COUNTY GOVERNMENT OF GARISSA

DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

FINANCIAL YEAR 2024/2025 FIRST HALF BUDGET IMPLEMENTATION REPORT

THE COUNTY TREASURY
COUNTY GOVERNMENT OF GARISSA
P. O. Box 563 - 70100,
GARISSA

FEBRUARY 2025

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FOREWORD

The County Government of Garissa is committed to promoting sound public financial management, transparency, and accountability in the utilization of public resources, as anchored in the Public Finance Management Act, 2012 and related regulatory frameworks. This Second Quarter Budget Implementation Review Report for the Financial Year 2024/2025 provides a comprehensive assessment of the County's fiscal performance during the first half of the year.

During the period under review, the County operated under an approved budget of Kshs. 11.46 billion, with allocations of 37 per cent towards development and 63 per cent towards recurrent expenditure. The County realized total available resources amounting to Kshs. 5.16 billion, representing 45 per cent of the annual budget. This was largely driven by equitable share disbursements, own-source revenue collections, and brought-forward balances from the previous financial year.

I am encouraged by the notable improvement in own-source revenue performance, which recorded Kshs. 160.09 million, representing 53 per cent of the annual target and a significant growth compared to the previous financial year. This demonstrates the positive impact of ongoing reforms, particularly in the health sector through the Facility Improvement Financing framework and enhanced revenue administration systems.

On the expenditure side, the County achieved an overall absorption rate of 88 per cent of the funds released, with Kshs. 3.67 billion spent on both development and recurrent programmes. However, development expenditure absorption remains below expectations at 28 per cent, underscoring the need to strengthen project implementation frameworks, procurement processes, and cash flow management.

The County also continued to address the challenge of pending bills, with payments made in line with approved settlement plans. Nonetheless, the outstanding balance of Kshs. 2.62 billion remains a key fiscal risk that requires sustained commitment and adherence to the pending bills action plan.

Moving forward, the County Executive will continue to prioritize prudent financial management, enhance revenue mobilization, strengthen internal controls, and ensure timely implementation of development projects to achieve the desired socio-economic outcomes for our citizens.

I commend the Department of Finance and Economic Planning for the preparation of this report and urge all stakeholders to utilize its findings to inform policy decisions and improve service delivery.



Hon Abass Ismail Khaar,
CECM-Finance and Economic Planning

ACKNOWLEDGEMENT

The preparation of the Second Quarter Budget Implementation Review Report for the Financial Year 2024/2025 has been a result of a coordinated and collaborative effort across various units within the County Government of Garissa.

I wish to sincerely acknowledge the dedication and technical input of the Directorate of Budget under the leadership of **Mr. Ahmed Yussuf**, Director of Budget, and the Directorate of Economic Planning led by **Mr. Mohamed Guliye**, Director of Economic Planning, whose guidance and analytical expertise were instrumental in the successful compilation of this report.

Special appreciation is also extended to the Finance team, under the stewardship of the Head of Treasury, **Mr. Abdi Ali Nuriye**, for their continued commitment to ensuring accuracy, completeness, and integrity of financial data. I further recognize the valuable contribution of **Mr. Mohamud Osman** and the entire technical team for their diligence in data collection, validation, and report preparation.

I also commend all County Departments and entities for their cooperation in providing timely and reliable information, which has significantly enhanced the quality of this report. Their commitment to accountability and transparency continues to strengthen public financial management within the County.

Finally, I extend my gratitude to oversight institutions, particularly the Controller of Budget, for their continued guidance and support in ensuring compliance with statutory reporting requirements.

This report provides a critical reflection of the County's budget performance and will serve as an important tool for informed decision-making, improved planning, and enhanced service delivery.



HAFSA MOHAMUD ABDULLA,
Chief Officer – Economic Planning
County Government of Garissa

Overview of FY 2024/25 Budget

The Garissa County Gross Approved FY 2024/25 budget is Kshs.11.46 billion. It comprises Kshs.4.20 billion (37 per cent) and Kshs.7.26 billion (63 per cent) allocation for development and recurrent programmes, respective-ly. The budget estimates represent an increase of Kshs.0.76 billion (7.1 per cent) from the FY 2023/24 budget comprised a development budget of Kshs.4.31 billion and a recurrent budget of Kshs.6.39 billion. The increase in the budget was attributed to the rise in Equitable Share from 8.2 to 8.55 billion, the increase in OSR from 230 to 300 million, and the increase in carry forward for two months. The County's Net Approved Budget was the same as the (gross budget, as there were no AIA estimates.

The budget will be financed from different sources of revenue. These include Kshs.8.56 billion (74.6 per cent) expected from the National Government as the equitable share of revenue raised nationally, Kshs.1.27 billion as additional allocations/conditional grants, and a cash balance of Kshs.1.33 billion (11.6 per cent) was brought forward from FY 2023/24, and Kshs.300 million (2.6 per cent) was generated as gross own source revenue. The own-source revenue includes Kshs.160 million (1.4 per cent) as Facility Improvement Fund (revenue from health facilities) and Kshs.140 million (1.2 per cent) as ordinary own-source revenue. A breakdown of the ad-ditional allocations is shown in Table 3.56.

Revenue Performance

In the first half of FY 2024/25, the County had Kshs.5.16 billion to fund its development and recurrent activi-ties. This amount consisted of Kshs.3.43 billion from the equitable share of revenue raised nationally, additional allocations from government and development partners of Kshs.11 million, and its own-source revenue (OSR) collection of Kshs.160.09 million. In addition, the County had a cash balance of Kshs.1.57 billion from FY 2023/24.

The total OSR collection of Kshs.160.09 billion includes Facilities Improvement Financing (FIF) of Kshs.121.97 million, and Kshs.38.13 million as ordinary OSR. Table 1 summarises the total revenue available to the County Government during the first half of FY 2024/25.

