COUNTY GOVERNMENT OF GARISSA

FINACIAL YEAR 2023/2024 HALF YEAR BUDGET IMPLEMENTATION REPORT

JANUARY 2024

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1.0. Half Year 2023/2024 budget performance

1.1. Budget overview FY 2023/24

The County has approved a budget of Kshs. 10.36 billion for the fiscal year 2023/24. This budget is Comprising into two main categories: development programs and recurrent programs. Specifically, Kshs. 3.73 billion, or 36.0 percent of the total budget, is allocated for development programs, while Kshs. 6.63 billion, accounting for 64.0 percent, is earmarked for recurrent programs. This distribution reflects a slight decrease from the previous financial year's first supplementary budget, which was Kshs. 10.39 billion. Last year's budget allocated Kshs. 3.87 billion (37.3 percent) to development expenditure and Kshs. 6.52 billion (62.7 percent) to recurrent expenditure.

The funding of the FY 2023/24 budget is sourced from several streams. The County expects to receive Kshs. 8.25 billion, which constitutes 79.6 percent of the budget, as the equitable share of revenue raised nationally. Additionally, the County anticipates Kshs. 1.24 billion (12.0 percent) from additional allocations and conditional grants. To supplement these funds, a cash balance of Kshs. 634.18 million (6.1 percent) carried forward from FY 2022/23 will be utilized. Furthermore, the County own-source revenue to generate Kshs. 230.00 million (2.2 percent) as gross own-source revenue. This own-source revenue comprises Kshs. 91.00 million (0.9 percent) from the Facility Improvement Fund, which includes revenue from health facilities, and Kshs. 139.00 million (1.3 percent) from ordinary own-source revenue.

This fiscal plan underscores the County's focus on balancing development and operational needs while relying on both national allocations and internally generated revenue. The decrease in the development allocation from the previous year highlights a strategic shift towards managing recurrent expenses more effectively. The expected equitable share of Kshs. 8.25 billion is pivotal for funding the majority of the County's programs, emphasizing the importance of national revenue distribution in local government financing.

The inclusion of additional allocations and conditional grants amounting to Kshs. 1.24 billion demonstrates the County's proactive approach in securing targeted funds to support specific projects and initiatives. The carry-over of Kshs. 634.18 million from the previous fiscal year not only provides a buffer but also indicates prudent financial management and the ability to leverage unspent funds for ongoing and future projects.

The projected gross own-source revenue of Kshs. 230.00 million, though a smaller portion of the overall budget, is crucial for the County's financial autonomy. The Facility Improvement Fund's contribution of Kshs. 91.00 million signifies the value placed on health facility revenues, reflecting an investment in improving healthcare services. The ordinary own-source revenue of Kshs. 139.00 million further supplements the budget, showcasing efforts to enhance revenue collection mechanisms within the County.

Overall, the FY 2023/24 budget is structured to ensure the County's development goals are met while maintaining efficient recurrent operations. The strategic allocation of funds, coupled with diversified revenue sources, positions the County to address both immediate needs and long-term objectives. A breakdown of the additional allocations/conditional grants is provided in Table 1.1.

1.2. Revenue Performance

In the first six months of FY 2023/24, the County received Kshs. 2.72 billion from the equitable share of nationally raised revenue and Kshs. 160.02 million from additional allocations and conditional grants. The County also had a cash balance of Kshs. 634.18 million carried forward from FY 2022/23 and generated Kshs. 76.52 million as own-source revenue. This own-source revenue comprises Kshs. 45.07 million from the Facility Improvement Fund (FIF) and Kshs. 31.45 million from ordinary own-source revenue. In total, the funds available for budget implementation during this period amounted to Kshs. 3.59 billion. as shown in Table 1.1.

Table 1: Revenue Performance in the First Half of FY 2023/24

S/No.	Revenue Category	Annual Budget Allocation (Kshs)	Actual Receipts (Kshs.)	Actual Receipts as Percentage of Annual Budget Allocation (%)
A	**Equitable Share Nationally**	8,248,748,101	2,722,086,874	33
Subtotal		**8,248,748,101**	**2,722,086,874**	**33**
B	**Additional Allocations/Conditional Grants**			
1	Water and Sanitation Development Project (World Bank)	600,000,000	160,022,276	26.7
2	Emergency locust response project World Bank	169,365,353	-	-
3	De-risking, inclusion value enhancement of pastoral economies in the Horn of Africa projects (Drive project)	128,454,980	-	-
4	Kenya Climate Smart Agricultural Project (World Bank) KCSAP	90,000,000	-	-
5	DANIDA Grant (Universal Healthcare in Devolved System Program	12,820,500	-	-
	Financing locally-led climate action program (FLLoCA) County climate Institutional support (CCIS) Grant level 1 (World Bank)			
6		11,000,000	-	-
7	Sweden Agricultural Sector Development Support Program (ASDSP)II	3,047,337	-	-
8	Lease of medical equipment	124,723,404	-	-
9	Conditional Grant for aggregated Industrial parks program	100,000,000	-	-

