ICLD Swedish International Centre for Local Democracy

2025 | Toolbox

Citizens Budget: Make the Budget Understandable for Every Citizen

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About ICLD

The Swedish International Centre for Local Democracy (ICLD) is part of the Swedish development cooperation. The mandate of the organization is to contribute to poverty alleviation by strengthening local governments.

This is a toolbox for local governments that want to make a simple citizen budget.
It contains the basic steps in the process and some inspiring material.
It is based on research in North Macedonia, and has specific sections with insights from application in African contexts.[1]

What is Citizens Budget?

A Citizen's budget is a short document that shows the budget of local government in a way that is easy to understand by any citizen. It often includes infographics with pictures that illustrate the content of the local government budget.

Central and local governments' budgets are generally written in a bureaucratic way which is not always understandable for citizens. There is a need for publishing an alternative version written in accessible language, directed at all citizens - a Citizens Budget (CB). A Citizens Budget should be produced, first and foremost, by the local government. It is an addition, not a replacement for the more detailed and mandatory budget documents. Besides the language, the Citizen Budget incorporates visual elements and infographics that help readers understand the information. Usually when we talk about Citizens Budget, we refer to the Enacted Budget. However, a complete one should have several documents (such as the proposed budget, the proposed supplementary budget and the enacted supplementary budget) following the whole budget process.

Citizens consultations for the Citizens budget is not the same as Participatory Budgeting. While Participatory Budgeting involves citizens voting for the allocation of a part of the local budget – directly deciding how some of the money is spent – the goal of the Citizens budget is to make the decided local budget more understandable.

Why is a Citizens Budget important?

1. Increased transparency. Governments' budgets come from citizens' money and local budgets reflect the projects that affect citizens' everyday lives. When local governments present their budgets in more accessible format, through a Citizens Budget, they allow the citizens to easily understand what the main sources of the local budget are, and how public money is managed.

2. Better citizens' inclusion. A Citizens Budget enables citizens and civil society to learn the budget process and participate as informed stakeholders throughout that process.

3. Improved accountability. Only informed citizens can hold local governments accountable for the actions they take and for the ways they manage public money.

1 The toolbox builds on two research projects:
From inclusion and transparency, to equity and quality: How can we improve local budget processes? Report here: LINK https://icld.se/en/publications/tevdovski-et-al-2022-from-inclusion-and-transparency-to-equity-and-quality-how-can-we-improve-local-budget-processes/
Increasing Transparency in Local Governments: Implementation and Evaluation of Citizen Budgets in Uganda, Kenya, and Zimbabwe. Read the report here: LINK (to be provided when RR33 is published)

How to make a Citizens Budget?

Step 1. Consultations: What do citizens want to see in the Citizens Budget?

Citizen's consultations should be at the beginning the preparation process. Citizens should be asked what content is important for them, as well as give input about the format and style of the document. Research shows that when municipalities ask and listen to the citizens through a consultation process, their interest and trust in engaging with the local authorities can increase[2].

Timing and transparency is important. If citizens and local stakeholder groups feel rushed or cut off the process, they are likely to doubt the sincerity of it. The consultation should happen within a timeframe that allows the local government to gather and process the results of the consultations and use the information to prepare one Citizens Budget that is ready for publishing when the budget proposal is sent to the Council, and one later on when the final budget is enacted.

The composition of individuals and interest groups engaged in the consultation process matters too. A municipality can choose between several approaches to secure appropriate representation throughout the consultation process:

1. Broad consultations – with this approach municipalities organize multiple open discussions with all citizens, regardless of their background, affiliation, or interest. Usually, in small municipalities, the citizens come to the municipal main office to take part in the process. In big and territorially scattered municipalities, the local authorities come to the citizens and organize consultations in multiple neighborhood units. The advantage of this approach is inclusiveness, but due to lack of structure, this approach might result in low participation and misrepresentation. Online consultations can provide a low-cost alternative if the population has access to internet.

2. Representative cross-section – this approach is similar to the first one, but instead of inviting all citizens, the municipality directs targeted invitations to all major groups within the local community to send their representatives to express their interests and views. The advantage of this approach too is inclusiveness. A challenge with the approach is managing the diversity of interests that may be expressed, in order to avoid contradictory recommendations. A good alternative is to narrow the pool of participants by dividing the consultations in particular policy sectors, such as health, education, or social services. This might result in excluding some citizens, so this approach should preferably be combined with broader consultations.