Table 1: Garissa County revenue performance in the first half of FY 2024/25

S/No.	Revenue Category	Annual Budget Allo-cation (Kshs)	Actual Receipts (Kshs.)	Actual Receipts as Percentage of Annual Budget Allocation (%)
A	Equitable Share of Revenue Raised Nationally -	8,555,015,575	3,426,774,887	40
Subtotal		8,555,015,575	3,426,774,887	40
B	Additional Allocations			
	Framework for the management Of Food System Resilience Project – (FSRP)-IDA FOR FY 2024/2025	173,076,923		
	DANIDA Grant-Primary health care in a devolved context	10,822,500		
	Kenya Devolution Support Program KDSP11	37,500,000		
	Kenya Urban Support Prorgam -KUSP UIG	35,000,000		

	Framework For Management of UNFPA Grant FOR GOK/UNFPA 10TH Country Programme for FY 2024/25	9,620,000		
	Emergency Locust Response Project World Bank (ELRP)	142,500,000		
	Water and Sanitation Development Project (World Bank) WSDP	450,000,000		
	Name of the Conditional Grant	137,000,000		
	Financing locally-led climate action program (FLLoCA) County Climate Institutional support (CCIS) Grant level 1 (World Bank)	11,000,000	11,000,000	100
	Road Maintenance Levy Fund (RMLF)	188,410,093		
	Conditional Grant Community Health Promoters	74,520,000		
	Transfer of Museum Function	2,462,567		
	Mineral Royalties	621,261		
Subtotal		1,272,533,343.81	11,000,000	1
C	Own Source Revenue			
	Ordinary Own Source Revenue	140,000,000	38,125,103	27
	Appropriation in Aid (A-I-A)	0		
	Facility Improvement Fund (FIF)	160,000,000	121,965,946	76
Subtotal		300,000,000	160,091,049	53
D	Other Sources of Revenue			
	Unspent balance from FY 2023/24	1,332,681,087	1,566,887,583	118
	Other Revenues (provide a list)	0		
Sub Total		1,332,681,087	1,566,887,583	118
Grand Total		11,460,230,006	5,164,753,519	45

Source: *Garissa County Treasury*

The County has governing legislation on the operation of FIF.

Figure 1 shows the trend in own-source revenue collection from the first half of FY 2019/20 to the first half of FY 2024/25.

During the first half of FY 2024/25, the County generated Kshs. 160.09 million from its revenue sources, including AIA and FIF. This amount was an increase of 109 per cent compared to Kshs.76.52

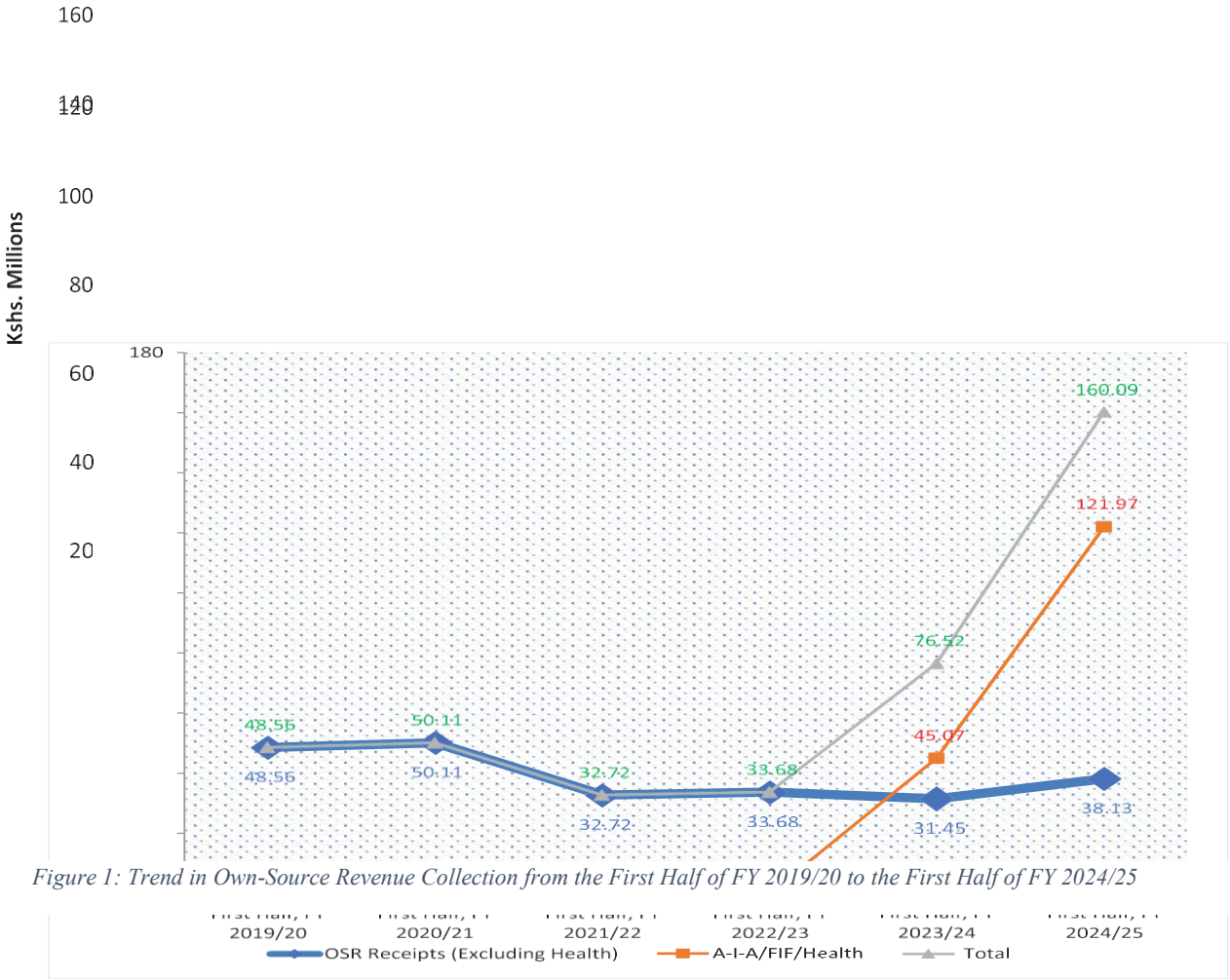


Figure 1: Trend in Own-Source Revenue Collection from the First Half of FY 2019/20 to the First Half of FY 2024/25

million realised in a similar period in FY 2023/24 and was 53 per cent of the annual target and 5 per cent of the equitable revenue share disbursed.

