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The Role of Parliamentary Budget Offices in Participatory Budgeting

Considerations for the South African Parliamentary Budget Office

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ABSTRACT

The role of Parliamentary Budget Offices (PBOs) in supporting parliaments by enhancing participatory budgeting, is the key focus of this article. Participatory budgeting is recognised as a tool for empowering the public to actively participate in the fiscal and budgetary process. Parliaments are increasingly strengthening their capacities to exercise oversight over the public finance management process. PBOs are being established to empower parliaments to strengthen the budgetary oversight process. The South African Parliamentary Budget Office (SAPBO) provides the necessary technical support to Parliament regarding the budget process. A critical challenge is to obtain the involvement of the broader public in the budgetary process. While space for public participation has been established by the legislature, broader public involvement in budgeting should be enhanced. The article found that the SAPBO is well placed to ensure meaningful public engagement and build public capacity in support of participatory budgeting. In addressing the SAPBO mandate, access to information and engaging in budgetary capacity building should be a core function. Through communication with the public and soliciting their inputs, the SAPBO can play a key role in enhancing participatory budgeting.

INTRODUCTION

Legislatures are establishing themselves as key players in the budgetary processes. Legislatures have established their roles as budget amending and budget-making

entities, not merely as rubber stamps of the executive's budget proposals. Legislatures have further taken ownership of public financial management through increasing their technical and institutional capacities. The establishment of PBOs is a case in point. PBOs have enabled legislatures to entrench their critical role in the budget process. Legislatures have further recognised their critical role in public participation, and by extension, the participatory budget approach. While PBOs have emphasised the need for supporting and empowering legislatures, PBOs should consider their critical role in engaging citizen participation in the budget and the broader public finance management process. Participatory budgeting supports the call by the public to participate in budgetary inputs and decision-making. As participatory budgeting involves a broad range of stakeholders who have misgivings due to corruption, political agendas, favouritism and marginalisation, the facilitation of participatory budgeting by PBOs can assist in strengthening the effectiveness and accountability of parliaments in budget processes (Santiso and Varea 2013).

The SAPBO is well positioned to establish and encourage participatory budgeting. As the SAPBO matures in the functions of legislative support, the additional function of strengthening active involvement in the budget process by the broader public will further enhance legislative support through active citizen involvement. The SAPBO is a useful case study as it was established within the very specific socio-economic and political situation in South Africa. The unique South African socio-economic and political milieu has resulted in the establishment of the SAPBO that had to take cognisance of the following specific South African conditions:

- The nature of the legislature in relation to the executive.
- The role of political parties, with specific emphasis on political support for the PBO.
- The administrative environment regarding resource availability, both human and financial.
- The necessary legislation to support the establishment of the SAPBO, and to empower the SAPBO to function independently, efficiently and effectively.

Legislation that allowed the SAPBO to function free from political interference and with the necessary human and financial resources has contributed to the relative success of the SAPBO in performing its functions.

PUBLIC PARTICIPATION IN BUDGET PROCESSES

Governments are increasingly adopting public participation as a critical part of the fiscal and budgetary process. Governments have realised that participation and transparency are necessary for ensuring accountability, as well as adding value

in decision-making. Through access to information, participation in the budget process improves public financial management (Marchessault 2015).

Dias (2014) postulates that participatory budgeting is a new social and political movement of the 21st century. As an important component of participatory democracy, participatory budgeting empowers citizens in public finance management. The lessons and experiences of citizen participation in public finance management and policy making have emerged as a major trend in the sphere of public finance. While PBOs have placed emphasis on strengthening the public finance oversight function of legislatures, PBOs can further strengthen the oversight function through citizen empowerment in the budget process. Strengthening citizen participation through capacity building and information dissemination allows for public engagement in the public finance management decision-making process.

In defining participatory budgeting, consensus is that participatory budgeting refers to the participation of non-elected citizens in the conception and/or allocation of public finances. Participation by citizens is through debate on the budget, and hence, the engagement with the distribution of public financial resources. Clearly, participation in the budget process is an additional contribution to the enhancement of democratic governance processes. There is no precise model for participatory budgeting programmes, therefore the importance of developing home-grown participatory budget models is crucial (Wampler 2007).