10	Conditional Grant for Provision of Fertilizer Subsidy Program	3,965,140	-	-
11	Unconditional Allocation for mineral Royalties	844,693	-	-
Subtotal		**1,244,221,407**	**160,022,276**	**12.9**
C	**Own Source Revenue**			
12	Ordinary Own Source Revenue	139,000,000	31,450,988	22.6
13	Facility Improvement Fund (FIF)	91,000,000	45,067,403	49.5
Subtotal		**230,000,000**	**76,518,391**	**33.3**
D	**Other Sources of Revenue**			
14	Unspent balance from FY 2022/23	634,176,980	634,176,980	100
Sub Total		634,176,980	634,176,980	100
Grand Total		**10,357,146,488**	**3,592,804,521**	**34.7**

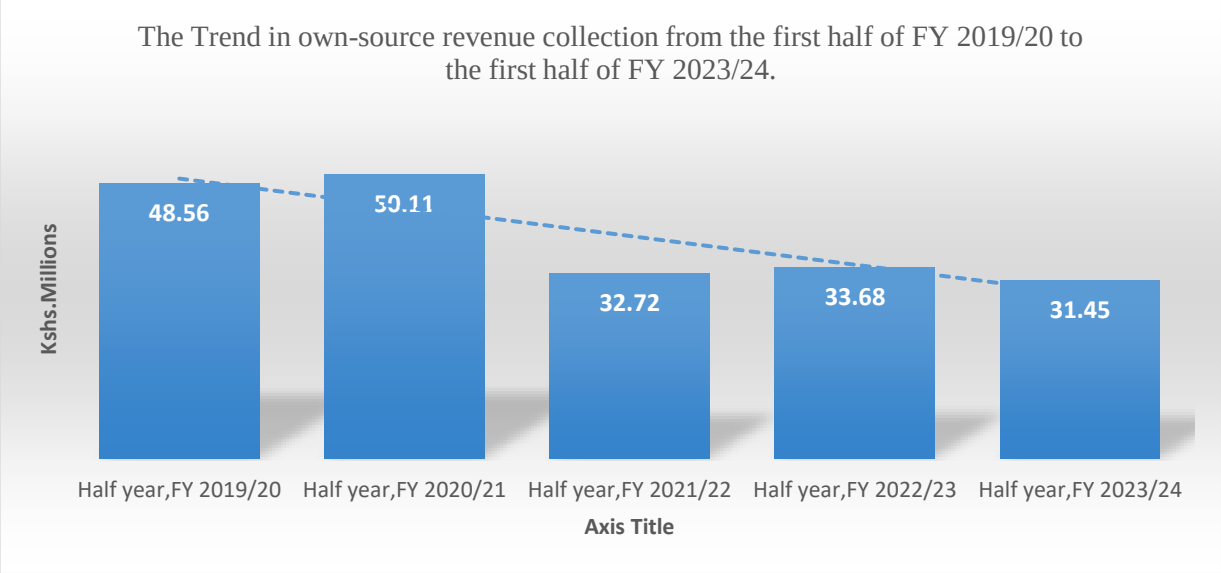

Figure 1: shows the trend in own-source revenue collection from the first half of FY 2017/18 to the first half of FY 2023/24.

In the first half of FY 2023/24, the County generated a total of Kshs. 76.52 million from its own sources of revenue. This amount includes Kshs. 45.07 million from the Facility Improvement Fund (FIF), 2.34 from Business permit, 3.57 from market/trade fees, 6.81from Natural Resource Explorations, 11.03 from Cess.

The Kshs. 76.52 million collected represents 33.3 percent of the County's annual target for own-source revenue. Furthermore, it amounts to 2.8 percent of the equitable revenue share disbursed

to the County during the same period. among the various revenue streams, the Facility Improvement Fund (FIF) was a significant contributor the highest revenue stream of Kshs.45.07 million was from Health/Hospital Fees/FIF, contributing to 59 per cent of the total own-source revenue receipts during the reporting period.

Overall, while the County has made some progress in generating its own revenue, achieving only a third of the annual target in the first half of the fiscal year indicates that there is still substantial ground to cover to meet financial goals. An in-depth review of all revenue streams and enhanced strategies for revenue collection might be necessary to improve performance in the second half of the fiscal year.

1.3. ***Exchequer Issues***.

1.3.1. Approval of Withdrawals:

The Controller of Budget, an official responsible for overseeing government spending, approved a total withdrawal of Kshs.3.60 billion from the CRF account during a specific reporting period.