The increase in OSR is attributed to the enactment of the FIF Act and a timely supply of drugs, which has occasioned seamless operations in health facilities, thus increasing revenue generation from user charges and public health fees. There has also been continuous engagement and follow-up with taxpayers, enhanced su-pervision and an internal control system for revenue collection. Further, enhanced staff welfare and adequate staffing have improved the ability to raise more OSR. There was a collection from gypsum transportation cess in previous years, which was later banned. We recommend that the executive lift the ban and undertake revenue automation.

The revenue streams which contributed the highest OSR receipts are shown in Figure 2.

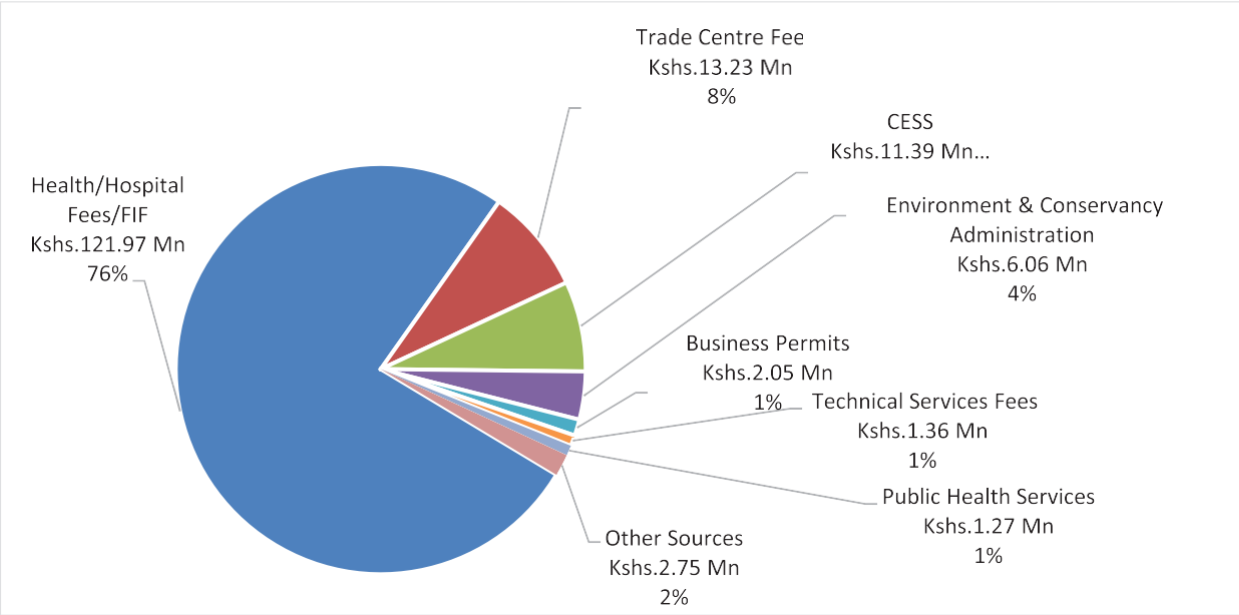


Figure 2: Top Streams of own source revenue in the first half of FY 2024/25

Source: Garissa County Treasury

The highest revenue stream of Kshs.121.97 million was from Health (Hospital Fees/FIF), contributing to 76 per cent of the total OSR receipts during the reporting period.

Borrowing by the County

The county government has not borrowed so far.

Exchequer Issues

The Controller of Budget approved withdrawals of Kshs.4.18 billion from the CRF account during the reporting period, which comprised Kshs.1.24 billion (30 per cent) for development programmes and Kshs.2.94 billion (70 per cent) for recurrent programmes. Analysis of the recurrent exchequers released in the first half of FY 2024/25 indicates that Kshs.2.03 billion was released towards compensation of employees and Kshs.911.46 million for operations and maintenance expenditure. Releases towards employee compensation in the first half of FY 2024/25 include the December 2024 exchequer request for the County Executive and County Assembly.

Analysis of the operations and maintenance exchequer releases indicate that 10 per cent was for domestic travel and 1 per cent for foreign travel. The domestic travel exchequer amounted to Kshs.60.70 million, including Kshs.14.16 million for the County Executive and Kshs.46.55 million for the County Assembly. The foreign exchequer totalled Kshs.5.74 million, comprising nil for the County Executive and Kshs.5.74 million for the County Assembly.

Table 2: Garissa County budget allocation and expenditure issued by department

Department	Revised Net Budget Allocation (Kshs. Million)			Exchequer Issues (Kshs. Million)		Exchequer Issues to Revised Net Budget (%)
	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock & pastoral	147.16	477.78	35	-	24	-
Culture, Gender, Youth & Sports	70.73	183	27	-	38	-
Roads, Transport and Public Works	84.82	450.51	27.5	95.95	32	21
Education, Information and ICT	385.51	157.1	217	-	56	-
Lands, Physical Planning and Urban Development	368.93	110	178.54	-	48	-
Finance & Economic Planning	1,258.72	150	603.76	-	48	-
Department	**Revised Net Budget Allocation (Kshs. Million)**			**Exchequer Issues (Kshs. Million)**		**Exchequer Issues to Revised Net Budget (%)**
	Rec	**Dev**	**Rec**	**Dev**	**Rec**	**Dev**
Health & Sanitation	2,935.72	420.5	962.93	163.71	33	39
Trade, Investments and Enterprise Development	95.31	470	20	181.92	21	39
Water, Environment and Natural Resources	183.26	1,472.10	112.83	745.44	62	51
County Affairs, Public Service and Intergovernmental Relations	589.56	12	319.32	-	54	-
County Public Service Board	55.74	15	20.66	-	37	-
Assembly	1,083.78	283	417.22	49.91	39	18
	7,259	**4,201**	**2,942**	**1,237**	**41**	**29**

***Source**: Garissa County Treasury*

As of 31 December 2024, the county government's cash balance in the CRF account was Kshs.986.04 million.

