		Completion Rate
Project Funding	Pearson Correlation	.0.654
	Sig. (2-tailed)	.027
	N	102

Table 2 shows the correlation analysis results between project financing and project completion rate. The results show a positive coefficient of 0.654, with a p-value of 0.027. This indicated that the result was significant at $\alpha=5\%$. This indicated that improved project financing would also lead to improvement in timely completion of projects.

9. Effect of Involvement of Government Technical Officers

The study sought to establish from the respondents on the level of involvement of government technical officers in enhancing timely completion of CDF financed projects in Kinangop constituency. The response rate were recorded as in figure 3.

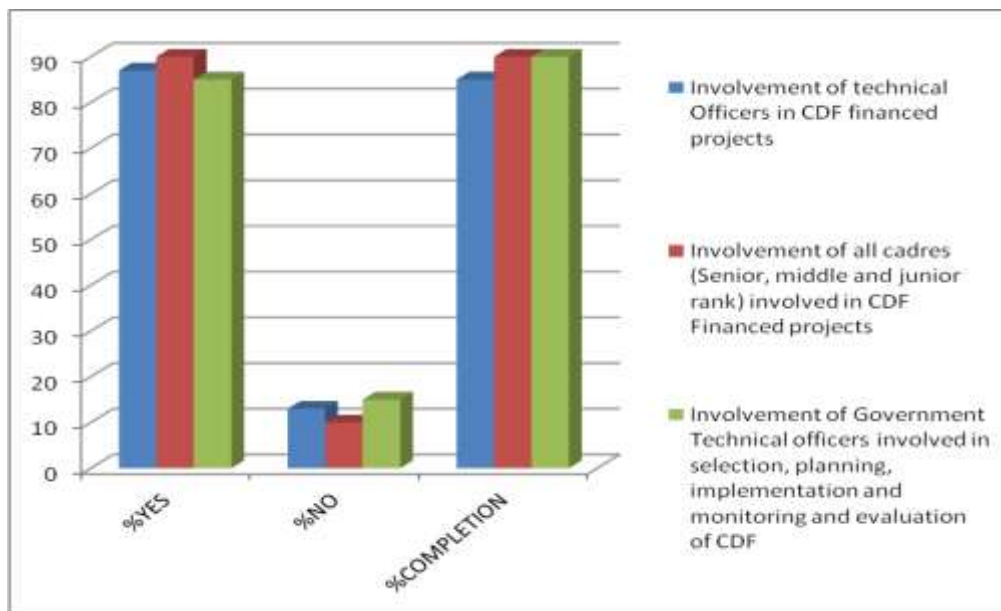


Figure 3: 7. Effect of Involvement of Government Technical Officers

Figure 3 above shows the results obtained from the study. All of the respondents agreed that Government technical officers are involved in CDF financed water projects. The greatest majority at 84.3% further agreed that all cadres of officers are involved compared to 15.7% who disagreed. A bigger proportion of respondents also agreed at 87.2 % that Government Technical Officers are involved in the crucial project phases of selection, planning, implementation and monitoring and evaluation. The study determined that a vast majority of the projects at more than 70 % which had involvement of Government Officers in all stages of the project reported more than 85% project completion rate.

Table 3 Correlation between Funds Allocation and CDF Project Completion Rate

		Project Completion Rate
Involvement of Government Technical Officers	Pearson Correlation	.571
	Sig. (2-tailed)	0.021
	N	102

Table 3 above shows the correlation analysis results between project completion rate and involvement of Government Technical Officers. This findings indicated a positive coefficient of 0.571 with a p-value of 0.021. The results were significant at $\alpha=5\%$ and showed that there was a positive association between involvement of Government Officers in projects and their timely completion. A high involvement of the officers would correspondingly lead to better completion rates for projects.

10. Effect of Community Participation

The study sought to establish from the respondents on the effects of community participation on the timely completion of CDF financed water projects. The response rate is recorded below.