The CRF (County Revenue Fund) account is where the county's money is held before being allocated for various expenses.

1.3.2. Allocation of Funds:

The total withdrawal of Kshs.3.60 billion was split into two main categories:

Development Programmes: These are projects aimed at long-term growth and infrastructure improvements. Kshs.825.92 million was allocated to this category, representing 23.0% of the total funds.

Recurrent Programmes: These are ongoing operational expenses necessary for day-to-day functioning. Kshs.2.77 billion was allocated to this category, accounting for 77.0% of the total funds.

1.3.3. Breakdown of Recurrent Expenses:

Employee Compensation: Out of the recurrent expenses, Kshs.1.95 billion was spent on salaries and other benefits for employees.

Operations and Maintenance: Another Kshs.816.71 million was used for costs related to the upkeep and functioning of county operations, such as utilities, repairs, and other regular expenses.

1.3.4. Cash Balance:

After all the withdrawals and expenditures in the first half of FY 2023/24, the remaining cash balance in the CRF account was Kshs.229.80 million. This amount reflects the funds still available for future use or emergencies.

1.4. County Expenditure Review

1.4.1. Total County Expenditure:

The County spent a total of Kshs.3.4 billion during the reporting period. This total includes expenses for both development and recurrent programmes.

This amount reflects 94.6% of the funds that the Controller of Budget (CoB) had approved for release.

1.4.2. Allocation of Expenditure:

The Kshs.3.4 billion expenditures was divided as follows:

Development Programmes: Kshs.804.73 million was allocated to development projects, which are aimed at enhancing infrastructure and long-term growth.

Recurrent Programmes: Kshs.2.6 billion was spent on ongoing operational expenses required for the regular functioning of the county, such as salaries, utilities, and maintenance.

1.4.3. Absorption Rates:

Development Programmes: The spending of Kshs.804.73 million on development programmes indicates an absorption rate of 21.6%. This means that only 21.6% of the funds allocated for development projects for the entire fiscal year were utilized in the reporting period.

Recurrent Programmes: The expenditure of Kshs.2.6 billion on recurrent programmes corresponds to 39.2% of the total annual budget for these expenses. This shows that a significant portion of the budget allocated for the year's operational costs was already used within the reporting period.

1.5.Payment of Pending Bills

1.5.1. County Executive Pending Bills:

At the beginning of the fiscal year 2023/24, the County Executive reported a total of Kshs.910.28 million in unpaid pending bills.

Recurrent Expenditure: Kshs.152.03 million was related to recurring operational expenses.

Development Activities: Kshs.758.25 million was related to development projects.

In the first half of the fiscal year, the County Executive managed to settle Kshs.304 million of these pending bills.

Recurrent Expenditure: Kshs.100 million was paid towards recurring expenses.

Development Programmes: Kshs.204 million was paid for development projects.

The outstanding Balance: By 31st December 2023, the remaining unpaid bills for the County Executive totaled Kshs.606.28 million.

1.5.2. County Assembly Pending Bills:

The County Assembly started FY 2023/24 with Kshs.83.38 million in pending bills.

Recurrent Expenditure: Kshs.34.91 million was related to operational expenses.

Development Activities: Kshs.48.47 million was for development projects.

During the first half of the fiscal year, the County Assembly settled Kshs.26.35 million of the pending bills.

Recurrent Expenditure: Kshs.11.85 million was paid towards operational expenses.

Development Programmes: Kshs.14.50 million was paid for development projects.

Outstanding Balance: As of 31st December 2023, the remaining unpaid bills for the County Assembly were Kshs.57.04 million.

This explanation provides a clear overview of the initial pending bills, the amounts settled during the first half of the fiscal year, and the remaining unpaid bills for both the County Executive and the County Assembly as of the end of December 2023.

1.6.Analysis of Expenditure by Economic Classification

The County's expenditure was categorized into three main economic classifications: employee compensation, operations and maintenance, and development activities. The analysis covers both the County Executive and the County Assembly. As shown Table 1.2.

1.6.1. County Executive Expenditure:

Employee Compensation: The County Executive allocated Kshs.1.84 billion towards employee salaries and benefits. This category covers the remuneration for all county staff.

Operations and Maintenance: An amount of Kshs.388.62 million was spent on operations and maintenance. This includes expenses related to the day-to-day functioning of the county, such as utilities, repairs, and general upkeep.

Development Activities: Kshs.790.25 million was dedicated to development projects. These funds were used for infrastructure improvements and other long-term investment projects aimed at enhancing the county's growth and development.

1.6.2. County Assembly Expenditure:

Employee Compensation: The County Assembly spent Kshs.226.75 million on employee salaries and benefits, ensuring that legislative staff were adequately compensated.

Operations and Maintenance: Kshs.143.12 million was expended on the operations and maintenance of the County Assembly. This includes costs for the daily functioning and upkeep of legislative facilities and resources.