In achieving effective participatory budgeting models, certain key criteria could be considered (Sintomer, Herzberg, Allegretti, Röcke and Alves 2013). These criteria include discussion of the financial and budgetary processes around the allocation of scarce resources and the involvement of decentralised governments who have control over the administration and resources. Participatory budgeting has to be an entrenched process where public engagement must be included as a key element of the engagement process, and there must be accountability concerning the process outcomes.

Additionally, when considering meaningful participatory budgeting, it should be taken into account that budgeting affects all citizens through the allocation of resources, therefore decision-makers are obliged to involve citizens in the budgetary decision-making processes. A commitment should be made that the public contribution will influence decision-making. The needs and interests of all, including decision-makers, should be recognised. Crucially, the public should be involved in developing the frameworks for how they will engage and participate. Information should be provided for efficient and effective public participation. Budgetary information can be complex and difficult to understand, therefore information must be provided in a manner that is easily digestible for ordinary citizens. Of importance, is that the public are informed of the impact and influence of their inputs on the outcomes of the public participation process (Wampler 2007).

The criteria mentioned emphasise a recognised public engagement process in the budget process, with clear outcomes that are measurable. Merely inviting the public to meetings is not sufficient. The values discussed are crosscutting of all areas of public participation. The criteria could be regarded as a guide for ensuring greater levels of participatory budgeting and legislatures would enhance participatory democracy by adhering to the criteria. Concerning participatory budgeting, access to information that is easily understood and made less complex will significantly enhance meaningful public financial management. Parliamentary oversight is enhanced through the provision and access to information. In addition, access to information places the public on an equal footing in the budget process. The lack of access to information results in the exclusion of many groups (Moynihan 2007). The Commonwealth Parliamentary Association (CPA) Study Group on Access to Information in particular advises that parliaments should “play a leading role in promoting access to information...” (Mendel 2005). PBOs are well placed to provide access to information given that a primary function is to make financial and budgetary information available to legislatures.

Clearly, participatory budgeting is a supportive instrument for good governance as it allows the public to influence government decisions and to hold governments accountable. Participatory budgeting further enables capacity building and educating the public about public financial management. If appropriately implemented, participatory budgeting enhances both the public’s and government’s attitudes towards accountability, resource allocation and service delivery.

A critical factor is that while participatory budgeting increases public involvement in fiscal decision-making, the risks in participatory budgeting are that specific interest groups can dominate the participatory process and can influence the process through specific economic and fiscal ideology. Hence, influencing the allocation and distribution of resources towards specific groups or programmes. In addition, interest groups’ “capture” can lead to corruption, patronage and influence over decision-making. The “voiceless” groups can be excluded, allowing only those groups who have the technical and financial resources to participate. A fundamental risk is that the governing elite may exclude the involvement of the broader public, as well as decentralised levels of government. The inputs of the broader public and decentralised levels of government are limited and the risks should always be centre in designing the participatory process. Wampler (2007), notes: “Political and social actors have different motivations for promoting and participating in participatory budgeting...Participatory budgeting programmes is an important step toward political inclusion and greater social justice, but they are by no means a magic bullet”.

Moynihan (2007), stresses that for participatory budgeting to be meaningful, the principles of transparency and direct participation are important. Ideological

battles that will be encountered in participatory budgeting should be considered as a fundamental risk factor.

Participatory budgeting can add significant value in the public finance management sphere. Participation in fiscal and budgetary decision-making adds to good governance and reinforces the democratic processes. However, the critical issue is to ensure appropriate design of the participatory process, which will ensure broad-based participation. While there is no one-size-fits-all approach to participatory budgeting, a key criterium is that the approach should be home-grown. Participation is further dependent on access to information, feedback, and ensuring that outcomes are communicated to the public. Of course, political will in ensuring participatory budgeting is a necessary condition as participatory budgeting is a process of capacity building at all levels of society around public financial management.

ROLE OF PBO IN SUPPORTING PUBLIC PARTICIPATION

Legislatures are recognising the necessity and importance of participatory budgeting in strengthening the oversight function. Public participation in the budgetary process improves transparency, accessibility to information, public monitoring and evaluation, and stakeholder engagement. Stakeholders include the public, individuals, NGOs and academics (Marchessault 2015). Legislatures are aware that consensus in the budgetary process is limited by party ideologies. In addition, the lack of capacity by legislatures when dealing with complex economic and financial data encourages inputs from various stakeholders. Legislatures are also at a disadvantage in relation to the executive who have large bureaucracies to deal with complex budgets (Schick 2002). Participatory budgeting therefore has an important role to play in adding to the capacity of legislatures.

