



**REPUBLIC OF KENYA**

**COUNTY GOVERNMENT OF BUSIA**

**COUNTY BUDGET REVIEW AND OUTLOOK PAPER**

**FY 2019/2020**

**DEPARTMENT OF FINANCE AND ECONOMIC PLANNING**

**SEPTEMBER 2020**

## PREFACE

The FY 2019/2020 Budget Review and Outlook Paper is set against the backdrop of a contracting global economy occasioned by the outbreak and the rapid spread of the Covid-19 Pandemic. The Pandemic and the containment measures has led to contraction of the global economy disrupting businesses including international trade and leading to loss of livelihoods for millions of people globally.

This document has been prepared in accordance with the Public Finance Management (PFM) Act, 2012 and its Regulations. The document provides the fiscal performance for the FY 2019/20, the budget projections and sets the departmental ceilings for the FY 2021/22 and the Medium Term Budget. The document also provides an overview of how the actual performance of the FY 2019/20 affected the County compliance with the fiscal responsibility principles and the financial objectives spelt out in the PFM Act, 2012.

The Busia County Budget Review and Outlook Paper (CBROP 2020) is the seventh to be prepared under the devolved governance structure. This paper details the actual fiscal performance in the financial year 2019/20 compared to the budget appropriation for that year. In this CBROP the County is re-emphasizing the County Government's fiscal policy strategy, which focuses on maintaining a strong revenue effort and shifting composition of expenditure from recurrent to productive capital expenditures and optimally ensuring efficiency and effectiveness in the use of public resources. The proposed budget ceilings and priorities for the FY 2020/2021 will be firmed up in the County Fiscal Strategy Paper 2021.

In FY 2019/20, Busia County Government total budget approved by the County Assembly amounted to Ksh. 9.28 Billion. This comprised of Ksh. 5.49 Billion (59 per cent) allocated to recurrent expenditure and Ksh. 3.79 Billion (41 percent) for development expenditure. The County expected to receive Ksh. 6.013 Billion as equitable share and Ksh. 715.4 Million as conditional grants, Ksh.504.5 Million from own source revenue and balance brought forward from FY 2018/19 of Ksh.1.78 Billion.

The County Government is committed to ensuring prudent management of public resources in order to ensure the citizens get value for money.

**Hon. Phaustine A. Barasa.**

**Ag. COUNTY EXECUTIVE COMMITTEE MEMBER – FINANCE AND ECONOMIC PLANNING**

## **ACKNOWLEDGEMENT**

The County Budget Review and Outlook Paper (CBROP) 2019/2020 has been prepared in accordance with section 118 of the Public Financial Management Act, 2012. The successful preparation of this document was achieved through collaborative effort of the County Treasury and other County Government entities and departments.

I take this opportunity to thank H.E The Governor and The Deputy Governor for their overall steadfast leadership and guidance to the County Treasury in performing its mandate. May I express my gratitude to the Ag. County Executive Committee Member for Finance and Economic Planning for her continued provision of technical guidance and leadership as head of the County Treasury.

The attainment of this document was made possible with the inputs from the County departments. May I take this chance to thank each member of the department through their respective County Executive Committee Members (CECM) and Chief Officers who provided valuable inputs and comments on the Budget performance for the year under review. Further I wish to acknowledge the continuous submission of views and suggestions from stakeholders and the public in the course of various stages of the CBROP 2020 Preparations process.

Finally, I take this opportunity to appreciate the efforts of the County treasury staff in coordination and compilation of the final document. Special thanks goes to Ag Director of Budget Mr. Evans Wangata for his exemplary leadership during the entire process, Mr. Korir Kelong Ag. Director of Economic Planning; Mr. Robert Papa; Mr. Hudson Mugendi, Mr. Nicholas Mutua Kiema, Mr. Benard Onunga, Mr. Isaac Enaga, Mr. Amos Imooh, Ms. Joselyne Chepkwony, Mr. Leonard Isogol, Mr. Edward Okoth, Mr. William Chepkwony, Ms. Maurine Amachar; Mr. Paul Kipkirui; , Mr. Abdallah Issa; Mr. Dan Ijaka and Mr. Duncan Oburai for their commitment and steadfastness throughout the process of compilation.