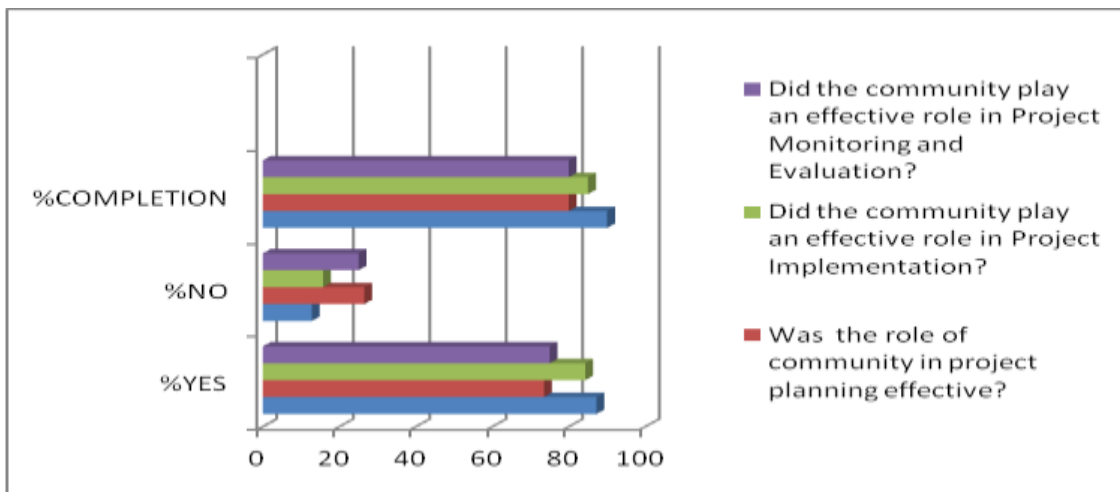


Figure 4 Effect of Community Participation

Figure 4 above presents findings of the effect of community participation on timely completion of CDF financed water projects in Kinangop constituency. The results show that all of the respondents agreed that the local community participated in these projects. A majority of the respondents agreed that the community played an effective role in project planning at 75% as opposed to 25% who disagreed, completion rate being 77.5%. Further, the investigation revealed that the greatest majority of respondents indicated that the community's role was effective in project implementation at 82.5% of the respondent's agreement and 17.5% disagreement. Consequently, only a minority of respondents at 26.5% disagreed that the community participated in determining PMC members with a majority of 73.5 being in agreement.

11. Community Participation

Table 5 Correlation between Community Participation and CDF Project Completion Rate

	CDF Project Completion Rate	
Community Participation	Pearson Correlation	0.970
Sig. (2-tailed)		0.025
N		102

According to table 5 above, correlation analysis results showed that there was a positive association between community participation and project completion rate where the correlation coefficient was determined to be 0.971, with a p-value of 0.025 with the results being significant at $\alpha=5\%$.

12. Effect of Monitoring and Evaluation

The study sought to establish from the respondents on the effects of monitoring and evaluation and how they affected timely completion of water projects at Kinangop constituency. The response rate from the field was recorded as in table figure 6.

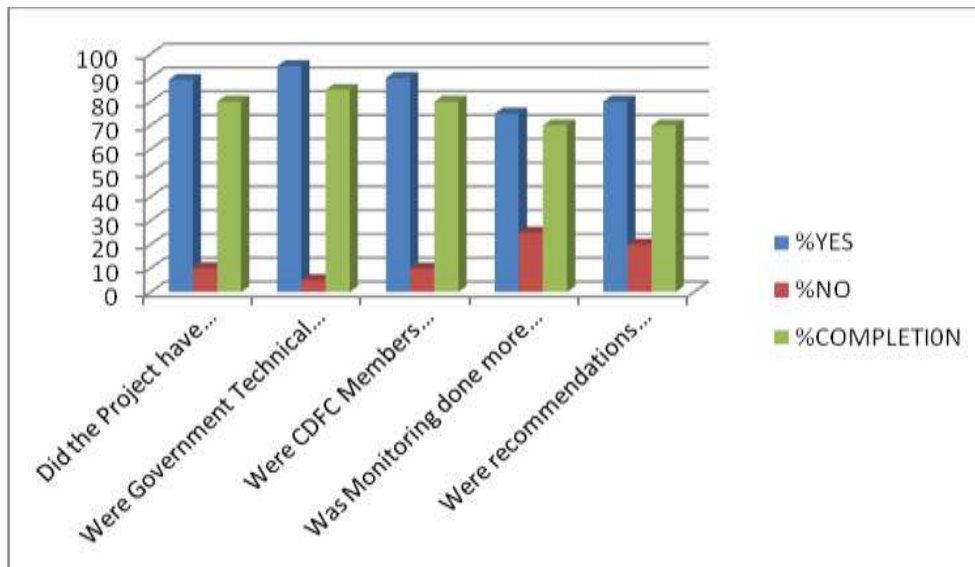


Figure 5 Effect of Monitoring and Evaluation on Timely Completion of water projects

Figure 5 above shows that a majority of the respondents at 89.2 % agreed that water projects had Monitoring and Evaluation teams, whereas 10.8% of respondents disagreed; the project completion rate being 80%. Further, a greater majority of respondents at 91% and 85% of respondents also agreed that CDFC and Government Technical Officers were involved in

monitoring and evaluation respectively; against 9% and 15% of respondents who did not agree respectively. In this case the project completion was found to be at a high rate of above 80%. . More than half of the respondents at 75% indicated that projects were monitored and evaluated more regularly than monthly as opposed to 25 % who indicated that exercise was done less regularly, with a corresponding completion rate of 70%. The results showed that a majority of respondents indicated that recommendations for actions took less than 3 months to be implemented at 80% as compared to 20 % who felt that the duration was shorter. However the project completion rate was at 70%.