Public participation in the budget process is dependent on the authority or legislative powers of Parliament in the budget process, research capacities and the important role of the committee system (CABRI 2018). The committee system is the engine room of parliaments, where most of the deliberations happen. The tasks of Parliament regarding the budget engagement is allocated to committees. Due to the importance of the committee system in the budget process, it becomes imperative that the committees are capacitated to deal with complex budgetary data and information. Hence, PBOs also have been established to address the gap in providing technical support to legislatures and committees.

Legislative authority is influenced by the nature of the party system, the willingness of parties to collaborate, and ideological persuasion regarding economic systems. The capacity of legislatures regarding the ability of legislators, and the capacity of staff and supporting structures in Parliament, are further critical

considerations in ensuring that the committee system is effective. The necessity for effective committee systems is therefore crucial for exercising budgetary oversight by the legislature. Through the strengthening of the committee system, effective participatory budgeting can be enhanced and it further allows the public to gain meaningful access to information, key financial debates and the decision-making processes.

In engaging citizens in the participatory budgeting process, parliamentary committees often engage in public hearings on fiscal and budgetary issues (CABRI 2018). Public committee hearings and the acquisition of public input are the two key methods used by legislatures to entrench participation. Legislatures also invite Civil Society Organisations (CSOs) and experts to comment or provide technical information. Discussion and debate between civil society and parliamentarians has been key in promoting improved fiscal openness and transparency.

For Parliament's oversight of the budget process to be effective, strengthening the capacity of the legislature to deal with complex fiscal and economic information is critical. The establishment of an independent non-partisan PBO is a growing move meant to strengthen the legislature's oversight role in the budget process. Parliamentary committees are effective and efficient where technical staff are available to analyse and summarise submissions for parliamentarians. The PBO is available to collect the information, including civil society input, and this enhances participatory budgeting. PBOs are relevant and central in providing fiscal analysis support to parliaments and their committees. With access to appropriate information, parliamentarians are empowered to engage meaningfully in the fiscal and budgetary process. PBOs also produce and publish their own macro-economic and fiscal forecasts, which enhances the PBOs recognition as a source of independent, objective and non-partisan information. Generally, PBOs advise and support Parliament in budget-related matters, thereby strengthening public financial management.

PBOs provide the capacity to legislatures to counter the executive's monopoly on budget information. Independent PBOs have the expertise to simplify complex information and to make complex budget information understandable to the legislature, as well as to the media, academia, and the public. PBOs have the potential of becoming permanent sources of information and analysis for Parliament regarding the issues related to fiscal policies, budget management, and the fiscal impact of public policies. Stable sources of information are specifically crucial due to the high degree of turnover of legislators and parliamentary committees because of elections (Santiso and Varea 2013).

The importance and necessity for PBOs to be non-partisan and independent, serving all political parties, cannot be overemphasised. In a similar vein, political parties must provide PBOs with political support and protection from political interference. Legislation, which secures the independence of and frees PBOs from

political interference, is a necessary measure. PBOs, as independent budget units, can provide much more rapid responses to budget inquiries from the legislature. PBOs support the parliamentary committee system (Anderson 2006), hence, all work undertaken by the PBO has to be undertaken on the instruction of committees. When PBO capacity is available, individual members of parliament could be supported with technical assistance.

According to Santiso and Varea (2013), the greatest contribution of a PBO resides in strengthening fiscal governance. The PBO “simplifies the complexity, promotes transparency, improves credibility, promotes responsibility, improves the budget process, serves both the majority and the minority, and provides rapid responses” (Santiso and Varea 2013). PBOs contribute to technical expertise and, in a certain manner, help depoliticise the budget debate. The de-politicisation is achieved mainly through commissioning of work through the committee system that comprises all political parties. The added value of PBOs is to serve society and to improve the whole budget process through participatory budgeting.

THE ROLE OF PBOS IN SUPPORTING PUBLIC PARTICIPATION IN SOUTH AFRICA

The South African Parliament is empowered to debate fiscal policies and the budget. In this regard, a sense of citizen participation and public engagement is engendered and the oversight role and fiscal transparency goals are achieved (Mfono 2014:81). The establishment of the SAPBO provided further impetus to the goals of legislative oversight and citizen engagement in the public finance management process. While the core clients of the SAPBO are the Finance Committees, significant space exists for the SAPBO to actively include and engage the public as clients. Public participation by the South African Parliament is encouraged through access to information as a key element of good governance. With the development of the National Development Plan (NDP), the public interest in the allocation and distribution of resources in achieving the goals of the NDP has been heightened (National Planning Commission 2012).