I am calling upon all the stakeholders to make use of the information contained in this document while tracking and providing oversight in the budget implementation process.

**Nicodemus O. Mulaku**  
**Ag. CHIEF OFFICER – FINANCE**

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## **Abbreviations and Acronyms**

ADP	Annual Development Plan
BCRH	Busia County Referral Hospital
CA	County Assembly
CBROP	County Budget Review and Outlook Paper
CEC	County Executive Committee
CFSP	County Fiscal Strategy Paper
CG	County Government
CHWs	County Health Workers
CIDP	County Integrated Development Plan
CILOR	Contribution In Lieu of Rates
ECDE	Early Childhood Development Education
EMR	Electronic Medical Records
FY	Fiscal Year
GDP	Gross Domestic Product
HELB	Higher Education Loans Board
IFMIS	Integrated Financial Management Information Systems

KDSP	Kenya Devolution Support Programme
M&E	Monitoring and Evaluation
O&M	Operations and Maintenance
PE	Personnel Emoluments
PFMA	Public Finance Management Act
PPPs	Public Private Partnerships
QAS	Quality Assurance Standards

Table 1: Legal Basis of CBROP

### **Legal Basis for the Publication of the County Budget Review and Outlook Paper**

The County Budget Review and Outlook Paper is prepared in accordance with Section 118 of the Public Finance Management Act, 2012. The law states that:

- 1) The County Treasury shall prepare and submit to County Executive Committee for approval, **by 30<sup>th</sup> September** in each financial year, a County Budget Review and Outlook Paper which shall include:
  - a) Actual fiscal performance in the previous financial year compared to the budget appropriation for that year.
  - b) Updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper.
  - c) Information on how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest County Fiscal Strategy Paper; and the reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated for doing so.
- 2) The County Executive Committee shall consider the County Budget Review and outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.
- 3) Not later than seven days after the County Budget Review and Outlook Paper (CBROP) has been approved by the County Executive Committee, the County Treasury shall:
  - a) Submit the paper to the Budget Committee of the County Assembly to be laid before County Assembly and
  - b) Publish and publicize the paper not later than fifteen days after laying the Paper before the Assembly.

Table 2: Fiscal Responsibility Principles in the PFM Law

### **Fiscal Responsibility Principles in the Public Financial Management Law**

In line with the Constitution, the Public Finance Management (PFM) Act, 2012 sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM Act (Section 107) states that:

- i.** The County Government's recurrent expenditure shall not exceed the County Government's total revenue.
- ii.** Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure.
- iii.** The County Government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County Government's total revenue as prescribed by the County Executive Member for Finance regulations and approved by the County Assembly.
- iv.** Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure
- v.** The County debt shall be maintained at a sustainable level as approved by County assembly.
- vi.** Fiscal risks shall be managed prudently
- vii.** A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future

## I. INTRODUCTION

### Objectives of County Budget Review and Outlook Paper (CBROP)

1. The main objectives of the CBROP 2020 are;
  - a) To provide an analysis of actual fiscal performance in the FY 2019/2020 compared to the budget appropriation for that year.
  - b) This 2020 CBROP is a key document in linking policy, planning and budgeting. The department's priority submission is in line with County Integrated Development Plan (CIDP) 2018-2022. This year's CBROP is embedded on the priorities of the County Government while taking on board emerging challenges while implementing the devolved system of Government
  - c) As required by the PFM Act, 2012, budget process aims to promote the efficient and effective use of resources, based on evidence and rational deliberation. To achieve this, CBROP 2020 has provided the proposed departmental ceilings as guided by the overall resource envelope. The ceilings sets in motion the budget preparation for the FY 2021/22 and the Medium Term Expenditure Framework (MTEF).
  - d) To provide updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper (CFSP).
  - e) To provide information on any changes in the forecasts compared with the County Fiscal Strategy Paper; or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest CFSP; and
  - f) To give the reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.
  - g) Further, the 2020 CBROP details appropriate revisions taking into account the deviations and budget outturn for the FY 2020/2021. In addition, the fiscal outlook contained in this CBROP focuses on reforming the tax and revenue administration systems to enhance revenue collections and promote compliance as indicated in the FY 2020/2021 CFSP.

