COUNTY GOVERNMENT OF GARISSA

DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

FINANCIAL YEAR 2024/2025 COUNTY BUDGET IMPLEMENTATION REPORT

AUGUST 2025

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

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FOREWORD

The preparation of the County Budget Implementation Review Report (CBIRR) for the Financial Year 2024/2025 marks an important milestone in strengthening transparency, accountability, and prudent financial management within the County Government of Garissa. This report provides a comprehensive analysis of budget performance, revenue realization, expenditure trends, and key fiscal challenges encountered during the implementation period.

During the year under review, the County operated under an approved budget of Kshs. 12.01 billion, reflecting a growth of 12 per cent from the previous financial year. The County realized total revenues amounting to Kshs. 10.67 billion, representing 89 per cent of the annual target, with notable improvement in own-source revenue driven largely by the operationalization of the Facility Improvement Financing (FIF) framework.

The County demonstrated strong commitment to service delivery, recording an overall expenditure of Kshs. 9.90 billion, translating to 98 per cent of the funds released by the Controller of Budget. Recurrent expenditure absorption remained high at 92 per cent, while development absorption stood at 67 per cent, reflecting continued efforts to prioritize ongoing projects and enhance infrastructure development.

Despite these achievements, the County continues to face notable challenges, particularly the accumulation of pending bills amounting to Kshs. 2.59 billion and delays in project completion. These challenges underscore the need for strengthened commitment control, improved cash flow planning, and strict adherence to fiscal discipline frameworks.

The County Government remains committed to implementing the recommendations outlined in this report, including enhancing revenue mobilization, reducing pending bills, automating payroll systems, and ensuring timely reporting in line with the Public Finance Management Act, 2012.

I commend the County Treasury and all departments for their dedication in ensuring the successful implementation of the budget under challenging fiscal conditions. Going forward, the County will continue to strengthen financial management systems to achieve sustainable and inclusive development.



Hon. Abass Ismail Khaar
County Executive Committee Member
Finance and Economic Planning

ACKNOWLEDGEMENT

The preparation of the County Budget Implementation Review Report for the Financial Year 2024/2025 has been a collaborative effort involving various departments, agencies, and stakeholders within the County Government of Garissa.

I wish to express my sincere appreciation to the County Executive Committee Member for Finance, Hon. Abass Ismail Khaar, for his strategic leadership and guidance throughout the budget implementation process. Special recognition is extended to the technical team from the Directorate of Budget and Economic Planning, led by **Director Budget Mr. Ahmed Yussuf** and **Director Economic Planning Mr. Mohamed Guliye**, whose dedication and technical expertise were instrumental in compiling this report.

I also acknowledge the invaluable contribution of the Finance team, led by the Head of Treasury, **Mr. Abdi Ali Nuriye**, and **Mr. Mohamud Osman**, for their commitment in providing accurate financial data, analysis, and ensuring consistency with statutory reporting requirements.

Further appreciation goes to all County departments, fund administrators, and institutions for their cooperation in providing the necessary information and documentation that informed this report.

The successful preparation of this report reflects the County's commitment to transparency, accountability, and continuous improvement in public financial management. It is my expectation that the insights and recommendations contained herein will guide policy decisions and enhance budget execution in subsequent financial years.



Hafsa Mohamud Abdulla
Chief Officer – Economic Planning, Budget & Statistics
Garissa County

Overview of FY 2024/25 Budget

The Garissa County Approved Supplementary I Budget for FY 2024/25 was Kshs.12.01 billion. It comprised Kshs.4.66 billion (39 per cent) and Kshs.7.34 billion (61 percent) allocation for development and recurrent programmes, respectively. The budget estimates represented an increase of Ksh.1.31 billion (12 per cent) from the FY 2023/24 budget, which comprised a development budget of Kshs.4.31 billion and a recurrent budget of Kshs.6.39 billion. The increase in the budget was primarily attributed to several factors: the rise in Equitable Share from Kshs.8.25 billion to Kshs.8.29 billion, the increase in OSR from Kshs.230 million to Kshs.400 million, the increase in Conditional Grants from Kshs.1.48 billion to Kshs.1.59 billion, and the increase in carry forward for two months from Kshs.0.63 billion to Kshs.1.48 billion.

The budget was to be financed from various revenue sources, including the equitable share of revenue raised nation-ally, amounting to Kshs.8.29 billion (69 per cent), a cash balance of Kshs.1.83 billion (15 per cent) from FY 2023/24, and Kshs.400 million (3 per cent) generated as own-source revenue. The own-source revenue comprised Kshs.160 million (1 per cent) deposited into the CRF and Kshs.240 million (2 per cent) as Appropriations-in-Aid (A-I-A) spent at source as the Facility Improvement Financing (revenue from health facilities). A breakdown of the addition-al allocations is shown in Table 1.

Revenue Performance

The County received Kshs.10.67 billion in revenues in the review period to fund its development and recurrent activities. This amount represented an increase of 17 per cent compared to the amount received in FY 2023/24 of Kshs.9.16 billion. The total revenue consisted of Kshs.8.28 billion from the equitable share of revenue raised nationally. Other revenue streams included additional allocations from the national government and development partners, amounting to Kshs.432.14 million, as well as own-source revenue (OSR) collection of Kshs.478.45 million. Additionally, the County had a cash balance of Kshs.1.48 billion from FY 2023/24.

The total OSR collection of Kshs.478.87 million included Facilities Improvement Financing (FIF) of Kshs.384.15 million, and Kshs.94.72 million from other OSR sources. Table 1 summarises the total revenue available to the County Government during FY 2024/25.