13. Effect of Monitoring and Evaluation

Table 7 Correlation between Monitoring and Evaluation and CDF Project Completion Rate

		CDF Project Completion Rate
Monitoring and Evaluation	Pearson Correlation	0.680
	Sig. (2-tailed)	0.017
	N	102

Further, table 7 above showed the correlation analysis results between Monitoring and Evaluation and project completion rate. The results indicated that there was a positive association between Monitoring and Evaluation and project

Completion rate, where the correlation coefficient was determined to be 0.681, with a p-value of 0.017 at $\alpha=5\%$. This investigation findings indicated a very strong positive association between Monitoring and evaluation and project completion rate. Hence improved Monitoring and Evaluation of these CDF financed projects would ultimately lead to better completion times.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

14. Summary of the Findings

Project Financing

Findings from the study indicate that a majority of community members felt that the financing of CDF water projects was inadequate. This was demonstrated by the fact that only a minority of respondents agreed at less than 40% agreed that the funding allocation process and disbursement was effective. The vast majority of community members indicated that project funds were not disbursed in a timely manner. Further, only a small proportion of respondents at slightly below 60% felt that project budgets were well utilized. Consequently, only in cases where budgets were

shown to be well utilized did the completion rate surpass 75%, as opposed to cases where effectiveness of fund allocation and timeliness of fund disbursement were shown to be below 50% with a completion rate at below 60%. Hence the findings indicated that project financing had a strong effect on the rate of project completion. Based on the investigated elements of financing namely: fund allocation process, budgetary utilization and timely funds disbursement, the study determined that funds were not disbursed in timely manner and that this had the most negative impact on completion rate of projects.

Involvement of Government Technical Officers

Based on findings from this study, the respondents indicated that Government Technical Officers were highly involved. All the aspects of Government Officers involvement in projects, i.e. involvement of all cadre of staff and their participation in the four crucial project phases namely: project identification and selection, planning, implementation and Monitoring and Evaluation showed a strong positive impact. A vast majority of respondents at above 80% agreed that Government Technical Officers were heavily involved in projects. The same majority was on consensus that all the three cadres of staff took part in projects and that they play a part in the four crucial phases of project Identification and selection, Planning, Implementation and Monitoring and Evaluation. The role of these Government Officers was determined to be positive as they were reported to be involved in more than 80% of responses with a completion rate of projects at the same percentage. Only in a very small minority of less than 20% of respondents were Government Technical Officers indicated as not being involved in projects with a correspondingly below 20% rate of project completion.

Community Participation

Results of the investigation on community participation indicated that a majority of respondents felt that the community was well involved in CDF financed water projects. This is borne out by the fact above 70% of responses showed that the community's role in the three elements under study was effective. These elements, namely: community participation in project planning, implementation and Monitoring and Evaluation showed a strong indication of community participation. Consequently, a vast majority of these projects where these roles by community were reported as effective also indicated a better completion rate at above 75% as compared to a minority of cases at below 30% where the effectiveness of these roles was deemed ineffective with a correspondingly poor rate of completion at below 40%.

Monitoring and Evaluation

Findings from this investigation showed that this element, which is one of the four crucial phases in a project, was well undertaken. This is indicated by the greater majority of responses at above 70% who agreed that projects had Monitoring and Evaluation teams in place, Government Technical Officers were incorporated in these teams, CDFC members were involved in this exercise, the frequency of monitoring was more than monthly and that recommendations for action were acted upon at a period of below 3 months. These findings indicate that Monitoring and Evaluation had an effect on timely completion of projects as demonstrated by the fact that a vast majority of those projects where aspects of Monitoring and Evaluation such as recommendations not being upon promptly and monitoring being done frequently had an agreement rate at below 80% also reported lower completion rate at below 70% .Those with an agreement rate higher than 80 % also reported a higher completion rate at above 75%.

CONCLUSION

15. Effect of Project Financing

The data analysis for CDF Water Projects in Kinangop constituency shows that failure in timely completion of these facilities is occasioned by Challenges associated with project funding. All elements of project financing i.e. fund allocation process, budgetary utilization and funds disbursement had responses at below 60% in agreement. Only responses on budgetary utilization had positive responses above 50% at 67.5. Based on the available results the study thus concluded that CDF financed water projects in Kinangop constituency are constrained in timely completion by project funding.