## Legal Framework

2. The County Budget Review and Outlook paper (CBROP 2020) is prepared in line with the Public Finance Management Act, 2012 section 118. The Act requires that every County prepares a CBROP by **30th September** of that financial year and submit the same to the County Executive Committee (CEC). The CEC shall in turn:
  - i. Within fourteen days after submission, consider the CBROP with a view to approving it, with or without amendments. Not later than seven days after the CEC has approved the paper, the County treasury shall.
    - a) Arrange for the paper to be laid before the County Assembly.
    - b) As soon as practicable after having done so, publish and publicize the Paper.

## II. REVIEW OF FISCAL PERFORMANCE FOR THE FY 2019/2020

### Overview

This section presents an overview of the financial analysis, performance and implementation of the budget for the financial year 2019/2020.

3. The underperformance in revenue collection and expenditure pressures in the FY 2019/20 largely due to the adverse effects of the Covid-19 Pandemic had implications on the financial objectives outlined in the CFSP 2019/2020 and the fiscal projections of the 2020/21 budget. The CBROP 2020 therefore, presents a revised fiscal outlook taking into account the revenue performance by end of June 2020 and the prolonged effects of COVID-19 Pandemic on economic activities and the measures put in place to curb its spread.
4. To meet the resource requirements of the FY 2021/22 and the medium term budget, the County Government will continue to implement prudent measures aimed at enhancing the tax revenue and rationalizing expenditures. In this regard, this CBROP provides departmental ceilings which will set in motion the budget preparation process for the FY 2021/22 and the medium term.
5. The departmental ceilings are guided by the overall resource envelope that is informed by the macroeconomic and fiscal outlook as presented in this document. Budgetary allocations in this CBROP are inline with the National Government Economic Stimulus Programme and the Post Covid-19 Economic Recovery Strategy designed to mitigate the negative impact on the economy and further re-position the County economy on a sustainable growth trajectory.

6. In the 2019/2020 CFSP the County financial projections anticipated a usual operating environment having set on a conscious journey of fiscal consolidation over the medium term. This plan was premised on a strong revenue growth, reduction of non-core expenditures and a gradual shift from allocation of resources to recurrent expenditure to development expenditure.
7. The revenue performance for the FY 2019/2020 was Kshs.225 Million against a revised target of 504.5 Million. This represented 45% performance compared to 66% in FY 2018/2019 which was 299 Million against a revised target of Kshs. 452 Million. This shortfall was a result of the challenging operating environment including the fiscal measures implemented by the National Government to cushion Kenyans from the adverse effects of COVID-19 pandemic.
8. Implementation of 2019/2020 budget faced several challenges:
  - a. Low absorption of development expenditure due to delayed and unpredictable disbursement of funds by the National Treasury.
  - b. Underperformance of actual local revenue collections against the planed projection. The actual local revenue collection was Kshs. 225 Million against a projection of Kshs. 504 Million.
  - c. Wage bill (Compensation of employees) still remains high which stood at Ksh 3.11 Billion in FY 2019/2020 compared to Ksh.2.92 Billion reported in the FY 2018/2019 representing a 6% increment.