Table 1: Garissa County, Revenue Performance in FY 2024/25

S/No	Revenue Category	Budget Allocation (Kshs)	Actual Receipts (Kshs.)	Actual Receipts as Percentage of Budget Allocation (%)
A.	**Equitable Share of Revenue Raised Nationally**	8,290,447,365	8,276,686,506	100
S/No	**Revenue Category**	**Budget Allocation (Kshs)**	**Actual Receipts (Kshs.)**	**Actual Receipts as Percentage of Budget Allocation (%)**
Sub Total		**8,290,447,365**	**8,276,686,506**	**100**
B	**Conditional Grants**			
1	Water and Sanitation Development Project (World Bank) WSDP	450,000,000	307,883,056	68

2	Kenya Urban Support Prorgam -KUSP UDG	342,462,888		-
3	Framework for the management of Food System Resilience Project – (FSRP)-IDA FOR FY 2024/2026	173,076,923	70,127,132	41
4	County Aggregation and Industrial Parks (CAIP)	105,263,158	-	-
5	Road Maintenance levy fund (RMLF)	188,410,092.97	-	-
6	Emergency locust response project, World Bank (ELRP)	142,500,000	-	-
7	Financing locally led climate action program (FLLoCA), County climate Institutional support (CCRI	137,000,000	-	-
8	Kenya Urban Support Programme -KUSP UIG	105,000,000	32,309,300	31
9	Conditional Grant Community Health Promoters (CHPs)	74,520,000		-
10	Kenya Devolution Support Program-II (KDSP II)	37,500,000	0	-
11	Basic Salary Arrears for County Government Health Workers	32,981,339	0	-
12	Financing locally led climate action program (FLLoCA), County climate Institutional support (CCIS), Grant level 1 (World Bank)	11,000,000	11,000,000	100
13	Sweden- Kenya Agricultural Business Development (KAB-DP)	10,918,919	-	-
14	DANIDA Grant-Primary health care in a devolved context	10,822,500	10,822,500	100
15	UN Fund for Population Activities (UNFPA) 10TH Country Programme for FY 2024/25	9,620,000	-	-
Sub-Total		1,831,075,820	432,141,988	24
C	**Other Sources of Revenue**			
1	Ordinary Own Source Revenue	160,000,000	94,722,928	59
2	Balance b/f from FY2023/24	1,484,282,378.90	1,484,282,378.85	100
3	Facility Improvement Fund (FIF)	240,000,000	384,147,940	160
Sub Total		**1,884,282,378.90**	**1,963,153,247**	**104**
Grand Total		**12,005,805,563.82**	**10,671,981,741**	**89**

Source: *Garissa County Treasury*

The County has governing legislation on the operation of FIF. Figure 1 shows the collection trend in own-source revenue from FY 2019/20 to FY 2024/25.

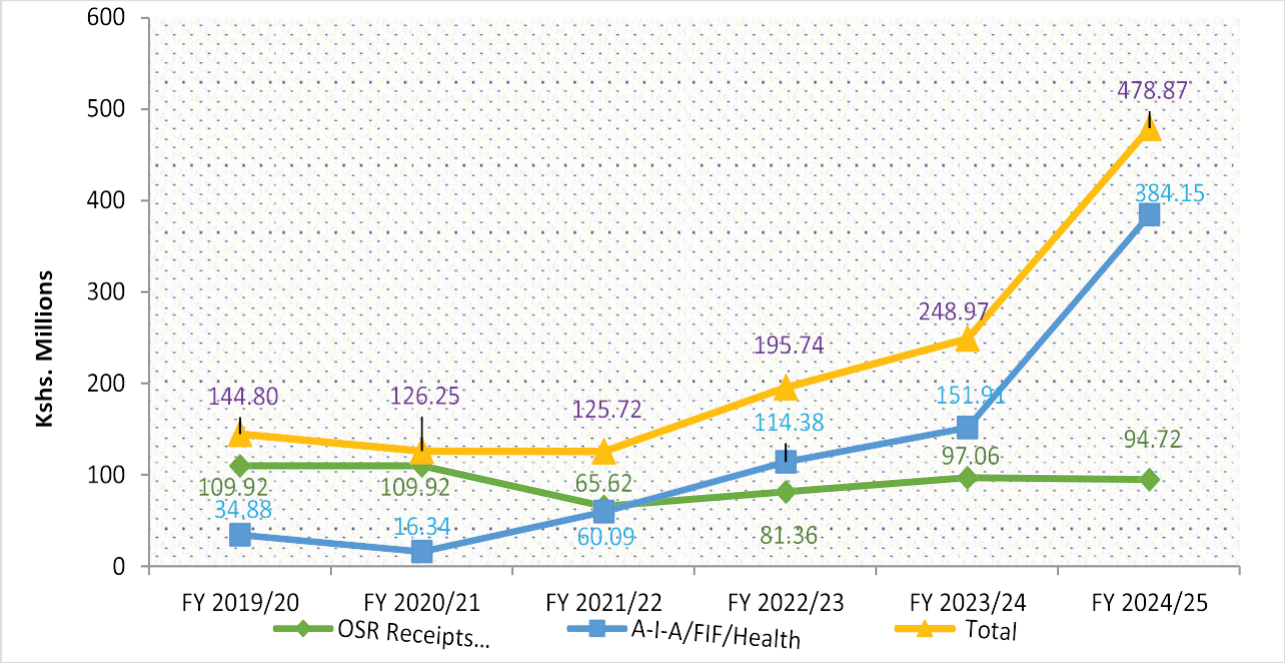


Figure 1:Garissa County Trend in Own-Source Revenue Collection from FY 2019/20 to FY 2024/25

Source: *Garissa County Treasury*

During the year, the County generated Kshs.478.87 million from its revenue sources, including FIF. This amount was an increase of 92 per cent compared to Kshs.484.97 million realised in a similar period in FY 2023/24, and was 120 per cent of the annual target and 6 per cent of the equitable revenue share disbursed. The revenue streams which contributed the highest OSR receipts are shown in Figure 26.