Development Activities: A smaller portion, Kshs.14.5 million, was spent on development activities by the County Assembly. These funds were allocated to projects aimed at improving the infrastructure and facilities within the legislative sector.

Table 2: Analysis of Expenditure by Economic Classification

Expenditure Classification	Budget (Kshs.)		Expenditure (Kshs.)		Absorption (%)	
	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly
Total Recurrent Expenditure	**5,701,325,141**	**928,822,377**	**2,226,504,798**	**369,871,868**	**39.1**	**39.8**
Compensation to Employees	3,716,570,004	520,000,000	1,837,879,886	226,750,775	49.5	43.6
Operations and Maintenance	1,984,755,137	408,822,377	388,624,912	143,121,093	19.6	35.0
Development Expenditure	**3,573,998,969**	**153,000,000**	**790,246,661**	**14,500,000**	**22.1**	**9.5**
Total	**9,275,324,111**	**1,081,822,377**	**3,016,751,459**	**384,371,868**	**32.5**	**35.5**

1.7.Expenditure on Employees' Compensation

1.7.1. Overall Employee Compensation for Executive

- **Total Expenditure**: In the first half of FY 2023/24, the County's total expenditure on employee compensation was Kshs.2.06 billion. This amount constituted 57.5% of the County's total available revenue Kshs.3.59 billion, highlighting the significant portion of the budget dedicated to staff wages and benefits.
- **Comparison with Previous Year**: This expenditure reflects a decrease from the Kshs.2.23 billion spent in the same period of FY 2022/23, indicating a decline wage bill.

1.7.1.1.Health Sector Employees:

- **Allocation**: Out of the total wage bill, Kshs.703.43 million was spent on employees in the health sector. This amount represented 34.1% of the total expenditure on employee compensation, underscoring the priority given to healthcare workers in the County's budget.

1.7.1.2.*Payroll Processing Systems*:

- **IPPD System**: The majority of the compensation, amounting to Kshs.1.83 billion, was processed through the Integrated Personnel and Payroll Database (IPPD) system. This system is designed to ensure accurate and efficient payroll management.
- **Manual Payrolls**: A smaller portion, Kshs.238.68 million, was handled through manual payrolls, accounting for 11.6% of the total personnel expenditure. The reliance on manual payrolls indicates areas where the County might improve efficiency and reduce the risk of errors or discrepancies.

1.7.2. County Assembly Expenditure:

- **Committee Sitting Allowances**: The County Assembly spent Kshs.12.40 million on sitting allowances for its 48 MCAs and the Speaker, within the first half of the fiscal year. This expenditure was against an annual budget of Kshs.30.83 million, showing prudent management of the allocated funds.
- **Monthly Allowances**: On average, each MCA received Kshs. 42,166 per month in sitting allowances. These allowances are provided to compensate the MCAs for their participation in the Assembly's activities.
- **Committee Structure**: The County Assembly operates with 19 established committees, which are essential for the legislative process, including reviewing policies, making recommendations, and ensuring government accountability.

The County's expenditure on employee compensation reflects a significant investment in its workforce, particularly in the health sector. The majority of payrolls are processed through the IPPD system, ensuring efficiency, although there is still a notable portion processed manually. The County Assembly's expenditure on committee sitting allowances indicates careful budget management and supports the active participation of its members in legislative duties. This detailed analysis provides a comprehensive overview of the County's financial commitment to employee compensation and operational efficiency.

1.8.Allocation to County Emergency and Established Fund

1.8.1. Legislative Framework:

- **Emergency Fund**: Section 110 of the PFM Act 2012 mandates the creation of an Emergency Fund. This fund is designed to provide financial resources for unforeseen and urgent expenditures that arise within the fiscal year.
- **Establishment of Other Funds**: Section 116 of the PFM Act 2012 empowers County governments to establish additional public funds. These funds can be set up for specific purposes, but they require the approval of both the County Executive Committee and the County Assembly to ensure transparency and accountability.

1.8.2. Allocation for FY 2023/24:

The County allocated Kshs.160 million to county-established funds during the fiscal year 2023/24.This allocation accounts for 1.5% of the County's overall budget, indicating a strategic investment in specific areas that require dedicated funding.

1.8.3. Purpose of County-Established Funds:

- **Emergency Fund**: Ensures that the County has the financial capacity to respond promptly to emergencies, such as natural disasters or unforeseen crises, without disrupting the planned budget.
- **Other Public Funds**: These funds can be targeted towards development projects, social programs, infrastructure improvements, or any other area deemed necessary by the County government. Establishing these funds allows for more focused and effective use of resources.

1.8.4. Approval Process:

- **County Executive Committee**: The Committee evaluates the need for specific funds and proposes their establishment.
- **County Assembly**: Provides legislative oversight and approval, ensuring that the establishment of new funds aligns with the County's strategic priorities and financial regulations.