Effect of Involvement of Government Officers.

Findings from the study showed that all elements investigated relating to involvement of Government technical Officers in CDF financed water projects i.e. involvement of all cadres of staff in projects as well as their participation in the crucial project phases of selection, planning, implementation and Monitoring and Evaluation had positive contribution to project completion rate. A vast majority of respondents indicated that these Officers were fully involved and played a crucial role in all the key project phases at above 85% agreement rate. This results further showed that a very small minority at below 20% of respondents felt the Government Officers were neither involved nor played a crucial role in the four critical phases of these projects. The

impact of these Officers involvement was demonstrated by the fact that a majority of projects that were reported as having a strong involvement of all cadre of staff who participated in the four crucial stages of the projects consequently had a higher rate of completion at above 80% compared to those that reported to the contrary with a completion rate at below 20%. The study concluded that the involvement of Government Officers in the projects financed by CDF had a positive effect on their timely completion..

Effect of Community Participation

Results of the study indicated that the local community was highly involved in CDF financed water projects. Based on these findings it was determined that the community played an effective role in planning, implementation and monitoring and evaluation as the vast majority of response at above 70% being affirmative on these elements. Only a minority at below 30% felt that the community did not play an effective role in the fore mentioned phases. Thus the study found out that effective community participation was crucial in enhancing timely completion of projects as borne out by the fact that above 70% of responses indicating effective community participation also had project completion rate at above 75% as opposed to below 30% which indicated otherwise at below 20 % rate of completion. The study concluded thus that community participation played a positive role in enhancing the timely completion of the CDF financed projects.

Effect of Monitoring and Evaluation

Investigative results based on the study showed that a great majority of respondents affirmed that CDF financed water projects had Monitoring and Evaluation teams at 89.2%.Further,a greater majority of responses at 91% and 85% respectively agreed that CDFC and Government Technical Officers were involved in monitoring and evaluation. Only a small minority at 9% and 15% respectively indicated to the contrary. The study thus determined that Monitoring and Evaluation had a positive effect on the project completion rate as indicated by results of investigation of the five elements of monitoring and evaluation where a majority of responses indicating agreement at above 80% also had better completion rate at above 70% as compared to those which indicated the contrary at below 20% with completion rate below 70%.Hence Monitoring and Evaluation had a positive impact on project completion rate for CDF financed water projects.

RECOMMENDATIONS

16. Recommendations on Project Financing

This study found out that Project Funding had an effect on timely completion of CDF financed water projects in Kinangop constituency. It determined that funds disbursement was not timely; fund allocation process was not effective and budget utilization need improvement. Hence this study recommended that the various institutions involved in decision making on CDF funding at both national and constituency level should endeavor to put in place more efficient mechanisms geared towards improving its performance. These should be aimed at not only ensuring better cost estimates for infrastructural projects but at developing a more robust and effective funding system that would ensure prompt, adequate and sufficient disbursement of funds to earmarked projects. Finally, this study recommended that an investigation should be conducted on the CDF funding process to provide insight on the reasons that contribute to it being the major constraint in timely completion of projects.

Recommendations on Involvement of Technical Officers

Results of the study showed that the involvement of Government Technical Officers had an effect on timely completion of CDF financed water projects. This study therefore recommended enhanced participation of Government technical Officers in all the crucial four stages of project selection, planning, implementation and monitoring and evaluation to ensure their expertise is tapped in a timely and effective manner thus ensuring timely project completion.

Recommendations on Community Participation

Based on the results obtained in this study the participation of local community impacted on timely completion of CDF financed water projects. Findings demonstrated that an effective community participation in project planning, implementation and Monitoring and Evaluation had a positive impact on timely project completion. However, the effectiveness of community participation in Monitoring and Evaluation should be enhanced through mechanisms such as training to community members.

Recommendations on Monitoring and Evaluation.

Findings of this study established that Monitoring and Evaluation affected the completion rate of CDF financed water projects. It was borne out by the study that the presence of project monitoring teams, involvement of CDFC and Government Technical Officers, higher than monthly frequency of project monitoring and acting on recommendations within a period of less than 3 months had a positive impact on project completion time. Based on these results, the study

recommended enhancement of all the various elements of Monitoring and Evaluation i.e. constitution of monitoring teams, incorporation of Government Technical Officers, higher than monthly monitoring frequency and action on recommendations at periods less than 3 months.

17. Suggestions for Further Research

From the study and related conclusions, the researcher recommends further research in the area of Financing CDF Water Projects. Further studies should be done on the factors hindering proper financing of Constituency Development Fund Water projects in other constituencies. A study should also be done on the factors influencing timely completion of CDF financed projects in the health sector such as community run Dispensaries.

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