## **FY 2019/2020 Financial Analysis of the County Budget**

### **Revenue Analysis**

9. In FY 2019/20, the total approved budget amounted to Ksh. 9.26 billion. This comprised of Ksh. 5.45 billion (59 per cent) allocated to recurrent expenditure and Ksh. 4.1 billion (41 per cent) for development expenditure.
10. In order to finance the budget, Busia County expected to receive Ksh. 6.014 billion as equitable share of revenue from Exchequer, Ksh. 715.38 Million as total conditional grants from the National Government, generate Ksh. 504.5 Million from local sources, and Balances brought forward from FY 2018/2019 amounting to Ksh. 2.042 Billion.
11. The conditional grants for 2019/2020 comprised of Ksh. 81.1 Million for World Bank Loan for Transforming Health Systems for Universal Care, Ksh. 170.7 Million from the Road Maintenance Fuel Levy Fund, Ksh. 63.3 Million Grant for Development of

Youth Polytechnics, Ksh. 16.9 Million for compensation of User Fees Foregone, Ksh. 17.8 Million from DANIDA , Ksh. 30 Million from World Bank (KDSP) capacity building , Ksh. 101.07 Million for Kenya Urban Support Programme (Development), Ksh.8.8 Million for Kenya Urban Institutional Grant , Ksh. 116.8 Million for Kenya Climate Smart Programme and Ksh. 80.0 Million for Water Tower Protection and Climate Change Mitigation.

12. The total County actual revenue received during the year under review was Ksh 6.995 Billion out of which Ksh 225 Million was received as County own generated revenues and Ksh 6.775 Billions received from National Government as Equitable share and Conditional Grants
13. However, there were instances of delays in the disbursement of funds. A case in point is when a disbursement of Ksh.517 M was received on **5<sup>th</sup> August 2020** as equitable share from the National Treasury.
14. Also, in the year under review, the County received Kshs. 151.73 Million for Covid 19 pandemic mitigation from National Treasury which had not been budgeted for i.e Ksh 106 Million for Covid 19 Pandemic and Ksh 45 Million as allowances to Covid 19 frontline health workers