1.8.5. Financial Strategy:

- **Allocation of Kshs.160 Million**: By dedicating 1.5% of the overall budget to these funds, the County demonstrates its commitment to addressing specific needs and contingencies. This allocation supports targeted interventions and enhances the County's ability to manage both planned and unforeseen expenditures effectively.

The allocation of Kshs.160 million to county-established funds for FY 2023/24 reflects a strategic approach to financial management, guided by the provisions of the PFM Act 2012. By setting aside resources for the Emergency Fund and other specialized public funds, the County ensures it can respond to emergencies and invest in priority areas. This allocation, representing 1.5% of the total budget, underscores the importance of having dedicated funds to support specific needs and enhance overall fiscal resilience.

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

S/No.	Name of the Fund	Approved Budget Allocation in FY 2032/24 (Kshs.)	Exchequer Issues (Kshs.)	Actual Expenditure (Kshs.)	Cumulative disbursements to the fund as of 31st December 2023 (Kshs)	Submission of Financial Statements as of 31st December 2023 (Yes/No.)
1.	Disaster Management Fund/Emergency	70,000,000	70,000,000	70,000,000	70,000,000	Yes
2.	Bursary Fund	50,000,000	25,000,000	25,000,000	25,000,000	Yes
3.	Micro and Small Enterprises Development Revolving Fund	40,000,000	40,000,000	40,000,000	40,000,000	No
Total		160,000,000	135,000,000	135,000,000	135,000,00	-

1.9. Expenditure on Operations and Maintenance

In the first half of FY 2023/24 the Operations and Maintenance expenditure, the County spent Kshs.50.85 million on domestic travel to covers travel expenses within the country for county officials, including transportation, accommodation, and subsistence allowances. Such travel is essential for attending meetings, conducting inspections, participating in training, and other official duties. Additionally, the County Assembly allocated Kshs.4.47 million for foreign travel costs for members of the County Assembly, including airfare, accommodation, and daily allowances. These trips are usually for attending conferences, study tours, or benchmarking exercises to gain insights and best practices from other countries.

Table 4: The Operations and Maintenance expenditure summarizes by major categories.

Name of the Fund	**Actual Expenditure (Kshs. Million)**
Domestics Travels and Substance	50.9
Grant to governments Agencies	169.5
Specialized Materials and Supplies	88
Utilities Suppliers and Services	10.1
Scholarship	25
MCA Car Reimbursement	65.5
Rental of Produced Assets	45.4
Pensions and Retirement Benefits	34.8
MCA Seating allowance	12.4
Total	502

1.10. Expenditure on Development Programmes

During the first half of FY 2023/24, the County spent Kshs.804.73 million on various development initiatives. This includes projects aimed at infrastructure improvement, community development, and other long-term investments.

For the same period in FY 2022/23, the County's expenditure on development programmes was significantly lower, at Kshs.111.68 million. This comparison highlights a substantial increase in the investment towards developmental activities in the current fiscal year.

Table 5: List of Development Projects with the Highest Expenditure

No.	Sector	Project Name	Project Location	Contract sum (Kshs)	Amount paid to date (Kshs)	Implementation status (%)
1	County Executive	One Modogashe Pipeline Project	Lagdera	438,400,586.00	62,000,000.00	80
2	County Executive	Bula Madina Bitumen	Garissa Township	97,809,866.00	97,809,866.00	100
3	County Executive	Moit Water Park	Ijara	19.782,600	19.782,600	100
4	County Executive	Proposed Construction of New Access Roads at Soko Mugdi Market Centre	Garissa Township	65,632,234.50	65,632,234.50	100
5	County Executive	Construction of Masonry Perimeter Fence	Garissa Township	41,804,474	41,804,474	100
6	County Executive	Proposed of power up- grade at County Referral Hospital	Garissa Township	13,519,800	13,519,800	100
7	County Executive	Construction of 250,000 liters of underground water storage	Garissa Township	12,214,452	12,214,452	100
8	County Executive	Proposed Borehole Development and Assorted Works at ADC	Garissa Township	29,474,594	29,474,594	100
9	County Assembly	Construction of Buildings-Construction of Additional office block extension	Assembly Headquarters	98,570,082.00	80,565,592.00	80
10	County Assembly	Proposed Construction of Chambers at the County Assembly offices	Assembly Headquarters	43,164,658.00	25,000,000.00	70%

1.11. Budget Performance by Department

Table below shows the summarizes approved budget allocation, expenditure and absorption rate by departments in the first half of FY 2023/24.