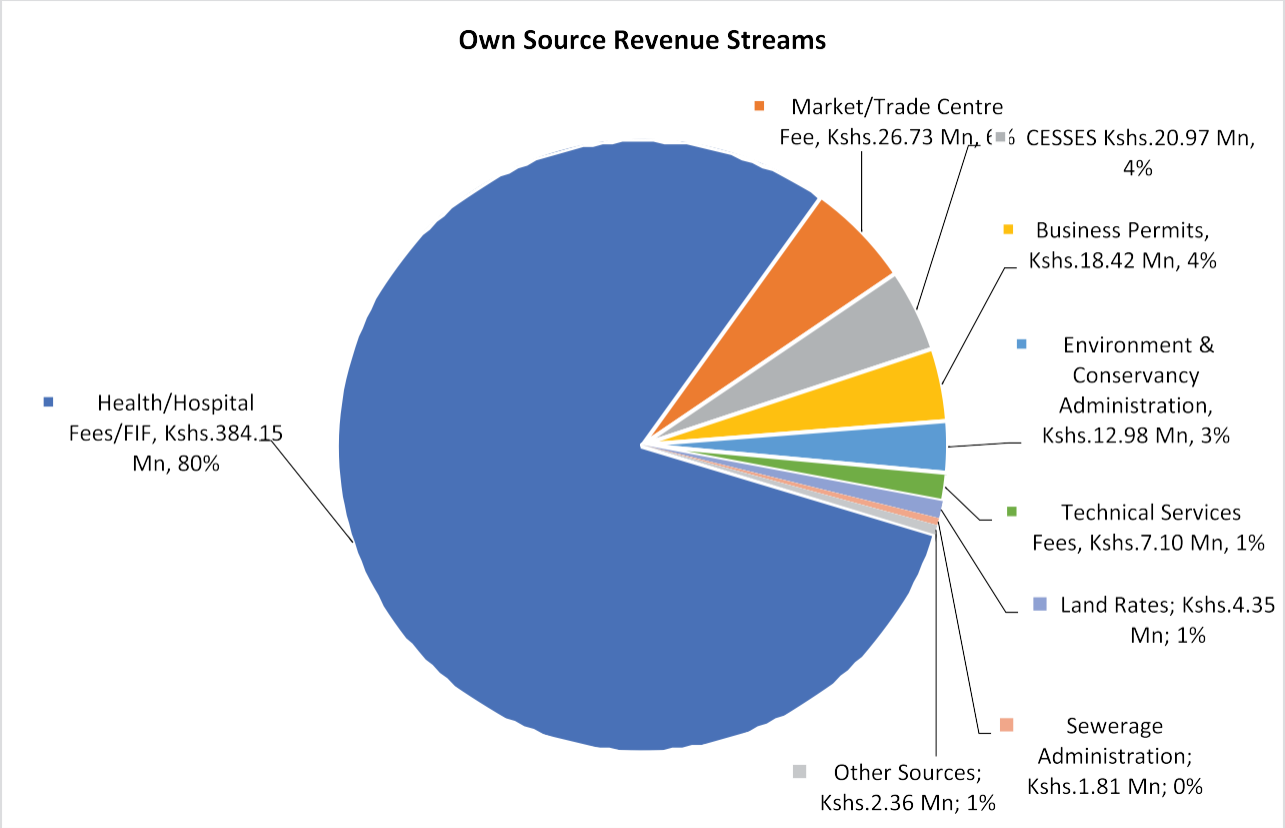


Figure 2:Garissa County Top Own Source Revenue Streams in FY 2024/25

Source: Garissa County Treasury

As shown in Figure 26, the highest revenue stream, at Kshs.384.15 million, was from Health/Hospital Fees/FIF, ac-counting for 80 per cent of the total OSR receipts. The County Government has not automated any revenue streams. The increase in OSR is attributed to the enactment of the FIF Act, and the timely supply of drugs that occasioned seamless operations in the health facilities, thus increasing revenue generation from user charges and public health fees. There has also been continuous engagement and follow-up with taxpayers. Also, recruiting adequate staff has enhanced the ability to raise more OSR.

Revenue Arrears

At the beginning of the financial year, the County had outstanding revenue arrears of Kshs.78.26 million. This amount increased to Kshs.193.52 million as of 30 June 2025, indicating that the County had reduced its arrears by Kshs.23.84 million and accumulated additional arrears of Kshs.139.10 million. Table 3.75 presents a breakdown of the County's revenue arrears.

Table 2: Garissa County Revenue Arrears as of 30 June 2025

No	Revenue Stream	Revenue Arrears as of 1 July 2024 (Kshs.)	Progress made in FY 2024/25			OSR Arrears as of 30 June 2025 (Kshs.)
			Waivers (Kshs)	Arrears paid in the financial year (Kshs)	Arrears earned in FY 2024/25 (Kshs)	
		a	b	c	d	f=a-b-c+d
B	Facility Improvement Fund (FIF)	78,260,540	576,300	23,260,590	139.096,755	193,520,405
Total		78,260,540	576,300	23,260,590	139.096,755	193,520,405

Source: Garissa *County Treasuries*

As of 30 June 2025, the revenue arrears comprised the principal amount of Kshs.193.52 million (100 per cent).

Borrowing by the County

The County government did not report any borrowing during the review period.