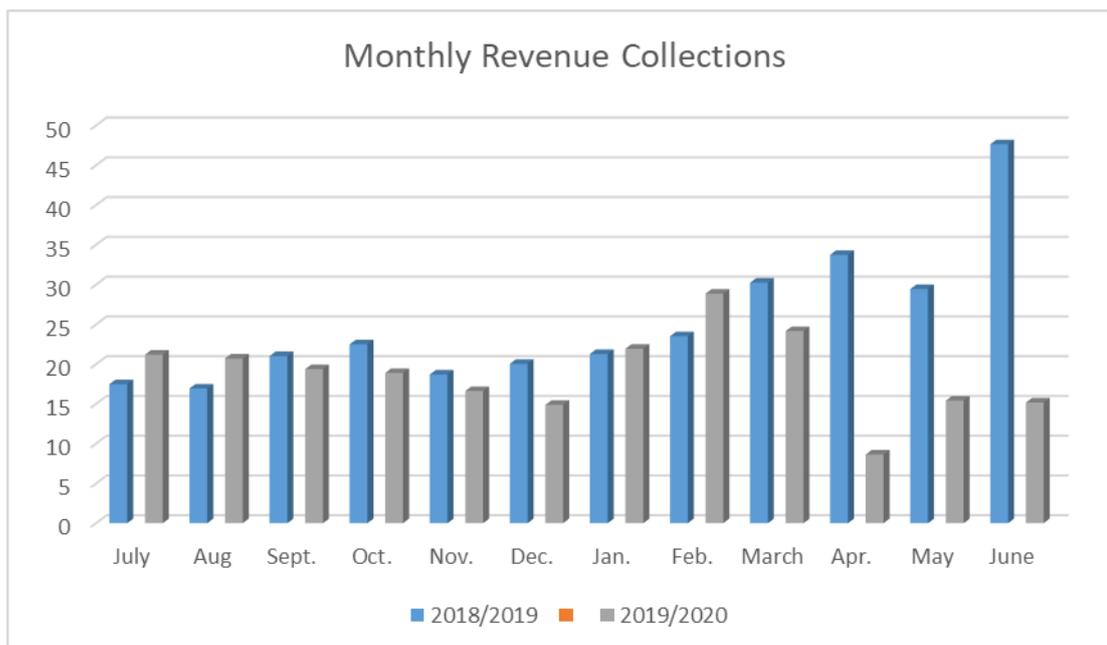
### Local Revenues

15. The total County annual local revenue target for Busia County in FY 2019/20 was Ksh. 504.5 Million. During the period under review, the County generated a total of Ksh. 225 Million, which was 45% of the annual target. The Revenue from own sources performed dismally falling short of target by Ksh. 279 Million.
16. The monthly local revenue collection in FY 2018/19 and FY 2019/20 is shown in the table below.

**Table 3: Actual Monthly Local Revenue-FY 2018/2019 and FY 2019/2020**

FY	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	Totals
2018/2019	17.48	16.94	19.01	22.50	18.20	20.04	21.28	23.01	30.25	33.74	29.44	47.14	299.03
2019/2020	21.2	20.71	19.37	18.89	16.62	14.89	21.94	28.87	24.16	8.64	15.41	15.18	225.88

**Graph 1: Monthly Local Revenue- FY 2018/2019 and 2019/2020 (Mill. Ksh.)**

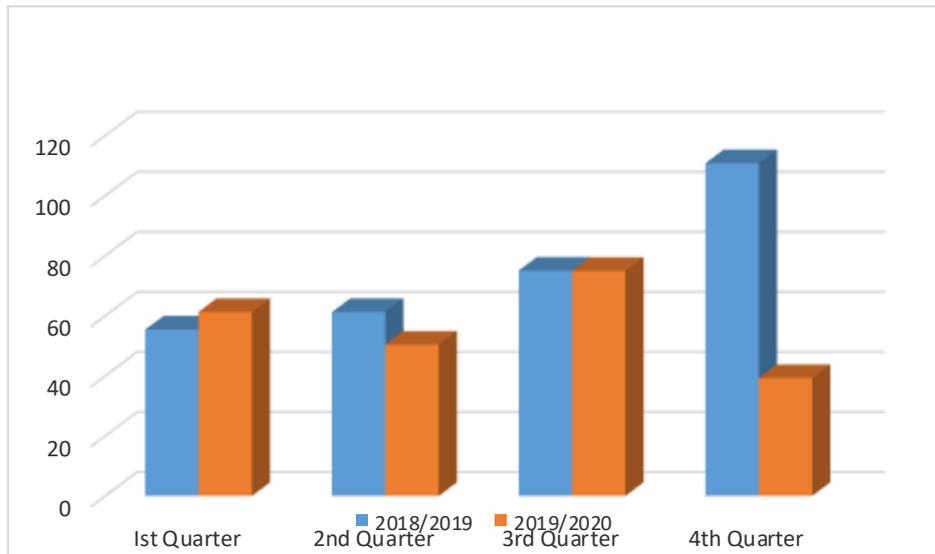


**Table 4: Local Revenue Collection per Quarter 2018/2019-2019/2020**

N0	Quarter	Amount Collected (Ksh. Millions)	
		2018-2019	2019-2020
1	1 <sup>st</sup> Quarter	52.43	61.28
2	2 <sup>nd</sup> Quarter	61.25	50.4
3	3 <sup>rd</sup> Quarter	75.04	74.97
4	4 <sup>th</sup> Quarter	110.31	39.23
<b>TOTAL</b>		<b>299.03</b>	<b>225.88</b>