County Expenditure Review

The County spent Kshs.3.67 billion on development and recurrent programmes in the reporting period. The expenditure represented 88 per cent of the total funds released by the CoB and comprised Kshs.1.18 billion and Kshs.2.49 billion on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 28 per cent, while recurrent expenditure represented 34 per cent of the annual recurrent expenditure budget.

Settlement of Pending Bills

The eligible pending bill amount includes Kshs.2.69 billion from the County Executive and Kshs.132.91 million from the County Assembly. The eligible pending bills from the County Executive consist of Kshs.691.84 million for recurrent expenditures and Kshs.2.0 billion for development expenditures.

During the first half of FY 2024/25, the County Executive paid off pending bills amounting to Kshs.91.77 mil-lion, comprising only development. Meanwhile, the County Assembly settled

pending bills worth Kshs.108.29 million, which included Kshs.58.38 million for recurrent activities and Kshs.49.91 million for development activities.

The County Executive and the County Assembly submitted pending bills payment plans at the commencement of FY 2024/25, committing to pay Kshs.80 million and Kshs.100 million, respectively, in the first half of FY 2024/25. The County cleared Kshs.91.77 million for the Executive and Kshs.108.29 million for the Assembly.

As of 31 December 2024, the eligible outstanding bills amounted to Kshs.2.62 billion, comprising Kshs.2.60 billion for the County Executive and Kshs.24.62 million for the County Assembly.

Expenditure by Economic Classification

The County Executive spent Kshs.1.62 billion on employee compensation, Kshs.469.87 million on operations and maintenance, and Kshs.1.13 billion on development activities. Similarly, the County Assembly spent Kshs.288.98 million on employee compensation, Kshs.112.02 million on operations and maintenance, and Kshs.49.91 million on development activities, as shown in Table 3.58.Table 3.58: Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Revised Gross Budget (Kshs.)		Expenditure (Kshs.)		Absorption (%)	
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly
Total Recurrent Expenditure	**6,175,462,183**	**1,083,780,817**	**2,090,029,562**	**400,998,786**	**34**	**37**
Compensation to Employees	4,018,691,551	694,580,507	1,620,163,967	288,982,446	40	42
Operations and Maintenance	2,156,770,632	389,200,310	469,865,595	112,016,340	22	29
Development Expenditure	3,917,987,006	283,000,000	1,129,521,482	49,907,500	29	18
Total	**10,093,449,189**	**1,366,780,817**	**3,219,551,044**	**450,906,286**	**32**	**33**

***Source**: Garissa County Treasury*

Expenditure on Employees' Compensation

In the first half of FY 2024/25, expenditure on employee compensation was Kshs.1.91 billion, or 37 per cent of the available revenue of Kshs.5.16 billion. This expenditure represented a decrease from Kshs.2.06 billion reported in a similar period in FY 2023/24. The wage bill included Kshs.887.30 billion paid to the Health Sector employees, translating to 47 per cent of the total wage bill.

Figure 3 shows the trend of personnel expenditures as a percentage of total revenue from the first half of FY 2020/21 to the first half of FY 2024/25.

Source: Garissa County Treasury

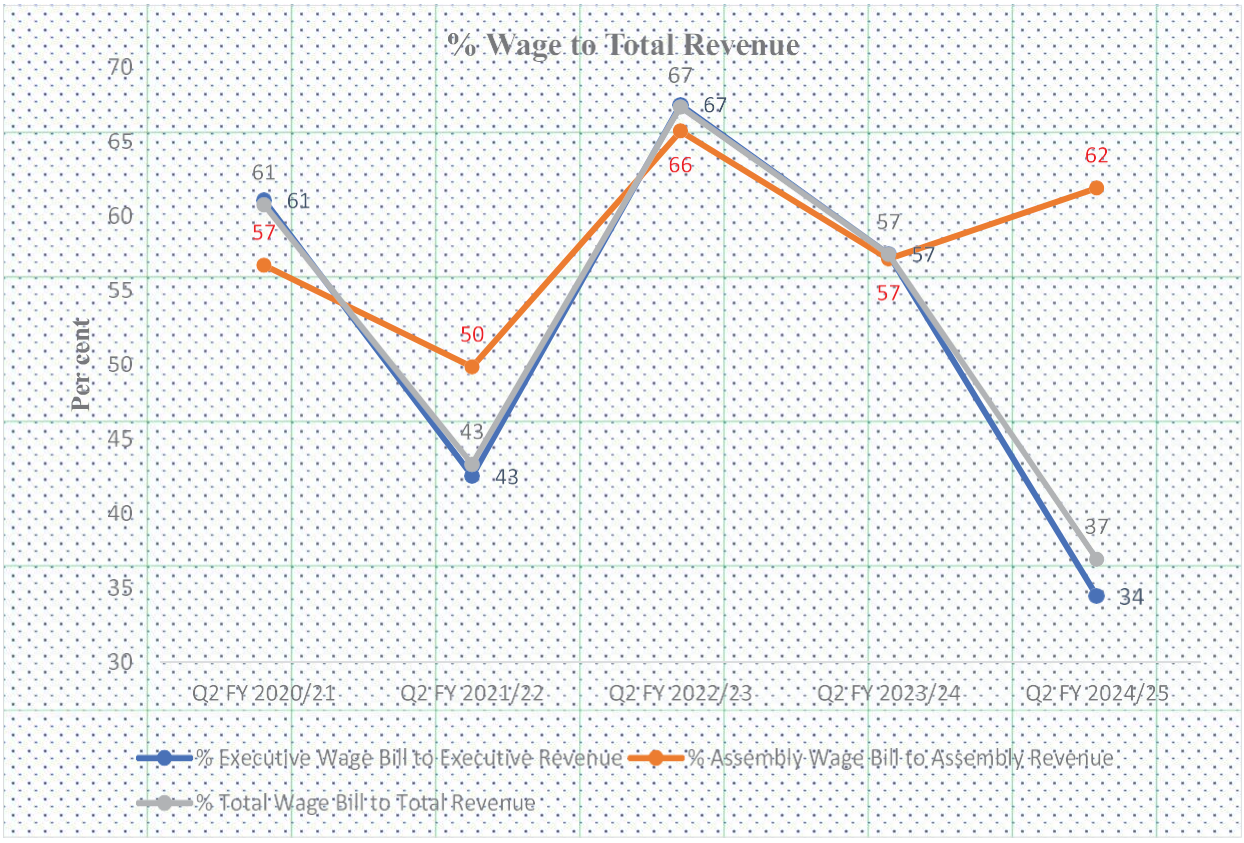


Figure 3:Percentage of Wage Bill to Total Revenue Received from the First Half of FY 2020/21 to the First Half of FY 2024/25