Exchequers Approved

The Controller of Budget approved withdrawals of Kshs.10.07 billion from the CRF account in FY 2024/25, which comprised Kshs.3.13 million (31 per cent) for development programmes and Kshs.6.94 billion (69 per cent) for re-current programmes. Analysis of the recurrent exchequers released indicates that Kshs.4.85 billion was for employee compensation and Kshs.2.09 billion for operations and maintenance expenditures.

The operations and maintenance exchequer analysis indicates that 9 per cent was for domestic travel and 1 per cent for foreign travel. The domestic travel exchequer amounted to Kshs.197.31 million and included Kshs.64.92 million for the County Executive and Kshs.132.38 million for the County Assembly. The foreign travel exchequer totalled Kshs.6.33 million, comprising only the County Assembly.

As of the closure of FY 2024/25, the County Government's cash balance in the CRF account was Kshs.798.95 million.

County Expenditure Review

The County spent Kshs.9.90 billion on development and recurrent programmes in the reporting period. This expen-diture represented 98 per cent of the total funds released by the CoB. It comprised Kshs.3.13 billion for development programmes and Kshs.6.77 billion for recurrent programmes. Expenditure on development programmes represent-ed an absorption rate of 67 per cent, while recurrent expenditure represented 92 per cent of the annual recurrent expenditure budget.

Settlement of Pending Bills

As of 30 June 2025, the County reported pending bills totalling Kshs.2.59 billion. This amount included Kshs.2.42 billion from the County Executive and Kshs.161.26 million from the County Assembly. The pending bills from the County Executive consisted of Kshs.747.21 million for recurrent expenditures and Kshs.1.68 million for develop-ment expenditures.

During the year, the County Executive settled pending bills amounting to Kshs.1.23 billion, comprising Kshs.127.00 million (9 per cent) for recurrent programmes and Kshs.1.12 billion (91 per cent) for

development programmes. On the other hand, the County Assembly settled pending bills worth Kshs.113.20 million, which included Kshs.54.82 million (48 per cent) for recurrent activities and Kshs.58.38 million (52 per cent) for development activities. Table 3.76 provides additional details of pending bills.

Table 3: Garissa County Pending Bills as of 30 June 2025

	Pending Bills as of 1 July 2024 (Kshs.)	Settled Pending Bills in FY 2024/25 (Kshs.)	Pending bills incurred in FY 2024/25 (Kshs.)	Outstanding pending bills as of 30 June 2025 (Kshs. Mn)
County Executive				
Recurrent	691,844,913	127,186,771	161,361,117	726,019,259
Development	1,998,306,899	1,124,181,650	803,315,313	1,677,440,562
Total	**2,690,151,812**	**1,230,181,650**	**964,676,430**	**2,403,459,821**
County Assembly				
Recurrent	70,722,376	58,379,576	103,920,039	116,262,839
Development	62,187,682	54,821,460	37,635,112	45,001,334
Total	**132,910,058**	**113,201,036**	**141,555,151**	**161,264,173**

Source: *Garissa County Treasury*

Table 4 presents the aging of the total outstanding bills as of 30 June 2025, which was Kshs. 2.59 billion.

Table 4:Garissa County Pending Bill Ageing Analysis as of 30 June 2025

Category	Ageing analysis (Amount in Kshs.)				Total
	Under one year	1-2 years	2-3 years	Over 3 years	
Development Pending Bills	803,315,313	352,000,000	238,000,000	284,125,249	**1,677,440,562**
Recurrent Pending Bills (Goods & Services)	161,361,117		72,621,067	492,037,075	**726,019,259**
Recurrent Pending Bills (Salary Arrears and Statutory Deductions)				-	-
Recurrent Pending Bills (Staff Claims)					-
Total Recurrent Pending Bills	161,361,117	-	72,621,067	492,037,075	**726,019,259**
Total Pending Bills	**964,676,430**	**352,000,000**	**310,621,067**	**776,162,324**	**2,403,459,821**

Source: *Garissa County Treasury*

The difference in the reported payments for recurrent pending bills between the OCOB report and the County Budget Implementation Report amounts to Kshs. 21,186,771.This variance is attributable to timing differences arising from the financial year-end cut-off and the settlement window provided by the Central Bank of Kenya.As at 30 June, some payments had already been processed and committed in the County's financial system but had not yet been presented or cleared through the banking system. These amounted to Kshs. 106,000,000, which were treated as unpresented payments at year-end. However, these payments were subsequently effected within the first week of July, during the CBK post–year-end settlement window.

The County Budget Implementation Report therefore reflects total actual payments of Kshs. 127,186,771, while the OCOB report captures only the payments recognized strictly at the 30 June cut-off point. The resulting difference of Kshs. 21,186,771 represents payments recognized in one

report but falling within the timing adjustment window in the other.

In summary, the variance is a normal cut-off difference caused by unpresented payments and early July settlements, rather than any inconsistency or misstatement in the financial records. The County's pending bills as of 30 June 2025 show that 31 per cent of the pending bills are over 3 years, 12 per cent aged between 2 and 3 years, 14 per cent aged between 1 and 2 years, while 43 per cent of the pending bills were of under one year. The County treasury is expected to pay the pending bills based on the FIFO basis and ensure compliance with the Pending Bills Action Plan. However, Salary Arrears and pending Statutory Deductions are exceptions and should be prioritized for payment.

Expenditure by Economic Classification

The County Executive incurred Kshs.3.95 billion for compensation of employees, Kshs.1.95 billion for operations and maintenance, and Kshs.2.97 billion for development activities. Similarly, the County Assembly spent Kshs.603.27 million on compensation of employees, Kshs.269.70 million on operations and maintenance, and Kshs.155.36 mil-lion on development activities, as shown in Table 5.