Table 6: Garissa County, Budget Allocation and Absorption Rate by Department

Department	Budget Allocation (Kshs. Million)		Exchequer Issues(Kshs. Million)		Expenditure (Kshs. Million)		Expenditure to Exchequer Issues (%)		Absorption rate (%)	
	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev	Rec	Dev
Agriculture, Livestock & Pastoral	122.40	572.82	89.35	0.00	78.50	0.00	87.9	-	64.1	-
Gender, Social Serviceand Sport	46.21	120.00	15.58	0.00	15.58	0.00	100.0	-	33.7	-
Roads, Transport & Public Works	46.07	100.00	22.50	18.68	17.50	18.68	77.8	100	38.0	18.7
Education, Information& ICT	505.21	55.00	310.26	0.00	306.76	0.00	98.9	-	60.7	-
Lands, Physical Planningand Urban Development	457.04	255.00	208.14	46.69	207.78	45.50	99.8	97.4	45.5	17.8
Finance and Economic Planning	1227.17	801.18	464.26	525.10	368.66	525.10	79.4	100	30.0	65.5
Health and Sanitation	2459.77	434.72	903.33	4.60	902.75	4.60	99.9	100	36.7	1.1
Trade, Investments Development and Tourism	70.00	245.00	46.37	40.00	36.50	20.00	78.7	50	52.1	8.2
Water, Environment and Natural Resources	210.80	990.28	114.74	176.34	114.74	176.34	100.0	100.0	54.4	17.8
County Affairs, Public Service and Intergovernmental Relations	522.57	0.00	194.10	0.00	160.66	0.00	82.8	-	30.7	-
County Public ServiceBoard	34.07	0.00	19.58	0.00	17.08	0.00	87.2	-	50.1	-

County Assembly	928.82	153.00	382.51	14.50	369.87	14.50	96.7	100	39.8	9.5
Total	**6,630.15**	**3,727.00**	**2,770.72**	**825.92**	**2,596.38**	**804.73**	**93.7**	**90.6**	**39.2**	**21.6**

An analysis of expenditure by department reveals notable differences in budget absorption rates. The Department of Finance and Economic Planning achieved the highest absorption rate of the development budget at 65.5%. This was followed by the Department of Roads, Transport & Public Works, which absorbed 18.7% of its development budget.

Regarding recurrent expenditure, the Department of Agriculture, Livestock & Pastoral had the highest percentage, utilizing 64.1% of its allocated budget. In contrast, the Department of County Affairs, Public Service, and Intergovernmental Relations recorded the lowest recurrent expenditure to budget ratio, at 30.7%.

This analysis highlights the varying efficiency and focus of different departments in managing and utilizing their allocated budgets for development and recurrent expenditures.

1.12. Budget Execution by Programmes and Sub-Programmes

The budget performance details the financial allocations, expenditures, and absorption rates for various departments programmes and sub-programmes. The report provides insights into the efficiency of budget utilization across multiple sectors.

the report highlights varying degrees of budget utilization across departments, with recurrent expenditures generally showing higher absorption rates compared to development expenditures.

Table 7: summarizes the budget execution by programmes and sub-programmes in the first half of FY 2023/24.

		Approved Estimates		Actual Expenditure		Absorption Rate (%)	
Programme	Sub-Programme	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure	Recurrent Expenditure	Development Expenditure
Department of Agriculture, Livestock & Pastoral							

Agriculture Department		68,044,597	205,000,000	39,000,000	-	57	0
	CSP 1.1 Agriculture Administration & Support Services	56,632,159	155,000,000	39,000,000		69	0
	CSP 1.2 Crop production and value chains	11,412,438		-	-	0	
	CSP 1.3 Agricultural Mechanization Services		50,000,000	-	-		0
Livestock Department		53,559,147	367,820,333	39,497,742	-	73.7	0
	CSP 2.1 Livestock Administration and Support Service	46,159,147	169,365,353	39,497,742		85.6	0
	CSP 2.2 Livestock Production	3,050,000	128,454,980			0	0
	CSP 2.3 Livestock Value Chains Devel-opment	1,000,000	40,000,000			0	0
	CSP 2.4 Veterinary Service	3,350,000	30,000,000	-	-	0	0
Fisheries Department		200,000				0	
	CSP 3.1 Fisheries services	200,000		-		0	
Co-operatives		600,000				0	
	CSP 4.1 Cooperatives Development	600,000				0	
Sub Total		122,403,744	572,820,333	78,497,742	-	64.1	0
Department Gender, Social Services & Sports							
CP1: CP1. Gender, Social Services, Culture, Youth and Sports		46,210,946	120,000,000	15,580,215	-	33.7	0
	CSP 1.1 Administration And Support Services	35,422,346		15,580,215		44	
	CSP 1.2 Social Protection,	3,025,000	8,000,000			0	0
	CSP 1.3 Gender and Women Empowerment	1,500,000	4,000,000			0	0