3. Focused audiences – instead of focusing on different areas of the budget, this approach links the consultations with the elements of developing the Citizens Budget (content, format, dissemination). It focuses more on the form, rather than the substance of the budget documents. Hence, unlike the other approaches it considers general citizens' opinions, thus all interested citizens, regardless of their interests are invited to participate in the consultation activities. The advantage of this approach is that municipalities could learn a lot from its citizens about the actual document and the way they expect it to look like, but this approach lacks discussion about the substance of the budget items, but also lacks inclusion mechanisms and representation of marginalized groups.

2 See Tevdovski et al, 2022. From inclusion and transparency to equity and quality: how can we improve local budget processes?

4. Civil society – another alternative approach is to invite representatives of civil society organizations that are already involved in monitoring and analyzing local budgets. They will provide the municipality with an expert opinion about the Citizens Budget, but the risk is that the final document will still be hard to read and understand by non-experts.

5. Combined – Finally, when in doubt, it is recommendable to combine different approaches in order to secure greater inclusivity and coherent structure of the CB. This is probably the most expensive approach, but at the same time it ensures better quality of citizens' engagement with the local authorities.

Whatever the approach, local governments can use different channels to conduct consultations. These channels include, but are not limited to, in-person meetings, gathering information through traditional media and conducting electronic consultations (online surveys, webinars, or virtual meetings). Regardless of the channel, municipalities should be aware that usually not many citizens show up. It is important to strategically communicate about the consultations. Local governments don't need to choose just one medium but can combine input from different channels.

BOX 1: The Processes of Effective Citizen Consultations in African Contexts

In the process of creating a Citizens Budget, the Citizens' views and principles have to be incorporated in the document as much as possible. From the experience of local governments in Uganda, Kenya, and Zimbabwe, it is evident that conventional methods like centralized town hall meetings have their limitations in the sense that they fail to reach out to the rural populations and other minorities. To this end, local governments may want to experiment with a more fluid and open model, employing several methods to involve more people.

One effective strategy is to decentralize consultations by holding meetings in locations where people naturally gather, such as marketplaces, religious centers, or community hubs. This approach helps to overcome barriers related to distance, mobility, and limited access to formal government spaces. Furthermore, employing local leaders, the youth, and civil society organizations can enhance the trust and participation of individuals who may not have been willing to participate in the budget process.

Local governments can also gain from incorporating digital tools and the local media into their consultation exercises. Community radio programs, SMS campaigns, and social media platforms like WhatsApp can be useful in the dissemination of information on the budgets and getting feedback from the public. These channels are particularly important in contexts where internet access is low, but the use of mobile phones is high. In order to be effective, consultations have to be two-way channels and not just mere lectures. It is not only the citizens should be invited to express their views, but they should also know how their views have been incorporated in the final budget. This ensures that there is a feedback mechanism between the local authorities and the community to foster trust and continuity in citizen engagement.

Also, the ability of both local government officials and citizens can be enhanced to foster better consultations. Providing awareness to officials on participatory methods and budget communication, at the same time offering education to the people on public finance, fosters a citizenry that is more informed and active.

Step 2: Make a drafting of a Citizens Budget and include its Key Elements

Local budget process:

Inform citizens about the legal framework for the budget and have clear visual presentation of the whole local budget process with specific timeline and budget structure. For example, the Citizens budget of the city of Buffalo in the US informs citizens by simplifying the overall process in 6 easy to read steps. Another example of showing the budget process is through a flowchart, like the Citizen Budget of Indonesia. It contains all the important dates linked with a relevant step of the budget process.

BUDGET WORKFLOW[3]

Below are the general steps involved in the creation and approval of the City budget. For a more in depth view of what is involved, please review the City Charter section on the budget at **https://ecode360.com/13552631**

1. CITY DEPARTMENTS CREATE DEPARTMENTAL BUDGETS AND SUBMIT TO THE MAYOR

On or before the first day of February in each year the head of each administrative unit shall prepare and submit to the mayor through the division of budget.