Table 5:Garissa County Summary of Budget and Expenditure by Economic Classification

Expenditure Classification	Revised Budget (Kshs.)		Expenditure (Kshs.)		Absorption (%)	
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly
Total Recurrent Expenditure	**6,368,497,045**	**975,235,453**	**5,901,271,588**	**872,968,372**	93	90
Compensation of Employees	4,317,196,227	643,700,000	3,947,199,797	603,273,057	91	94
Operations and Maintenance	2,051,300,818	331,535,453	1,954,071,791	269,695,315	95	81
Development Expenditure	4,469,073,066	193,000,000	2,974,845,851	155,364,908	67	80
Total	**10,837,570,111**	**1,168,235,453**	**8,876,117,439**	**1,028,333,280**	82	88

***Source**: Garissa County Treasury*

Expenditure on Compensation of Employees

During the period under review, the expenditure on employee compensation totalled Kshs.4.55 billion. Therefore, the percentage of compensation of employees to revenue was 43 per cent. This expenditure on employee compen-sation shows an increase compared to the Kshs.4.03 billion reported in FY 2023/24. Of this total, Kshs.2.09 billion related to the Health Sector employees, which accounted for 46 per cent of the overall employees' compensation. The increase in compensation to employees was due to several factors: annual increment payment adjustments, the recruitment of 30 new chief officers, the recruitment of 200 ECD teachers, and the impact of the Universal Health Care programme (UHC), which now fully compensates volunteers whom the national government previously com-pensated.

Figure 3 shows the compensation trend of employees' expenditures as a percentage of total revenue received from FY 2019/20 to FY 2024/25.

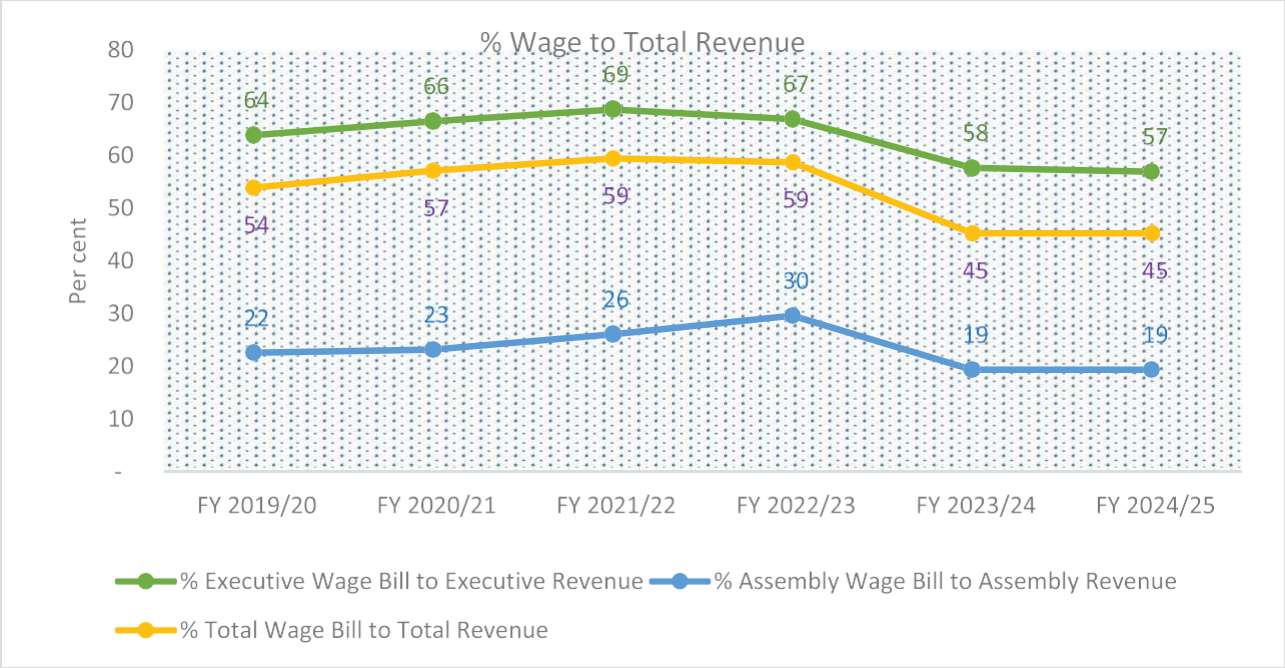


Figure 3:Percentage of Employee Compensation to Total Revenue Received from FY 2019/20 to FY 2024/25

Source: *Garissa County Treasury*

Further analysis revealed that PE costs totalling Kshs.4.08 billion were processed through the Human Resource In-formation System (HRIS), while Kshs.470.07 million was processed through manual payroll, which accounted for 10 per cent of the total PE cost.

The manual payroll comprised salaries for 733 staff not onboarded into the Human Resource Information System (HRIS), salaries for 481 casuals, top-up allowance for security personnel, gratuity remittances to pension schemes for staff on contract, and LAPTRUST/LAPFUND Pension Contributions, as shown in Table 6.

Table 6: Breakdown of Garissa County Manual Payroll

S/No.	Description of Manual Payroll	Amount Kshs.
1	Salaries for staff yet to be onboarded into HRIS	315,210,625.3
2	Salaries for casual staff	131,364,000.0
3	Top-up Allowances for Security Officers	18,666,859.0
4	LAPTRUST/LAPFUND Pension Contributions	4,832,000.0
Total		**470,073,484**

Source*: Garissa County Treasury*

The County Assembly spent Kshs.20.40 million on committee sitting allowances for the 48 MCAs including the Speaker against the annual budget allocation of Kshs.22.97 million. The average monthly sitting allowance was Kshs.35,415.88 per MCA. The County Assembly has 19 House Committees.