Further analysis indicates that PE costs amounting to Kshs.1.72 billion were processed through the Integrated Personnel and Payroll Database (IPPD) system. In contrast, Kshs.188.77 million was processed through manu-al payrolls, which accounted for xx per cent of the total PE cost.The County Assembly spent Kshs.15.65 million on committee sitting allowances for the 48 MCAs, including the Speaker, against the annual budget allocation of Kshs.30.97 million. The average monthly sitting allowance was Kshs.108,680.56 per MCA. The County Assembly had 19 House Committees.

County Emergency Fund and County-Established Funds

Section 116 of the PFM Act 2012 allows County Governments to establish other public funds with approval from the County Executive Committee and the County Assembly. The County allocated Kshs.130 million to County-Established funds in FY 2024/25, or 1 per cent of the County's overall budget. Further, in line with Section 110 of the PFM Act, 2012, the County allocated Kshs.60.00 million to the Emergency Fund (0.5 per cent of the total budget).

Table 3 summarizes each established Fund's budget allocation and performance during the reporting period.

Table 3: Performance of county establishment funds in the first half of FY 2024/25

S/No.	Name of the Fund	Approved Budget Allocation in FY 2024/25 (Kshs.)	Exchequer Issues in the First Half of FY 2024/25 (Kshs.)	Actual Expenditure in First Half of FY 2024/25 (Kshs.)	Cumulative disbursements to the Fund (Kshs)	Submission of First Half Financial Statements (Yes/No.)
	County Executive Established Funds					
	Disaster Management Fund/ Emergency	60,000,000				
	Bursary Fund	50,000,000	50,000,000	50,000,000		YES
	Micro and Small Enterprises Development Revolving Fund	20,000,000				
	County Assembly Established Funds					
	Total	**130,000,000**	**50,000,000**	**50,000,000**		

Source: *Garissa County Treasury*

During the reporting period, the CoB did not receive quarterly financial reports from Disaster Management Fund/Emergency and Micro and Small Enterprises Development Revolving Fund Administrators, as indicated in Table 3.59, contrary to the requirement of Section 168 of the PFM Act, 2012. The Bursary Fund's administration costs were within the 3 percent limit of the Fund budget set in Regulation 197(1)(d) of the Public Finance Management (County Governments) Regulations, 2015.



Expenditure on Operations and Maintenance

Figure 4 summarises the Operations and Maintenance expenditure by major categories.

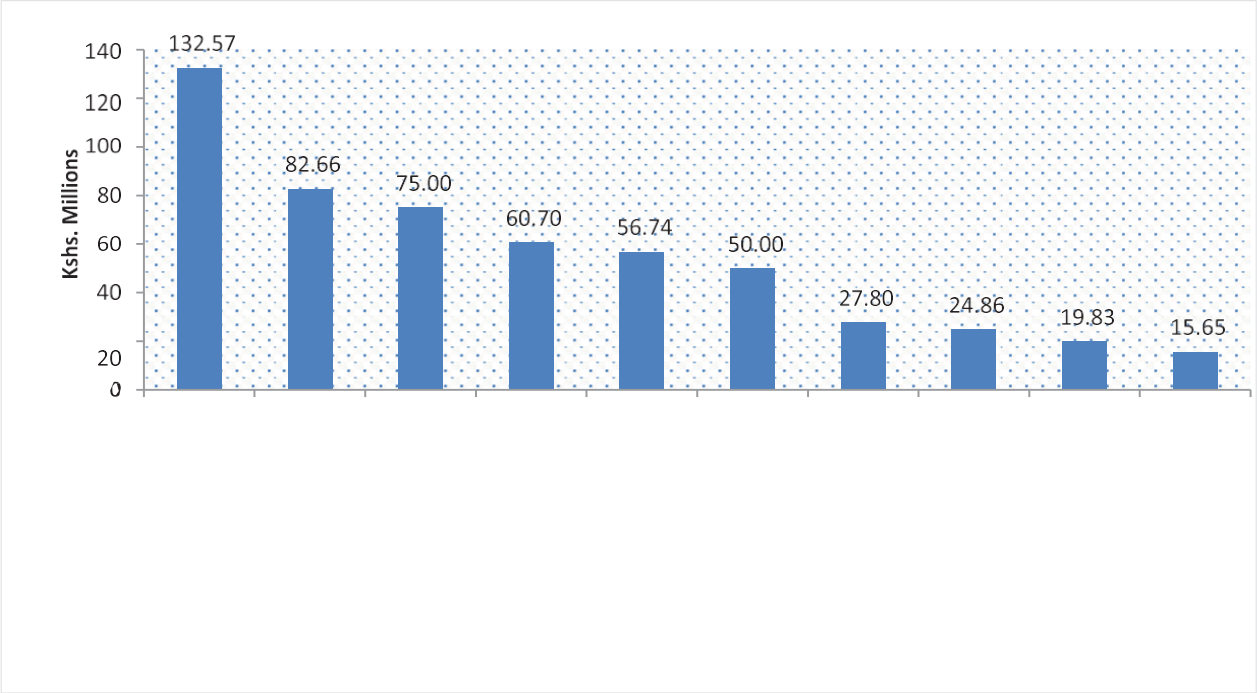


Figure 4: Garissa County Operations and Maintenace Expenditure by major categories

Source: *Garissa County Treasury*

Expenditure on domestic travel amounted to Kshs.60.70 million and comprised Kshs.46.55 million spent by the County Assembly and Kshs.14.15 million by the County Executive. Expenditure on foreign travel amounted to Kshs.5.74 million and comprised only the County Assembly. Expenditure on foreign travel is summarised in Table 4.