2. THE MAYOR CREATES A RECOMMENDED BUDGET

On or before the first day of May each year, the mayor shall submit to the council a budget containing a complete plan of proposed expenditures and estimated revenues for the next fiscal year. Therein he shall set forth in detail and summary.

3. COMPTROLLER REVIEWS ACCURACY OF REVENUE AND EXPENDITURE ASSESSMENT

On or before the tenth day of May, the Comptroller submits to the Council an assessment of the accuracy of the revenue and expenditure estimates of the budget and the four-year financial plan the mayor submits to the Council. The Comptroller shall opine on the sufficiency of the financial plan and whether it contains sufficient data to support the outcomes projected.

4. THE COMMON COUNCIL REVIEWS THE RECOMMENDED BUDGET

Upon receiving the budget, the Common Council may strike out or reduce budget items and may add items of appropriation, provided that such additions are stated separately and distinctly from the original items of the budget and refer each to a single object or purpose.

The Common Council holds public budget hearings with each department in order to review budget requests in detail. This is an opportunity for each department to justify their budgetary requests and answer questions on any budget line.

The Council then holds public budget workshops with each department, where specific requests, updates, and questions are discussed in detail.

5. THE COMMON COUNCIL HOLDS A PUBLIC HEARING

Members of the public are encouraged to attend this meeting to contribute any ideas, voice concerns, or ask questions that they have on any section of the recommended budget.

6. THE COMMON COUNCIL MAKES A FINAL DETERMINATION ON THE BUDGET

By May 22nd, the Council makes a final determination on the recommended budget, including any changes to be submitted to the Mayor. If a finalized budget has not been adopted before June 8th, then the budget as submitted by the mayor, including all additions to which the mayor has failed to object shall be the budget for the ensuing year.

3 https://internationalbudget.org/wp-content/uploads/indonesia-2019-citizens-budget.pdf

INFORMASI APBN 2019

Alur Penyusunan[4]

Pemerintah bersama Dewan Perwakilan Rakyat akan membahas dan menyepakati Anggaran Pendapatan dan Belanja Negara tahun 2019 dengan memperhatikan pertimbangan Dewan Perwakilan Daerah RI



4 https://internationalbudget.org/wp-content/uploads/indonesia-2019-citizens-budget.pdf

Revenue side of the budget:

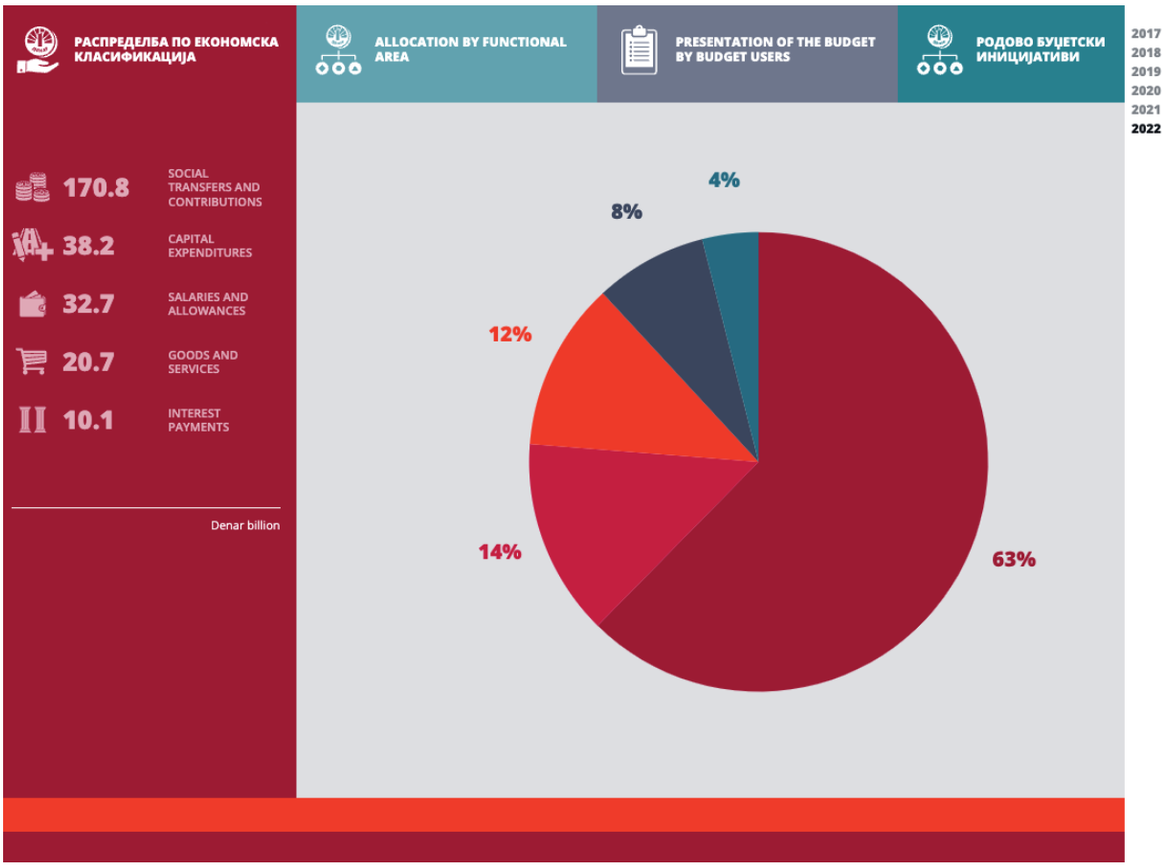
Present to the citizens the main sources of the budget revenues. For example, the Citizens budget of the Dominican Republic contains an infographic using a bank note of a Dominican Peso showing the distribution of different revenues of the Budget. Hence, citizens can easily identify the main sources of income of the Budget.