County-Established Funds

Section 116 of the PFM Act 2012 allows County Governments to establish other public funds, subject to approval from the County Executive Committee and the County Assembly. The County allocated Kshs.110 million to County-Established funds in FY 2024/25, or 0.9 per cent of the County's overall budget. Further, the County allocated Kshs.40 million to the Emergency Fund (0.3 per cent of the total budget) in line with Section 110 of the PFM Act, 2012. Table 3.80 summarises each established Fund's budget allocation and performance during the reporting period.

Table 7: Performance of Garissa County Established Funds in FY 2024/25

S/No.	Name of the Fund	Year Established	Approved Budget Allocation in FY 2024/25 (Kshs.)	Exchequer Issues in FY 2024/25 (Kshs.)	Actual Expenditure in FY 2024/25 (Kshs.)	Cumulative disbursements to the Fund (Kshs)	Submission of Financial Statements (Yes/No.)
		County Executive Established Funds					
1.	Disaster Management Fund/ Emergency	2014	40,000,000	39,969,431	39,969,431	724, 969,431	No
2.	Bursary Fund	2014	50,000,000	50,000,000	50,000,000	625,000,000	No
3.	Micro and Small Enterprises Development Revolving Fund	2015	20,000,000	0	0	40,000,000	No
Total			**110,000,000**	**89,969,431**	**89,969,431**	**1,409,969,431**	

Source: *Garissa County Treasury*

During the reporting period, the CoB received quarterly financial reports from all Fund Administrators, although they had submitted earlier during the requisition period, as indicated in Table 3.80. This contradicts the requirement of Section 168 of the PFM Act, 2012. The County had disclosed their administration costs of the Funds, which were within the 3 per cent limit of the Fund budget set in Regulation 197(1)(d) of the Public Finance Management (Coun-ty Governments) Regulations, 2015.

Regulation 197(1)(i) of the Public Finance Management (County Governments) Regulations, 2015, allows County Governments to establish public funds with a lifespan capped at 10 years unless extended by the County Assembly. In FY 2024/25, the CoB established that no regulations establishing a fund had lapsed.

County Corporations

The County has one County Corporation, which was allocated Kshs.98 million in FY 2024/25. Their total annual expenditure amounted to Kshs.98 million, as shown in Table 8.

Table 8: Performance of Garissa County Corporations in FY 2024/25

S/No.	Name of the Corporation	Approved Budget Allocation in FY 2024/25 (Kshs.)	Exchequer Issues in FY 2024/25 (Kshs.)	Actual Expenditure in FY 2024/25 (Kshs.)	Cumulative Exchequer Issues to the Corporation since its inception (Kshs.)
1	Garissa Water and Sewerage Company	98,000,000	98,000,000	98,000,000	345,000,000
	Municipalities				
2	Garissa Municipality	24,000,000	20,000,000	20,000,000	48,000,000
3	Dadaab Municipality	6,000,000	4,500,000	4,500,000	10,000,000
4	Modogashe Municipality	6,000,000	4,500,000	4,500,000	10,000,000
5	Bura Municipality	6,000,000	4,500,000	4,500,000	10,000,000
6	Masalani Municipality	6,000,000	4,500,000	4,500,000	10,000,000
	Municipality Total	**48,000,000**	**38,000,000**	**38,000,000**	**88,000,000**
Total		**146,000,000**	**136,000,000**	**136,000,000**	**433,000,000**