South Africa’s legislature formally established the SAPBO in June 2013 during the fourth Parliament. The SAPBO was established through section 15 of the Money Bills Amendment Procedures and Related Matters Act 9 of 2009 (Money Bills Act). The main objective of SAPBO is to provide independent, objective, and professional advice and analysis to the two Finance and Appropriations Committees located in the National Assembly (NA) and National Council of Provinces (NCOP), on matters related to the budget and other Money Bills. The Finance and Appropriations Committees in both Houses are the core clients of the PBO as per sub-section 15(2) of the Money Bills Act. The chairpersons of the Finance and Appropriations

Committees in both Houses with the NA and NCOP House chairpersons, conjointly serve as the SAPBO Advisory Board (Kithatu and Jahed 2019).

In 2018 the Money Bills Amendment Procedure and Related Matters Amendment Act 13 of 2018, was introduced to amend the Money Bills Amendment Procedure and Related Matters Act 9 of 2009. The amendments sought to further clarify the powers and functions of the SAPBO. Of importance, is that the amendments provided both the political, legal and resource support. Hence, the independence of the SAPBO was clarified and entrenched by amending Section 15 of Act 9 of 2009:

“(a) by the substitution for subsection (1) of the following subsection:

(1) There is hereby established a Parliamentary Budget Office as a juristic person headed by a Director, the main objective of which is to provide independent, objective and professional advice and analysis to Parliament on matters related to the budget and other money Bills”.

The Amendment of 2018 strengthened and further clarified the PBO as “a juristic person and to strengthen the accountability model of the parliamentary Budget Office; and to provide for matters connected therewith”. The Director of the SAPBO is recognised as the Accounting Officer accountable to Parliament. The Director, in consultation with the Advisory Board (two House Chairpersons and four chairs of finance and appropriations committees) determines the structure and conditions of service of the PBO. Of importance is the transfer of funds to the PBO from Parliament, in accordance with the Public Finance Management Act 1 of 1999 (PFMA).

The core functions of the SAPBO included in the Amendment are as follows:

- undertaking research and analysis for the aforementioned committees;
- annually providing reviews and analysis of the documentation tabled in Parliament by the Minister of Finance;
- providing advice and analysis on proposed amendments to the Fiscal Framework, Division of Revenue Bill and Money Bills and on policy proposals with budgetary implications;
- monitoring and synthesising matters and reports tabled and adopted in a House with budgetary implications, with particular emphasis on reports by other committees;
- keeping abreast of policy debates and developments in key expenditure and revenue areas; monitoring and reporting on potential unfunded mandates arising out of legislative, policy and budgetary proposals.

In addition to the core functions of the SAPBO, the South African Parliament has established as part of its core objective on public participation, that “information

provided to the public remains a vital focus of Parliament” (Parliament of the Republic of South Africa. Strategic Plan for Third Parliament 2008) Consequently, “Being an activist Parliament requires consistent interaction with our citizens, and being responsive to their needs...” (Parliament of the Republic of South Africa. Annual Report 2018/19).

As an institution of the South African Parliament, the SAPBO is obliged to share information and engage with the public. The call for participatory budgeting is therefore implied as a core function of Parliament and the SAPBO. At present all documents and information produced by the SAPBO are published on the Parliamentary website. Parliamentary committees engage the public at the budget enactment stage by inviting comments at each budget-tabling occasion. The public is allowed to prepare and submit submissions in writing and present them at the committee hearings. Committees prepare reports of public participation and the decisions taken. The SAPBO technical staff collect all information, including civil society input and prepare relevant analysis and assessments at the request of parliamentary committees (CABRI 2018).

Space for public participation has been established by the legislature in the process of finance committees’ deliberations on budget processes. However, there is also space to enhance participatory budgeting through citizen engagement in public financial management. The SAPBO is well placed to ensure meaningful public engagement and build public capacity in support of participatory budgeting.