	CSP 1.4 Promotion and preservation of culture and Heritage	1,500,000	5,000,000			0	0
	CSP 1.5 Youth development	1,500,000	3,000,000			0	0
	CSP 1.6 Sports & Talent Development	3,263,600	100,000,000			0	0
Sub Total		46,210,946	120,000,000	15,580,215	-	33.7	0
Department Roads, Transport & Public Works							
CP1: Administration & Support Services		31,406,400	-	17,500,000	-	55.7	
	CSP 1.1: Administration & Services	31,406,400		17,500,000		55.7	
CP 2: Road &Transport		4,417,200	100,000,000		18,684,880	0	18.7
	CSP 2.1: Road	2,417,200	100,000,000		18,684,880	0	18.7
	CSP 2.2: Transport	2,000,000				0	
CP3: Public Works & Housing		10,250,000			-	0	
	CSP3.1: Public Works	10,250,000				0	
Sub Total		46,073,600	100,000,000	17,500,000	18,684,880	38	18.7
Department of Education, Information & ICT							
CP1. General Administration & Sup- port Services		454,889,663	-	303,260,460		66.7	
	CSP1.1 Administration	454,889,663		303,260,460		66.7	
CP2. Education Development		27,236,109	50,000,000	500,000	-	1.8	0
	CSP 2.1 ECD and Schools	24,234,909	45,000,000	500,000	-	2.06	0
	CSP 2.2 Vocational Training Centre	3,001,200	5,000,000	-	-	0	0
CP3. ICT, Information & Libraries		23,082,733	5,000,000	3,000,000	-	13	0
	CSP3.1: Information and Libraries	23,082,733	5,000,000	3,000,000	-	13	0
Sub Total		505,208,505	55,000,000	306,760,460	-	60.7	0
Department Lands, Physical Planning and Urban Development							

CP1: Administration and Services		295,155,273	50,000,000	175,636,612	-	59.5	0
	CSP 1.1 Urban Administration and Support Services	295,155,273	50,000,000	175,636,612		59.5	0
CP2: Land & Physical planning		20,374,997	15,000,000		-	0	0
	CSP 2.1 Lands Services	8,000,000	10,000,000			0	0
	CSP 2.2 Physical planning	12,374,997	5,000,000			0	0
CP 3:Urban development		141,514,626	190,000,000	32,145,356	45,500,000	22.7	23.9
	CSP 3.1 Urban Disaster & Risk Management	138,114,626	10,000,000	32,145,356		23.3	0
	CSP 3.0 Urban Development and Infra-structure	2,500,000	90,000,000	-	45,500,000	0	50.6
	CSP 3.2 Urban Sanitation Services	900,000	90,000,000	-		0	0
Sub Total		457,044,896	255,000,000	207,781,968	45,500,000	45.5	17.8
Department of Finance, Revenue & Economic Planning							
P1: Administration & Support Services		1,023,865,359	771,176,980	312,662,478	525,100,000	30.5	68.1
	CSP 1.1 Administration	480,925,359	771,176,980	219,662,478	525,100,000	45.7	68.1
	CSP 1.2 Special Program	542,940,000		93,000,000		17.1	
P2: Public Finance Management		165,214,120	30,000,000	45,500,000	-	27.5	0
	CSP2.1 Accounting Services	3,713,739				0	
	CSP2.2 Budget Formulation	8,280,000				0	
	CSP2.3 Audit Services	5,362,600		1,500,000		28	
	CSP2.4 Revenue	142,227,781	30,000,000	44,000,000		31	0
	CSP2.5 Supply Chain Management	5,630,000				0	
P3: Economic Planning		38,086,000	-	10,500,000	-	27.6	

	CSP 3.1 Planning & M&E	31,086,000		10,500,000		33.8	
	CSP 3.2 Statistics & Research	7,000,000				0	
Sub Total		1,227,165,479	801,176,980	368,662,478	525,100,000	30	65.5
Department of Health and Sanitation							
CP1: Governance, quality assurance and support services		2,115,750,159	175,870,420	749,425,645	4,600,000	35.4	2.6
	CSP 1.1 Administration And Support Services	2,115,750,159	165,870,420	749,425,645	4,600,000	35.4	2.8
	CSP 1.2 Health Information Systems	-	5,000,000				0
	CSPS 1.3 policy Re- search and planning		5,000,000				0
Programme 2: CP2: Curative Services		344,020,500	236,158,889	153,320,500	-	44.6	0
	CSP 2.1: Health products and technologies	200,000,000	177,223,404	113,320,500		56.7	0
	CSP 2.2: Rehabilitative services	-	11,500,000				0
	CSP 2.3 Referral and Emergency Services	144,020,500	47,435,485	40,000,000		27.8	0
Programme 3: CP3: Preventive Services			22,694,095	-	-		0
	CSP 3.1:Maternal, newborn, child health and nutrition services	-	11,075,645				0
	CSP 3.2: Preventive and Primitive Health Services	-	11,618,450				0
Sub Total		2,459,770,659	434,723,404	902,746,145	4,600,000	36.7	1.1
Department of Trade, Investments and Enterprise Development							
CP1: Administration and Support Services		64,047,996	-	36,500,000	-	57	
	CSP1.1 Administration And Support Services	64,047,996		36,500,000		57	