Source: *Garissa County Treasury*

Expenditure on Operations and Maintenance

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

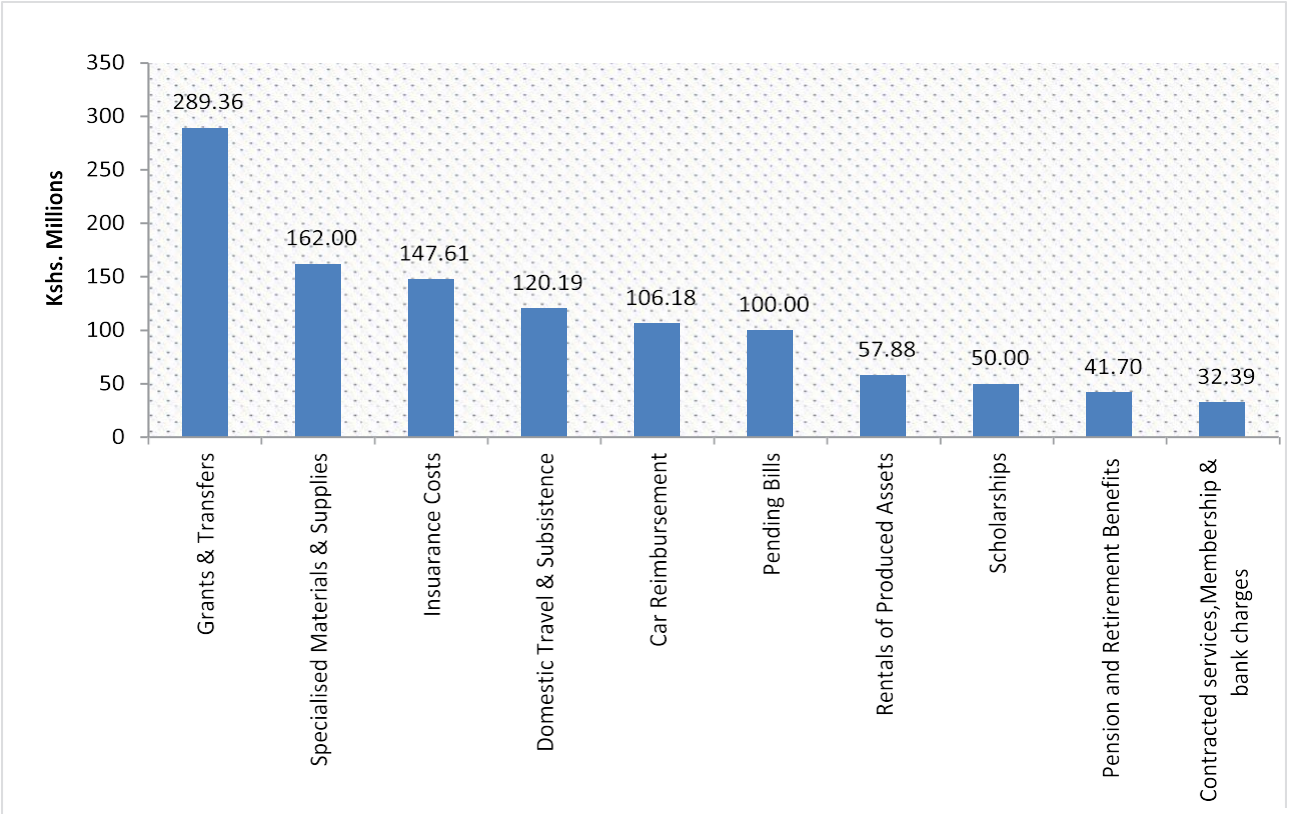


Figure 4: Garissa County, Operations and Maintenance Expenditure by Major Categories

Source: *Garissa County Treasury*

Expenditure on domestic travel amounted to Kshs.197.31 million and comprised Kshs.132.38 million spent by the County Assembly and Kshs.64.92 million by the County Executive. Expenditure on foreign travel amounted to Kshs.6.33 million and comprised Kshs.6.33 million by the County Assembly only. Expenditure on foreign travel is summarised in Table 9.

Table 9: Summary of Expenditure on Foreign Travel in FY 2024/25

Arm of County Government	Number of Officers Travelled	Date travelled	Purpose of the travel	Destination	Total Costs of the Travel (Kshs.)
County Executive	3	25th to 28th August 2024	To attend the 8th International Conference on Social Science, Humanities and Education	Britain	1,982,484
County Executive	5	23rd September - 4th October 2024	Attend a training by ESAMI on the role of the Legislature in influencing Government policy.	Dubai UAE	3,753,611

Source: *Garissa County Treasury*

Other types of expenditure under the operations and maintenance costs include Kshs.35.70 million on contracted Professional Services and Kshs.38.68 million related to legal fees, dues, arbitration, and compensation payments.

Facility Improvement Financing

In FY 2024/25, the County reported collections of Kshs.384.15 million as FIF, which was 160 per cent of the annual target of Kshs.240 million. The collected amount was retained and utilised at source in line with the Facility Improve-ment Financing Act, 2023. The County has developed regulations to operationalise the FIF Act of 2023.

Health facilities were owed Kshs.139.10 million in the reporting period across the two schemes, namely the Social Health Insurance Fund (SHIF). They had nil outstanding debts from the defunct National Health Insurance Fund (NHIF). A breakdown of the claims is presented in Table 10.

Table 10: Garissa County Health Facilities FIF Performance in FY2024/25

S/No	Level of Health Facility and number of facilities	SHIF (Kshs.)			NHIF (Kshs.)
		Approved Claims	Claims Paid	Balance	Pending Debt
1	Sixty-eight Level 2 & 3 Hospitals	32,800,270	7,939,486.95	24,860,783.05	0
2	Seven Level 4 Hospitals	68,858,983	35,391,921.60	33,467,061.40	
3	One Level 5 Hospital	177,965,620	97,196,709.00	80,768,911.00	
Total		279,624,873	140,528,117.55	139,096,755.45	

Source: *Garissa County Treasury*

In FY 2024/25, health facilities recorded approved claims from the Social Health Authority (SHA) later on was called Social Health Insurance Fund (SHIF) amounting to Kshs.279.62 million. Of this, only Kshs.140.53 million was dis-bursed, occasioning a pending balance of Kshs.139.10 million. Further, the health facilities did not owe the defunct National Health Insurance Fund (NHIF).

The expenditure by the health facilities amounted to Kshs.277.25 million, as shown in Table 11.

Table 11: Garissa County Health Facilities Expenditure Performance in FY 2024/25

No.	Level of Health Facility and number of facilities	Approved Budget for the Facilities (Kshs.)	Actual Expenditure of the Facilities (Kshs.)	Absorption rate (%)
1.	Sixty-eight Level 2 & 3 Hospitals	32,800,270.00	36,736,302.40	112
2.	Seven Level 4 Hospitals	68,858,983.00	66,104,623.68	96
3.	One Level 5 Hospital	177,965,620.00	174,406,307.60	98
	Total	**279,624,873.00**	**277,247,233.68**	**99**

Source: *Garissa County Treasury*

Development Expenditure

In the review period, the County reported spending Kshs. 3.13 billion on development programs, representing an increase of 62 percent compared to FY 2023/24, when the County spent Kshs. 1.93 billion. Table 12 summarises the development projects with the highest expenditure in the reporting period.

The increase in development expenditure was attributed to the County prioritizing ongoing/carry-forward projects from FY 2023/24.