Table 4: Summary of highest expenditure on foreign travel in the first half of FY 2024/25

Arm of County Government	No. of Officers Travelled	Date travelled	Purpose of the travel	Destination	Total Costs of the Travel (Kshs.)
County Executive					
County Assembly	3	25th to 28th August 2023	To attend the 8th International Conference on Social Science, Humanities and Education	Britain	1,982,484
County Assembly	5	23rd September to 4th October,2024	Attend a training by ESAMI on the role of the Legislature in influencing Government policy.	Dubai UAE	3,753,611
County Assembly					
TOTAL					**5,736,095.00**

Source: *Garissa County Treasury and Garissa County Assembly*

Facility Improvement Financing

During the period under review, the County reported collecting Kshs.121.97 million as FIF, 76 per cent of the annual target of Kshs.160.00 million. The collected amount was retained and utilised at the source per the Fa-cility Improvement Financing Act, 2023.

The expenditure by the health facilities amounted to Kshs.121.97, as shown in Table 5.

Table 5: Breakdown of Expenditure by Health Facilities in the First Half of FY 2024/25

No.	Name of the Health Facility	Approved Budget for the Facility (Kshs.)	Actual Expenditure of the Facility (Kshs.)	Absorption rate (%)
	Garissa County Referral Hospital	185,000,000	100,810,877	54
	Iftin	10,000,000	4,666,154	47
	Ijara	12,000,000	6,668,130	56
	Dadaab	8,000,000	3,028,020	38
	Balambala	1,000,000	789,110	79
	Hulugho	1,000,000	1,000,800	100
	Modogashe	4,000,000	3,875,075	97
	Bura	4,000,000	1,127,780	28
	Total	225,000,000	121,965,946	54

Source: *Garissa County Treasury*

The Health Facility with the highest absorption rate was Hulugho Health Facility.

Development Expenditure

In the First Half of FY 2024/25, the County reported spending Kshs.1.18 billion on development programmes, representing a 47 per cent increase compared to a similar period in FY 2023/24, when the County spent Kshs.804.73 million. Table 3.62 summarises the development projects with the highest expenditure in the re-porting period.

Table 6: Garissa County, List of Development Projects with the Highest Expenditure

No.	Sector	Project Name	Project Location	Contract sum (Kshs)	Amount paid to date (Kshs)	Imple-mentation status (%)
1	County Assembly	Construction of Buildings-Construction of Additional office block extension	Garissa Township	113,589,947	110,253,950	97
2	County Assembly	Proposed Construction of a Chambers at the County Assembly offices	Garissa Township	51,811,724	45,941,032	89
3	County Assembly	Purchase, installation and commissioning of a Hansard system	Garissa Township	26,929,226	26,929,225	100
4	County Assembly	Refurbishment of offices complete with furniture and fittings	Garissa Township	19,268,550	18,385,650	95
5	Water, Environment and Natural Resources	Proposed Qone -Madogashe Pipeline Project,	Modogashe -Lagdera	457,911,266	324,459,301	71
6	Trade, Investments and Enterprise Development	County Industrial Park	Garissa Township	490,636,205	277,221,260	57
7	Health & Sanitation	Proposed Construction of Mother and Child Hospital,	Garissa Township	663,678,404	134,000,000	20
8	Roads, Transport and Public Work	Proposed Upgrading to Bitumen Standard Of Bulla Madina-Dobale Road	Garissa Township	39,219,843	28,540,000	73
No.	**Sector**	**Project Name**	**Project Location**	**Contract sum (Kshs)**	**Amount paid to date (Kshs)**	**Imple-mentation status (%)**
9	Health & Sanitation	Renovation and Expansion of Eye Unit at Garissa County Referral Hospital	Garissa Township	24,497,668	22,047,901	90
10	Health & Sanitation	Construction of Outpatient Unit at Bulla Medina	Garissa Township	19,354,345	17,418,910	90

Source: *Garissa County Treasury*

Budget Performance by Department

Table 3.8 summarises the approved budget allocation, expenditure and absorption rate by departments in the first half of FY 2024/25.

Table 7: Garissa County, Budget Allocation and Absorption Rate by Department

Department	Revised Gross Budget Allocation (Kshs. Million)		Exchequer Received, plus AIAs (Kshs. Million)		Expenditure (Kshs. Million)		Expenditure to Exchequer plus AIA (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock & pastoral	147.16	477.78	35.00		34.50	13.35	99	-	23	3
Culture, Gender, Youth & Sports	70.73	183.00	27.00	-	12.00	4.48	44	-	17	2.
Roads, Transport and Public Works	84.82	450.51	27.50	95.95	27.50	82.12	100	86	32	18
Education, Information and ICT	385.51	157.10	217.00	-	197.58	6.60	91	-	51	4
Lands, Physical Planning and Urban Development	368.93	110.00	178.54	-	178.51	16.03	100	-	48	15
Finance & Economic Planning	1,258.72	150.00	603.76	-	436.34	91.11	72	-	35	61
Health & Sanitation	2,935.72	420.50	962.93	163.71	976.51	121.53	101	74	33	29
Trade, Investments and Enterprise Development	95.31	470.00	20.00	181.92	20.00	181.92	100	100	21	39
Water, Environment and Natural Resources	183.26	1,472.10	112.83	745.44	66.50	612.40	59	82	36	42
County Affairs, Public Service and Intergovernmental Relations	589.56	12.00	319.32	-	122.59	-	38	-	21	-
County Public Service Board	55.74	15.00	20.66	-	18.00	-	87	-	32	-
Assembly	1,083.78	283.00	417.22	49.91	401.00	49.91	96	100	37	18
	7,259.24	**4,200.99**	**2,941.77**	**1,236.93**	**2,491.03**	**1,179.43**	**85**	**95**	**34**	**28**

***Source**: Garissa County Treasury*

Health Department recurrent expenditure exceeded exchequer issued because there were casuals and consul-tants which were paid from the hospital revenue collection account (FI.F).