CP2 Trade and Enterprise Development		3,150,000	45,000,000	-	20,000,000	0	44.4
	CSP 2.1 micro and small enterprises development	2,400,000	45,000,000		20,000,000	0	44.4
	CSP 2.2 Trade infra- structure and services	750,000	-	-		0	
CP3.Industrialization and Investment Programme		1,400,000	200,000,000	-	-	0	0
	CSP 3.1 Industrialization and Investment Programme	1,400,000	200,000,000			0	0
CP 4: Tourism		1,402,259		-	-	0	
	CSP 4.1 Tourism Development	1,402,259	-			0	
Sub Total		70,000,255	245,000,000	36,500,000	20,000,000	52.1	8.2
Department of Water, Environment and Natural Resources							
CP1: Administration and Support Services		190,899,386	60,000,000	114,740,655	16,339,505	60.1	27.2
	CSP1.1 Administration & Support Services	150,056,361	60,000,000	101,740,655	16,339,505	67.8	27.2
	CSP 4.1 Environment and Natural Resources Management	40,843,025		13,000,000		31.8	
CP2: Water Services			780,278,252		160,002,276		20.5
	CSP 2.1 Water Infra- structure Development		780,278,252		160,002,276		20.5
CP3: Irrigation Services		5,000,000	40,000,000	-	-	0	0
	CSP 3.1 Irrigation Development	5,000,000	40,000,000			0	0
CP4: Environment Management and Natural Resources		14,905,000	110,000,000	-	-	0	0
	CSP 4.1 Environment and Natural Resources Management	1,100,000	30,000,000			0	0
	CSP 4.2 climate change and adaptation	12,600,000	80,000,000			0	0

	CSP 4.3 Energy Development	1,205,000	-			0	
Sub Total		210,804,386	990,278,252	114,740,655	176,341,781	54.4	17.8
Department of County Affairs, Public Service and Intergovernmental Relation							
Programme 1: CP 1 Executive Services		225,020,000		27,000,000	-	12	
	Governor's Office	188,900,000		13,000,000		6.9	
	Deputy Governor's Office	36,120,000		14,000,000		38.8	
Programme 2: CSP2 County Secretary		297,550,671		133,659,056	-	44.9	

The sub-programmes with the highest levels of implementation, based on absorption rates, are notable for their efficient use of allocated budgets. The Department of Finance, Revenue & Economic Planning led with the Administration sub-programme achieving a 68.1% absorption rate. In the Department of Lands, Physical Planning and Urban Development, the Urban Development and Infrastructure sub-programme reached a 50.6% absorption rate. The Department of Trade, Investments and Enterprise Development saw the Micro and Small Enterprises Development sub-programme utilizing 44.4% of its budget. Additionally, the Department of Water, Environment and Natural Resources reported that the Administration and Support Services sub-programme had an absorption rate of 27.2%. These rates indicate significant progress in budget implementation within these specific sub-programmes.

1.13. Observations

1. **Underperformance of Own-Source Revenue**: The County collected only Kshs. 76.52 million against an annual target of Kshs. 230 million, achieving just 33.3% of the projected revenue. This shortfall significantly affected the County's financial capacity and its ability to fund various planned activities.

2. **High Level of Pending Bills**: As of December 31, 2023, the County Executive had accumulated pending bills amounting to Kshs. 606.28 million. This backlog indicates significant financial management issues and could lead to liquidity problems, affecting service delivery and fiscal sustainability.

3. **Use of Manual Payroll System**: The County processed personnel emoluments totaling Kshs. 238.68 million through a manual payroll system, accounting for 11.6% of the total payroll cost. The manual system is susceptible to abuse and lacks adequate controls, increasing the risk of financial mismanagement and loss of public funds.

1.14. Recommendations

To address these challenges and improve budget implementation, the following actions are recommended:

1. **Enhance Revenue Collection**: Implement strategies to improve own-source revenue collection, such as strengthening revenue administration systems, enhancing compliance, and exploring new revenue streams.
2. **Address Pending Bills**: Develop and implement a plan to clear pending bills systematically and prevent the accumulation of new ones. This could involve better cash flow management and prioritizing payments.
3. **Automate Payroll System**: Transition from manual to automated payroll systems to enhance efficiency, reduce the risk of errors and fraud, and ensure better control over payroll processing.