*Source: County Treasury*

**Graph 2: Local Revenue Collection per Quarter 2018/2019 & 2019/2020 (Millions)**



**Table 5: Total County Resource Envelope for FY 2019/2020 (Ksh. Millions)**

DEPARTMENT	REVENUE SOURCES	APPROVED BUDGET (MILLIONS)	ACTUAL (MILLIONS)	VARIANCE (MILLIONS)
<b>Administrative Services</b>	ADMIN. CHARGES	-	-	0.00
	FIRE SAFETY	-	0.56	0.56
	APPLICATION / TENDER	-	-	0.00
	APPROVAL / TRANSFER FEES	0.06	-	-0.06
	IMPOUNDING/CLAMP. FEES	1.68	0.21	-1.47
	REC. OF INTREST & PRINC.	-	-	0.00
	<b>Sub Total</b>	<b>1.74</b>	<b>0.77</b>	<b>(0.97)</b>
<b>Agriculture and Animal Resources</b>	SUGAR CANE CESS	3.95	5.50	1.55
	TRANSIST PRODUCE CESS	55.12	29.36	-25.76
	TOBACCO CESS	4.62	1.59	-3.03
	FISH CESS	6.30	2.36	-3.93
	TRACTOR HIRE SERVICES	0.53	-	-0.53
	AGRI. TRAINING COLLEGE	2.31	1.04	-1.27
	VETERINARY SERVICES	2.63	1.72	-0.91
	STOCK SALE	4.97	2.29	-2.68

	FISH TRADERS LICENCE	0.07	0.32	0.25
	FISH MOVEMENT PERMIT	0.01	0.01	0.00
	REG. OF BOATS LICENSE	0.04	0.01	-0.03
	FISHERMAN'S LICENSE	0.11	0.12	0.01
	WAKHUNGU FISH FARM	-	-	0.00
	FISH IMPORT PERMIT	0.16	0.25	0.08
	FINGERLING SALE	-	0.04	0.04
	<b>Sub Total</b>	<b>80.80</b>	<b>44.61</b>	<b>(36.19)</b>
<b>Comm. Dev, Children and Soc</b>	HIRE OF HALL / OFFICE	0.14	0.05	-0.09
	LIQOUR LICENSE	10.35	1.95	-8.40
	GROUP REGISTRATION	0.00	0.00	0.00
	EDU. & VOC. TRAINING	-	-	0.00
	REGISTRATION OF ECD	-	0.01	0.01
	NURSERY FEES	-	-	0.00
	<b>Sub Total</b>	<b>10.50</b>	<b>2.01</b>	<b>(8.49)</b>
<b>Health &amp; Sanitation</b>	MORTUARY FEES	0.78	5.53	4.75
	SLAUGHTER FEES	1.00	0.61	-0.39
	HOSPITAL USER FEES	132.00	55.95	-76.05
	PUBLIC HEALTH	1.59	1.84	0.25
	HEALTH SECTOR FUND	0.42	-	-0.42
	<b>Sub Total</b>	<b>135.80</b>	<b>63.93</b>	<b>(71.86)</b>
<b>Lands, Hous. &amp; Urban Dev</b>	LAND SUB-DIVISION	-	-	0.00
	ADVERTISEMENT	6.25	3.27	-2.98
	CILOR	-	-	0.00
	LAND RATES	70.71	0.37	-70.34
	LAND RATES (ARREARS)	-	0.05	0.05
	PLOT RENT	5.20	1.65	-3.55
	PRIVATE RENT. DOMESTIC	0.65	-	-0.65
	PRIVATE RENT. COMMERCIAL	0.04	-	-0.04
	RENT/GOV HOUSES	-	1.33	1.33
	APPLICATION OF PLANS	0.72	-	-0.72
	TITLE DEEDS, REG OF DOCU	-	-	0.00
	BUILDING PLANS APPROVAL	4.20	5.26	1.06
	<b>Sub Total</b>	<b>87.77</b>	<b>11.93</b>	<b>(75.84)</b>