Table 12:Garissa County, List of Development Projects with the Highest Expenditure

S/No.	Sector	Project Name	Project Location	Expected Completion Date	Contract sum (Kshs)	Amount paid in FY 2024/25 (Kshs.)	Cumulative Expenditure as of 30 June 2025	Imple-mentation status (%)
1	Water, En-vironment and Natural	Proposed rehabilita-tion of the Masalani water Project	Masalani	Completed	38,808,000	7,500,000	35500000	100%
2	Water, En-vironment and Natural	Proposed construction of Madina water pan 25,000 m^3	Lagdera Sub-Coun-ty Garissa County	Completed	11,780,270	2400000	2400000	100
3	Roads, Transport and Public Works	Proposed construction of stadium and pavilion	Township	20-12-2025	187,800,000	36971184	36971184	20
S/No.	**Sector**	**Project Name**	**Project Location**	**Expected Completion Date**	**Contract sum (Kshs)**	**Amount paid in FY 2024/25 (Kshs.)**	**Cumulative Expenditure as of 30 June 2025**	**Imple-mentation status (%)**
4	Roads, Transport & Public Works	Proposed construction of the termi-nal building at Garissa airstrip	Township	15-11-2025		41,700,000	41,700,000	40

5	Roads, Transport and Public Works	Proposed upgrading to the bitumen standard of Bulla Madina-Burburis road	Township	10-10-2025	93,060,017	9,306,017	9,306,017	10
6	Water, Environment and Natural Resources	Proposed Qone-Modogashe pipeline project	Lagdera	completed	457,911,266	90,000,000	387,675,890	100
7	Trade, Tourism, Investment and Industrialisation	County Aggregated Industrial Park	Township	12-12-2025	490,600,000	1260,000,000	380,000,000	80
8	Health and Sanitation	Proposed Construction of Mother and Child Hospital,	Township	05-02-2026	663,678,404	161,0000000	221,000,000	40
9	County Assembly	Purchase, installation and commissioning of a Hansard system	County Assembly	30TH JULY 2025	26,929,226	26,929,225	26,929,225	100%
10	County Assembly	Proposed Construction of Chambers at the County Assembly offices	Garissa Township	30TH JUNE 2025	51,811,724	20,000,000	45,941,032.30	90

Source: *Garissa County Treasury*

The County reported four stalled development projects as of 30 June 2025, with an estimated value of Kshs.244.88 million, of which Kshs.38.65 has already been paid. The stalled projects are shown in Table 13.

Table 13: County Stalled Projects as of 30 June 2025

Project Name	Project Location	Estimated Value of the Project (Kshs.)	Amount Paid on the stalled project	Outstanding Balance as of 30 June 2025	Percentage of Completion Before Stalling of the Project	Reason for Project Stalling
Construction of Health Headquarters	Township	46,563,339.60	38,652,052	7,911,287.6	90	Lack of concurrence on variation
Construction of a dispensary block at Gedilun Sangailu	ijara	5,673,942	-	5,673,942	30	The Contractor deserted the site

Project Name	Project Location	Estimated Value of the Project (Kshs.)	Amount Paid on the stalled project	Outstanding Balance as of 30 June 2025	Percentage of Completion Before Stalling of the Project	Reason for Project Stalling
Construction and Equipping of Cancer Centre	Township	222,289,475	-	222,289,475	5	The Contractor deserted the site
Construction of Maternity at Bura	Township	9,013,440	-	9,013,440	20	The Contractor deserted the site
Total		**283,540,196.60**	**38,652,052**	**244,888,144.60**		

Source: Garissa County Treasuries

Budget Performance by Department

Table 14 summarises the approved budget allocation, expenditure and absorption rate by departments in the period under review.

Table 14: Garissa County, Budget Allocation and Absorption Rate by Department

Department	Revised Budget Allocation (Kshs.Millions)		Exchequer Issues (Kshs. Millions)		Expenditure (Kshs.Millions)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock and Pastoral	150.66	444.10	148.63	130.92	138.60	130.92	93	100	92	29
Culture, Gender, Youth and Sports	68.26	102.00	63.86	99.77	62.77	99.77	98	100	92	98
Roads, Transport and Public Works	84.82	618.61	77.02	364.91	77.02	364.91	100	100	91	59
Education, Information and ICT	413.51	106.80	413.40	10.39	403.58	10.39	98	100	98	10
Lands, Physical Planning and Urban Development	438.93	396.86	420.25	45.92	420.25	45.92	100	100	96	12
Finance and Economic Planning	1,075.73	200.00	1,032.43	49.48	993.76	49.48	96	100	92	25
Health and Sanitation	3,116.70	457.90	2,906.43	389.22	2,906.43	389.22	100	100	93	85
Trade, Investments and Enterprise Development	95.31	449.80	87.90	312.00	87.90	312.00	100	100	92	69
Water, Environment and Natural Resources	212.29	1,663.40	211.99	1,545.30	208.89	1,545.30	99	100	98	93
County Affairs, Public Service and Intergovernmental Relations	658.53	12.60	651.28	12.00	550.42	12.00	85	100	84	95
County Public Service Board	53.74	17.00	53.74	14.93	51.66	14.93	96	100	96	88
County Assembly	975.24	193.00	872.95	155.36	872.97	155.36	100	100	90	80
Total	**7,343.73**	**4,662.07**	**6,939.88**	**3,130.21**	**6,774.24**	**3,130.21**	98	100	92	67

Source*: Garissa County Treasury*

Analysis of expenditure by departments shows that the Department of Culture, Gender, Youth and

Sports recorded the highest absorption rate of development budget at 98 per cent, followed by the Department of County Affairs, Public Service and Intergovernmental Relations at 95 per cent. The Department of Water, Environment and Natural Resources had the highest percentage of recurrent expenditure to budget at 98 per cent, while the Department of County Affairs, Public Service and Intergovernmental Relations had the lowest at 84 per cent.

Key Observations and Recommendations

The County should implement the following recommendations to improve budget execution:

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.