5 https://internationalbudget.org/wp-content/uploads/dominican-republic-2019-citizens-budget.pdf

Expenditure side of the budget:[6]

Present to the citizens where the money is spent. For example, the Citizens budget of North Macedonia contains several charts and tables providing the main programs of the budget allocation. The portal shows the expenditures according to the economic and functional classification and presents the expenditures by budget users. Additionally, it presents the funds allocated for gender related projects and indicators.



BOX 2: Bridging the Gap: Making Budget Data Easy to Understand in Uganda

The government of Uganda has published a centralized platform through which all budget users, at all levels, publish their budgets[7]. Although this platform improves transparency by sharing data with the public, its usage by the general public is limited. The complexity of the information, together with the use of technical terms and the requirement for a higher level of budget literacy limit its availability to many citizens.

This underscores the importance of local governments in breaking down complex budget data and presenting it in a simple, easy-to-understand format that the public can easily comprehend. Local authorities can make the budget information more meaningful and easily understandable to their communities by identifying the key figures and presenting them in a clear visual manner, infographics, and plain language. A good Citizens' Budget is a tool that interprets the government's complex data and brings it to the people's experience of governance.

6 http://budget.finance.gov.mk/tekovni.html
7 https://budget.finance.go.ug/Know_Your_LG_Allocation

Step 3: Communication is King

The CB will only serve its purpose if it reaches the citizens. This is why good communication before and after publishing the Citizens Budget is crucial. Before publishing the local CB, the local authorities should announce that they are working on this document. They can do this during the process of public consultation, but most importantly, each municipality should focus on communicating the document once it is finalized.

A proper communication plan should consist of 4 parts: (i) target audiences and why they matter? (ii) where and how should the CB be published? (iii) what communication channels should be used to get to the targeted audiences? (iv) appropriate messaging.

Format of a Citizens Budget



Target audiences and why they matter?

The local authorities usually have a good idea of their target audience, because they are supposed to constantly create policies that address local citizens' needs. For example, local communities can be the following groups: youth, elderly, women, active (working) citizens, families, students, marginalized groups, ethnic, racial or religious minorities, immigrants, LGBT etc. Remember that no group is homogenous and that a person can belong to several groups.

Knowing your audience is important to tailor what messaging to use and how to reach the target group. In more developed and digitalized municipalities, most people can be reached online or through the local TV/radio station. In more traditional municipalities, local authorities could do field visits and distribute hard copies of the Citizens Budget or publish the information in a local newspaper. In most municipalities, a combination of channels to reach different interest groups is advisable.

Where and how should the CB be published?