Analysis of department expenditure shows that the Department of Roads, Transport and Public Works record-ed the highest absorption rate of development budget at 85 per cent, followed by the Department of Finance & Economic Planning at 61 per cent. The Department of Education, Information and ICT had the highest percentage of recurrent expenditure to budget at 51 per cent. In contrast, the Department of Culture, Gender, Youth & Sports had the lowest at 17 per cent.

Budget Execution by Programmes and Sub-Programmes

Table 8 summarises the budget execution by programmes and sub-programmes in the first half of FY 2024/25.

Table 8: Garissa County, Budget Execution by Programmes and Sub-Programmes

Programme	Sub-Programme	Revised Gross Approved Estimates (Kshs.Million)		Actual Expenditure (Kshs.Million)		Absorption Rate (%)	
		Rec	Dev	Rec	Dev	Rec	Dev
Department of Agriculture, Livestock & pastoral							
Programme 1: Agriculture	CSP 1.1 Agriculture Administration & Support Services	91.58	233.08	13.50	13.35	15	6
	CSP 1.2 Crop production and value chains	1.20				-	
	CSP 1.3 Agricultural Mechanization Services		37.20				-
	Sub Total	**92.78**	**270.28**	**13.50**	**13.35**	15	5
Programme 2: Livestock Pastoral Economy	Sub- CSP 2.1 Livestock Administration and Support Service	47.18	177.50	21.00		45	-
	CSP 2.2 Livestock Production	2.55				-	
	CSP 2.3 Livestock Value Chains Development	500,000					
	CSP 2.4 Veterinary Service	3.35	30.00			-	-
	Sub Total	**53.08**	**207.50**	**21.00**	**0.00**	**40**	**-**
CP3: Fish Production	CSP 3.1 Fisheries services	**0.20**				-	
CP 4: Cooperatives	CSP 4.1 Cooperatives Development	**0.60**				-	
Department Culture, Gender, Youth & Sports							
Programme 1. Administration and support services	Sub-programme 1.1 Administration and Support Services	65.94		12.00		18	
Programme 2. Gender and social services	Sub-programme 2.1 Social Protection,	1.03	76.00		4.48	-	6
	Sub-programme 2.2 Gender and Women Empowerment						
Programme 3. Cultural Promotion	Sub-programme 3.1 Promotion and preservation of culture and Heritage						
Programme 4. Youth and Sport Development	Sub-programme 4.1 Youth development	0.50				-	
	Sub-programme 4.2 Sports & Talent Development	3.26	107.00			-	-
	Sub-Total	**3.76**	**107.00**	**0.00**	**0.00**	**-**	**-**
Department Roads, Transport and Public Works							

Programme 1 Administration and support services	Sub-programme 1.1 Administration and Services	75.65	65.00	27.50	49.40	36	76
Programme 2 Road and transport	Sub-programme 2.1 Roads	1.67	341.51		1.21	-	0
	Sub-programme 2.2 Transport	1.50				-	
	Sub-Total	3.17	341.51	0.00	1.21	-	0
Programme	**Sub-Programme**	**Revised Gross Approved Estimates (Kshs.Million)**		**Actual Expenditure** (Kshs.Million)		**Absorption Rate (%)**	
		Rec	**Dev**	**Rec**	**Dev**	**Rec**	**Dev**
Programme 3 Public works &housing	Sub-programme 3.1 Public Works	6.00	44.00		31.50	-	72
Department of Education, Information and ICT							
Programme 1: General Administration and support services	Sub-programme 1.1 Administration and Support Services	**348.19**		**186.08**		**53**	
Programme 2. Education Development	Sub-programme 2.1 E.C.D	24.23	157.10	10.00	6.60	41	4
	Sub-programme 2.2 Vocational Training	3.00				-	
	Sub-Total	**27.24**	**157.10**	**10.00**	**6.60**	37	4
Programme 3. ICT, Information and Libraries	Sub-programme 3.1 ICT, Information and Libraries	**10.08**		**1.50**		**15**	
Department Lands, Physical Planning and Urban Development							
Programme 1: Administration	Sub-programme 1.1: urban Administration & Support Services	**345.97**		**177.51**		**51**	
Programme 2: Lands & physical planning	Sub-programme 2.1: Lands Services	7.00				-	
	Sub-programme 2.2: Physical Planning	7.45	50.00	1.00	16.03	13	32
	Sub-Total	**14.45**	**50.00**	**1.00**	**16.03**	**7**	**32**
Programme 3: Urban Development	Sub-programme 3.1: Urban Development and Infrastructure	1.50				-	
	Sub-programme 3.2 Urban Disaster and Risk Management	6.11	60.00			-	-
	Sub-programme 3.3 Urban Sanitation Services	0.90				-	
	Sub-Total	**8.51**	**60.00**	**0.00**	**0.00**	**-**	**-**
Department Finance & Economic Planning							
Programme	Sub-programme 1.1 Administration and Support Services	902.68	150.00	436.34	91.11	48	61