In addressing the SAPBO mandate, access to information and engaging in budgetary capacity building should be a core function. Through communication with the public and soliciting their inputs, the SAPBO can play a key role in enhancing participatory budgeting. A case in point in enhancing participatory budgeting is the NDP that is recognised as the development programme for South Africa. The national budget allocation is aligned to the NDP objectives, targets, and programmes. The impact and necessity of public participation in the national budget therefore becomes crucial. At the very least, understanding government resource allocation and public financial management, leads to the monitoring and evaluation of the NDP programmes and the related budget allocations. Participatory budgeting in South Africa has been further entrenched with the legislature moving from a budget approving to budget amending legislature. As a result, there is space for the public to engage on the NDP outcomes and related aligning of fiscal resources.

For enhanced participatory budgeting, it is necessary for the SAPBO to engage the public. Public participation in the budget process improves transparency and the allocation and distribution of fiscal resources. The SAPBO should establish processes for engaging with Community Based Organisations (CBOs) and the broader public. These processes could include meetings, social media, consultations, web-based

outreach, focus groups and workshops. The inputs from these processes could be brought to the attention of the Finance Cluster Committees. Critical in this process is ensuring that the public have access to information and that Parliament gains access to inputs and comments provided by the public.

PBOs should also play a supportive role in enhancing public participation in budget processes. As PBOs are an essential service to Parliament, by extension, PBOs are influential in the budgetary process and public financial management. Extending public participation in the budget process should be a core mandate. While engagement with experts and specialised CBOs is important, the broader public must be consulted. The involvement of experts “should not be a substitute” for public participatory budgeting (Krylova-Mueller 2016). With the rise of the Fourth Industrial Revolution, there are increasing opportunities for meaningful public participation in the budgetary process. The inputs and comments of organised groups, such as labour, NGOs, business and experts are currently well represented in the deliberations of the Finance Committees. The voice of ordinary citizens is less well articulated. The SAPBO should consider obtaining inputs from the marginalised public and feed these inputs into the deliberations of the Finance Cluster Committees.

In enhancing participatory budgeting, the SAPBO can extend the use of communication and information technology to create access to information by way of engaging the public in surveys around budget allocation and specific programmes. In this regard, the SAPBO can assist Parliament in choosing programmes for public engagement. The SAPBO has a role in setting the objectives for public participation as it has the technical expertise to identify relevant expenditure items and programmes that the public have interest in. The SAPBO could enhance Parliament’s public participation through identifying the relevant groups for engagement.

THE CHALLENGES OF THE SAPBO

The SAPBO has a crucial role in identifying the budgetary phases at which public engagement is most relevant. The legislation provides the necessary legal framework and fiscal processes where participatory budgeting could enhance the budget process. While the SAPBO has the requisite supportive legislative framework that entrenches its independence and the technical support capacity to Parliament, there are challenges to be addressed, which impedes participatory budgeting. The challenges faced by the SAPBO range from gaining access to financial and human resources, support from all political parties, ensuring broader public participation in the budget process and identifying entry points for the public to engage in participatory budgeting.

For the SAPBO to significantly encourage and support participatory budgeting, both human and financial resources are required. The SAPBO has limited human resource capacity and is barely able to provide technical support to the Finance Cluster Committees. Financial resource limitations, in terms of its own budget, do not allow for the appointment of additional technical and administrative staff. The lack of resources has limited the SAPBO from engaging in public participation events of Parliament. The lack of financial resources, has additionally, seen very limited participation of the SAPBO in capacity building initiatives both nationally and internationally. These events are significant in experiential learning around public engagement in budget planning and consultation. A typical event of Parliament is the National Council of Provinces “Taking parliament to the people” which occurs regularly. The limited resources, both financial and human, have made it impossible for the SAPBO to engage in participatory budgeting by not engaging in these events.

Since its inception in 2013, the SAPBO has had to contend with criticism from political parties. The criticism ranges from it only being supportive of the ruling party and ignoring the interests of opposition parties, in a sense that it espouses certain economic ideologies. Contestation of the technical work by the SAPBO is often labelled as ideologically nuanced. These criticisms cast doubts on the technical work and on the capabilities of the staff. The criticisms further impede consensus building by all political parties around the budget and limits the participatory budgeting approach. Limited resources have therefore led to limited political support, while impeding the participatory budget approach.