- **The CB is published on or accessible through the home page of the municipal website**

It should stay easy to reach during the whole year, or until it is replaced with a new one. **Make it a communication priority.**

Use every opportunity to invite the citizens to see the document to make it popular and relevant for the citizens. For example: If the mayor refers to a part of the budget during a public event, he/she shall invite the journalists and citizens to find out more about this and the other information about the budget in the Citizens Budget. A good practice is to have a phone number and/or e-mail address of a responsible person that will answer the citizens questions and direct them to the document, send them a link to the document, or if necessary, print a copy of it.

- **Use boards**

The municipality doors or information boards are places where citizens search for information. Put a printed copy of the CB there!

- **Take inclusion seriously**

The municipality should offer ways for marginalized citizens, who may experience barriers to access information. If a significant portion of the citizens come from different ethnic groups, it is suitable to translate the document in the languages spoken by minority groups[8]. Additionally, it is good to have accessible digital tools on municipal websites[9]. When presenting the CB on a press conference or through other face to face activities, the municipality should secure interpretation in sign language or translate and print out the CB in braille.

TIP: Use the opportunities during which you are talking to the citizens such as information sessions and public discussions to ask them about the reading habits. For example, you can ask them where they find the municipality documents, how easy it is for them to find what they need and how can you improve the quality of those documents. This interaction will allow citizens to offer valuable ideas on how to make the document more available and the whole process more inclusive.

What communication channels should municipalities use to get to the targeted audiences?

To fulfil its purpose, local authorities should use all available communication channels and events to inform the public about the CB once published.

- **Press release and e-mail**
- **Press conference**
- **Public events**
- **TV, radio, and newspapers**
- **Social media**
- **Others?**

Municipalities must make sure to allow two-way communication. They should have a channel trough which citizens can reach them (inbox, email, or phone number) and answer their questions, concerns, or requests in reasonable time.

- **Municipality employees**

The employees are an information channel which is often forgotten. Citizens come to them with different questions, and they are the people that know everything about the functioning of the municipality. However, to be a vital part of spreading the word out and helping municipalities to reach more citizens, the employees should be informed in detail about the CB. Mayor's cabinet and finance department employees should train their colleagues from other departments on how to use the CB and reference the document when explaining different things about the Budget to the citizens. For example, if a citizen calls the municipal department for Environment asking about budget related issues, the employee can answer by simplifying the complicated budget terminology based on the content and language used in the CB.

8 For example, in North Macedonia, if an ethnic minority makes at least 20% of the total municipal population, the local authorities should publish their official documents on the language spoken by the minority group.

9 According to working specifications, Accessibility Tools (AT) are categorized as digital mechanism to enable impaired users to freely utilize digital services. Examples of AT: screen reader software (read out the contents on the screen), speech recognition software (converts the spoken words into text), special keyboard (ease of typing using this keyboard especially people with motor impairments) etc.

BOX 3: Beyond the Meeting Room: The Crucial Role of Face-to-Face Engagement and Local Budget Ambassadors

Despite the availability of digital media and media campaigns for delivering information about the budget, face-to-face encounters is still crucial for effective citizen participation in the budget process in many African countries. However, the effectiveness of these interactions relies not only on the conduct of community meetings but also on the participation of municipal staff and elected officials as "budget ambassadors" – people who link local governments and the communities they govern.

Elected officials are one of the most important links in this process. As the representatives of particular wards or villages they are in the best position to explain budget decisions in a way that will be meaningful to the people they represent. They are able to explain the complex budgetary matters and relate them to the community's needs and concerns. This ensures that the process is credible, and the public is linked to the authority.

Furthermore, municipal staff from various departments can also be excellent budget ambassadors. These employees come into contact with the public in the course of their work – in administrative offices, when providing services or during community campaigns. It is therefore possible for local governments to enhance the ability of these employees in understanding and explaining the budget process and other related matters as a way of enhancing transparency and accountability.

Community meetings are most suitable for this approach. While in the past, the budget analyses were presented by financial officers, municipalities can involve other staff and councilors who can explain how the budget affects particular areas like health, education or transportation. This also has the advantage of making the budget more applicable while at the same time encouraging the citizens to participate and find out how their ideas are being implemented.