1: Administration and Support Services	Sub-programme 1.2 Special Programmes	304.91				-	
	Sub-Total	**1,207.59**	**150.00**	**436.34**	**91.11**	**36**	**61**
Programme 2: Public Finance Management	Sub-programme 2.1 Accounting Services	3.71				-	
	Sub-programme 2.2 Budget Formulation	8.89				-	
	Sub-programme 2.3 Audit Services	5.36				-	
	Sub-programme 2.4 Revenue Management	9.31				-	
	Sub-programme 2.5 Supply Chain Management	7.63				-	
	Sub-Total	34.90					
Programme	**Sub-Programme**	**Revised Gross Approved Estimates (Kshs.Million)**		**Actual Expenditure** (Kshs.Million)		**Absorption Rate (%)**	
		Rec	**Dev**	**Rec**	**Dev**	**Rec**	**Dev**
Programme 3: Economic planning	Sub-programme 3.1 Planning and M&E	11.73				-	
	Sub-programme 3.2 Statistics and Research	4.50				-	
	Sub-Total	**16.23**				**-**	
Department of Health & Sanitation							
Programme 1: Governance, quality assurance and support services	Sub-programme 1.1 Administration And Support Services	2,628.77	420.50	906.67	121.53	35	29
	Sub-programme 1.2 Health Information Systems	5.00				-	
	Sub-programme 1.3 policy Research and planning	5.00				-	
		2,638.77	**420.50**	**906.67**	**121.53**	**34**	**29**
Programme 2: Curative Services, Rehabilitative and Referal services	Sub-programme 2.1 Health products and technologies	208.50		69.83		34	
	Sub-programme 2.2 Rehabilitative services	11.50				-	
	Sub-programme 2.3 Referral and Emergency Services	54.26				-	
	Sub-Total	**274.26**	**0.00**	**69.83**	**0.00**	**25**	
Programme 3: Preventive and promotive and RMNCH services	Sub-programme 3.1: Maternal, newborn, child health and nutrition services	11.08				-	
	Sub-programme 3.2: Preventive and Promotive Health Services	11.62				-	
	Sub-Total	**22.69**	**0.00**	**0.00**	**0.00**	**-**	
Department Trade, Investments and Enterprise Development							
Programme 1: Administration and Support Services	Sub-programme 1.1 Administration And Support Services	90.35	350.00	20.00	181.92	22	52

Programme 2: micro and small enterprises development	Sub-programme 2.1 micro and small enterprises development	1.40	20.00			-	-
	Sub-programme 2.1 **micro and small enterprises development**	0.75				-	
	Sub-Total	2.15	20.00	0.00	0.00	-	-
Programme 3. Industrialisation and Investment Programme	Sub-programme 3.1 Industrialization and Investment Programme	1.40	100.00			-	-
Programme 4: Tourism	Sub-programme 4.1 Tourism Development	1.40				-	
Department of Water, Environment and Natural Resources							
Programme 1: Water Services	Sub-programme 1.1 Administration and Support Services	128.31	310.00	48.00	77.63	37	25
Programme	**Sub-Programme**	**Revised Gross Approved Estimates (Kshs.Million)**		**Actual Expenditure** (Kshs.Million)		**Absorption Rate (%)**	
		Rec	**Dev**	**Rec**	**Dev**	**Rec**	**Dev**
Programme 4 Environment Management and Natural Resources	Sub-programme 4.2 Climate Change and Adaptation	12.35	785.10	5.00	523.77	40	67
	Sub-programme 4.1 Environment and Natural Resouce Management	37.60		13.50		36	
	Sub-Total	**49.95**	**785.10**	**18.50**	**523.77**	**37**	**67**
Programme 2: Irrigation Services	Sub-programme 2.1 Irrigation Development	5.00	377.00	0.00	11.00	-	3
Department of County Affairs, Public Service and Intergovernmental Relations							
Programme 1. Executive Services	Sub-programme 1.1 Governor Operations	60.40		8.00		13	
	Sub-programme 1.2 Deputy Governor Operations	36.12		84.00		233	
	Sub-programme 1.3 County Secretary	49.66		6.50		13	
	Sub-programme 1.4 Operations & Sub-County Administration	254.30	12.00	5.00		2	-
	Sub-programme 1.5 Intergovernmental & Public Participation	56.81				-	
	Sub-programme 1.6 County Attorney	28.50		12.00		42	
	Sub-programme 1.7 HRM DPT	86.49		7.09		8	
	Sub-programme 1.8 Donor coordination	17.28				-	
Department County Public Service Board							
Programme 1: Board services	Sub-programme 1: Administration support services	55.74	15.00	18.00	**0.00**	32	-

Department County Assembly							
Programme 1: General Admin-istration, Planning and Support Services	Sub-programme 1.1: General Administration	1,083.78	283.00	401.00	49.91	37	18
Grand Total		**7,259.24**	**4,200.99**	**2,491.03**	**1,179.43**	**34**	**28**

Source: *Garissa County Treasury*

Sub-programmes with the highest levels of implementation based on absorption rates were Road and transport at 88 per cent, Administration and Support Services at 76 per cent, Public works &housing at 72 per cent, all three in the Department of Roads, Transport and Public Works, and Administration and Support Services the Department of Finance at 61 per cent of budget allocation.

Accounts Operated Commercial Banks

The County Government operated eleven accounts with commercial banks, including four accounts for Health Facilities, three accounts for Vocational Training Centers, three accounts for Established Funds, and one reve-nue account.

Regulations 82(1)(b) of the PFM (County Governments) Regulations, 2015, requires that County Government bank accounts be opened and maintained at the Central Bank of Kenya. The only exemption is for imprest bank accounts for petty cash and revenue collection bank accounts.

Key Observations and Recommendations

In the course of overseeing and reporting on the implementation of the County budget, identified the following challenges which hampered effective budget implementation;

1. Automate the entire own-source revenue collection system by introducing digital payment platforms, real-time tracking systems, and electronic record-keeping. This will improve transparency, reduce leakages, and enhance accountability. Capacity building for staff and regular system audits should also be conducted to ensure effective implementation
2. Engage with the National Government more so the national Treasury to improve the predictability and timeliness of exchequer disbursements. Additionally, establish a contingency fund or cash reserve to manage temporary cash flow gaps. Strengthen cash flow planning and adopt financial forecasting tools to better align expenditure with anticipated revenues.
3. Conduct a comprehensive audit of all pending bills using a multi-stakeholder verification committee. Develop clear criteria for verifying and prioritizing legitimate claims.
4. Accelerate the issuance of personal numbers for all staff, including casuals, to enable their integration into the national automated payroll system. In the meantime, introduce interim digital records and improve payroll controls. Regular payroll audits should be conducted to enhance integrity and accuracy.