A critical challenge is the participation of the public. The same CSOs, experts and individuals mainly participate in Finance Cluster Committee engagement. These participants are drawn from formal, established and well-resourced parts of society. Broader participation must be solicited and encouraged as the less well-resourced segments of society are excluded from participation in committee engagements. Committee engagements are held at Parliament in Cape Town and the location excludes the broader public from other provinces in the country. Broader public participation requires that committees consider holding engagements with the public in all provinces. As committees are the working groups of Parliament, participatory budgeting in South Africa will not be achieved if measures are not put in place to allow broader participation in committee deliberations and decision-making. In this regard, the SAPBO could play an important role in preparing the committees for public engagement around budget matters, such as the key programmes and resource allocations. The SAPBO, if resourced and capacitated, could prepare and engage in preparatory meetings with the public and identify issues for the committees’ attention when undertaking committee deliberations.

Participatory budgeting requires time. Committee deliberations are limited by the amount of time allocated to deliberations. Well-structured presentations

are allowed, as they are time bound. As a result, only well-resourced and organised groups and individuals have the opportunity to engage in committee deliberations. Almost no time is allowed for the public, especially when it relates to budgetary deliberations. The opinions and comments of the poor and less well-resourced are not heard in committee deliberations. The SAPBO has a role to play in establishing, organising and documenting the inputs of the “marginalised”. The SAPBO has the responsibility of arranging public engagements around budget issues, highlighting key economic and financial data and issues, building capacity among the public and providing feedback on budgetary decisions and outcomes.

Participatory budgeting must be continuous and iterative. For the public to be actively engaged in the process of budgetary input and decision-making, consideration should be given to continuously engaging and deliberating with the public during the entire budget cycle. Importantly, participatory budgeting should be an iterative process of providing feedback to the public on decisions around budgeting. A capacitated and resourced SAPBO should ideally establish a unit dedicated to continuous and iterative public participation. Entry points for direct public participation can be created during each of the stages of the budgeting process (Marchessault 2015).

The challenges above are not exhaustive, but highlight the critical challenges. For effective participatory budgeting to occur in South Africa, these challenges must be addressed. Political will for participatory budgeting is a requirement, with the political will among political parties to cooperate on participatory budgeting, as the first step. The SAPBO should be recognised as an important tool in participatory budgeting and should be well resourced. The SAPBO is supportive to committees in the participatory budgeting process. In this regard, the SAPBO’s role in enhancing technical support and capacity building for the public should be recognised. The SAPBO is a resource in addressing the limited time constraints of committees by organising, documenting and providing feedback on broader public engagements concerning budgetary matters.

CONCLUSIONS

Governments are increasingly adopting public participation as a critical part of the fiscal and budgetary process. Participation in the budget process is an additional contribution to the enhancement of democratic governance processes. Wampler (2007) argues that political and social actors have different motivations to promote participation in budgeting. Citizens participate in participatory budgeting programmes in order to increase access to public decision-making activities, gain access to information, and improve the quality of services provided under a participatory budgeting system. CSOs participate in order to build

broader networks of supporters and enhance their ability to influence policies (Shah 2007). In achieving effective participatory budgeting, various criteria have been advocated for. While participatory budgeting increases the public's involvement in fiscal decision-making, the risks in participatory budgeting are a critical factor. Superficial or poorly designed public participation efforts can waste time and money and erode trust. The risks should always be centre in designing the participatory process. Regardless of how participants are selected in consultation processes, it is important that selected groupings do not dominate the deliberations and that marginalised but affected groups are included. In more restricted consultation processes, selection criteria should be established that are fair, inclusive and well documented. However, the critical issue is to ensure appropriate design of the participatory process, which will ensure broad-based participation.

Participatory budgeting is a process of capacity building at all levels of society around public financial management. If legislatures are to play a substantive role in the budget formulation process, they will be well served by an independent source of budget information. Public participation in the budget process is dependent on the authority or legislative powers of Parliament in the budget process, research capacities and importance of the committee system. Notably, the committee system is the engine room of parliaments, where most of the deliberations happen. Discussion and debate between civil society and parliamentarians have been crucial in promoting improved fiscal openness and transparency. The establishment of an independent non-partisan PBO is a growing move, meant to strengthen the legislature's oversight role in the budget process. The value add of PBOs is to serve society at large and actually improve the whole budget process through participatory budgeting. Extending public participation should be a core mandate of the SAPBO. While engagement with experts and specialised CBOs is important, the broader public must be consulted. For effective participatory budgeting to occur in South Africa, the challenges of the SAPBO must be addressed and it should be recognised as an important tool in participatory budgeting.

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