When local governments enable both elected representatives and municipal staff to be budget ambassadors, then any contact – at a community forum, a service desk, or a village meeting – becomes a way of building civic trust and increasing citizen engagement in governance.

Example of the information flow

Before publishing:

- All departments are informed that a Citizens Budget is created and are being acquainted with its content.
- During public consultations, the municipality shares information about the date of release and the location of the document.
- A few days before publishing the CB, an announcement is posted on social media.
- Leaflets are designed and printed.

Publishing and after publishing:

- The CB is posted on the municipality website.
- A banner and a separate menu tab are created, and the document is shared there (if there is already a banner and/or a tab for previous CB, the design should be changed, and new CB should be uploaded).
- CB is printed and distributed based on the demand and citizens' needs.

- Leaflets are shared with the targeted groups of citizens.
- A press release is sent to the press including an invitation to a press-conference (this can be done before the publishing as well).
- Information e-message is sent to the available e-mail addresses.
- Social media posts about the release of the CB are created and published.
- Press conference is conducted (it can be on the day of the publishing or during the first few days after publishing).
- TV, radio, and print media interviews are arranged, and the key messages are prepared and shared.
- Public events with citizens are organized during the first month of publication.

Follow up

- A number of social media posts about parts of the budget are made, all of them link to the main document.
- Public events, interviews and press conferences during the year are used as an opportunity to invite citizens and media to check the CB about different topics.

BOX 4: Breaking the Barriers: The Importance of Language and Accessibility in Budget Communication

It is not enough to just present the numbers – effective communication of budget information means that the information is not only understandable, but also accessible and relevant to citizens. This paper finds that in some African contexts, one of the greatest challenges to budget transparency and civic participation is language. While official budgets are usually available in formal language and the national or official language of the country, and while many citizens can read them, those living in rural areas, those from poorer communities or ethnic minorities have little chance of comprehending them due to language limitations and financial illiteracy.

This issue is especially apparent in countries that have several languages, such as Uganda and Kenya, where different languages are used in different areas. For instance, in Uganda, English is the legal language but other languages like Luganda, Runyankole and Acholi are also used. The same situation exists in Kenya where English and Swahili are official languages, but people use Kikuyu, Luo, Kamba and many more languages in their day-to-day lives.

Local languages are a great tool in closing this divide. When the Citizens Budgets are written or communicated in the language of the community, everyone can relate to the content. This is particularly useful in regions with multiple languages as the public might not understand the language used in government documents. However, translation alone is insufficient. Using simple and clear language, cultural examples, and visual aids can greatly enhance comprehension.

Local expressions, metaphors and every day examples help to unmask complex budget concepts. For instance, using household budgeting or local agricultural practices examples when explaining fiscal allocations can help people understand the budget discussions better. Moreover, the use of infographics, charts, and storytelling can also help simplify information for populations with low levels of formal education.

Citizens Budget Checklist

1. Preparation of CB

- ☑ Conduct public consultations with citizens and stakeholders
- ☑ Draft municipal budget
- ☑ Transform municipal budget into CB form (based on feedback and/or expectations from citizens and stakeholders)

2. Key elements of the citizen budget

- ☑ Local budget process
- ☑ Revenue structure and overview
- ☑ Municipal expenditures by economic classification
- ☑ Municipal expenditures by functional classification
- ☑ Gender based budget initiatives and/or indicators
- ☑ Citizens' initiatives taken into consideration during consultation process

3. Publishing CB

- ☑ Publish CB for the proposed municipal budget by the mayor (through all available communication channels)
- ☑ Update the CB with all its iterations during the budget planning process
- ☑ Publish CB for the adopted municipal budget (through all available communication channels)
- ☑ Publish CB for any supplementary budget during the fiscal year

4. Communicating CB

- ☑ Create a banner and a separate menu tab for the CB
- ☑ Print out and distribute the CB based on the demand and citizens' needs.
- ☑ Send a press release to media and organize a press-conference
- ☑ Send information e-message to the available e-mail database
- ☑ Post information related to the CB on social media
- ☑ Arrange interviews with TV, radio, and print media and share the key messages
- ☑ Organize periodical events with citizens are organized on budget accountability

Notes:

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