<b>Road Trans. Pub. Works</b>	TRAILER PARKING FEES	46.00	8.67	-37.33
	BUS PARKING FEES	44.00	24.98	-19.02
	MOTOR CYCLE FEES	-	-	0.00
	AGRI. MACH. SERVICE	-	-	0.00
	<b>Sub Total</b>	<b>90.00</b>	<b>33.66</b>	<b>(56.34)</b>
<b>Water, Env. Nat. Res</b>	SOLID WASTE	-	0.64	0.64
	SAND CESS	1.05	0.46	-0.59
	QUARRY CESS	-	-	0.00
	BUSIA HILLS WATER SUPPLY	0.85	0.67	-0.18
	BUSIJO WATER SUPPLY	0.10	0.27	0.17
	MUNANA WATER SUPPLY	0.57	0.05	-0.52
	BUTULA WATER SUPPLY	1.11	0.42	-0.69
	PORT VICT. WATER SUPPLY	0.90	0.52	-0.38
	NOISE	0.58	0.15	-0.42
	WATER BOOSER	-	0.08	0.08
	<b>Sub Total</b>	<b>5.14</b>	<b>3.26</b>	<b>(1.88)</b>
<b>Trade, Coop., Investment</b>	SINGLE BUSINESS PERMIT	59.85	36.19	-23.66
	MARKET STALL / KIOSK	0.74	0.63	-0.11
	CHARCOAL FEES	-	1.32	1.32
	MARKETS FEES	31.50	12.96	-18.54
	TOURISM	0.01	-	-0.01
	WEGHTS & MEASURES	0.12	0.23	0.10
	CO-OP. AUDIT FEES	0.02	0.02	0.01
	OTHER MISCELLANEOUS	0.52	14.37	13.73
	<b>Sub Total</b>	<b>92.76</b>	<b>65.72</b>	<b>(27.16)</b>
-	<b><u>TOTAL REVENUE LOCAL</u></b>	<b>504.50</b>	<b>225.88</b>	<b>(278.62)</b>
	<b><u>SOURCE</u></b>			

*Source: County Treasury*

17. In FY 2019/2020 the highest contributor to local revenue was Hospital User Fees which accounted for 25% of the total local revenue. This was followed by Single business and Transits Produce Cess which accounted for 16% and 13% respectively.

**Table 6 : Summary of the Total County Revenue Received (Ksh. Millions)**

<b>ACTUAL TOTAL REVENUE</b>	
Own share	225.8
National Government, Donor and Grants	6,769.9
<b>TOTAL</b>	<b>6,995.7</b>

*Source: County Treasury*

**Table 7: Receipts from National Government and Donor funding**

<b>Revenue Sources</b>	<b>APPROVED BUDGET F/Y2019/20</b>	<b>ACTUAL RECEIVED</b>	<b>VARIANCE</b>
Equitable Share.	6,013,500,000	<b>6,013,500,000</b>	-
Compensation For User Fee Forgone	16,934,085	<b>16,934,085</b>	-
Village Polytechnics	63,333,298	<b>63,333,298</b>	-
Road Maintenance Levy	170,697,188	<b>170,697,188</b>	-
Covid-19 Funds		<b>151,734,000</b>	<b>151,734,000</b>
Transforming Health System For Universal Care Project – WB	81,106,071	<b>78,863,352</b>	<b>(2,242,720)</b>
Kenya Climate Smart Agriculture Project (KCSAP)	116,993,505	<b>121,686,777</b>	<b>4,693,272</b>
Kenya Devolution Support Programme (KDSP) "Level 1 Grant"	30,000,000	<b>30,000,000</b>	-
DANIDA	17,812,500	<b>24,462,500</b>	<b>6,650,000</b>
Kenta Urban Support Project (KUSP) - Urban Development Grant	101,071,500	<b>72,290,258</b>	<b>(28,781,242)</b>
Kenya Urban Institutional Grant- Urban Intuition Grant	8,800,000	<b>8,800,000</b>	-
Agricultural Sector Development Support Programme ( ASDSP II)	18,257,455	<b>17,631,213</b>	<b>(626,242)</b>
Water Tower Protection And Climate Change Mitigation	80,000,000	-	<b>(80,000,000)</b>
<b>Grand Total Revenue</b>	<b><u>7,223,006,249</u></b>	<b><u>6,769,932,670</u></b>	<b><u>(227,246,144)</u></b>

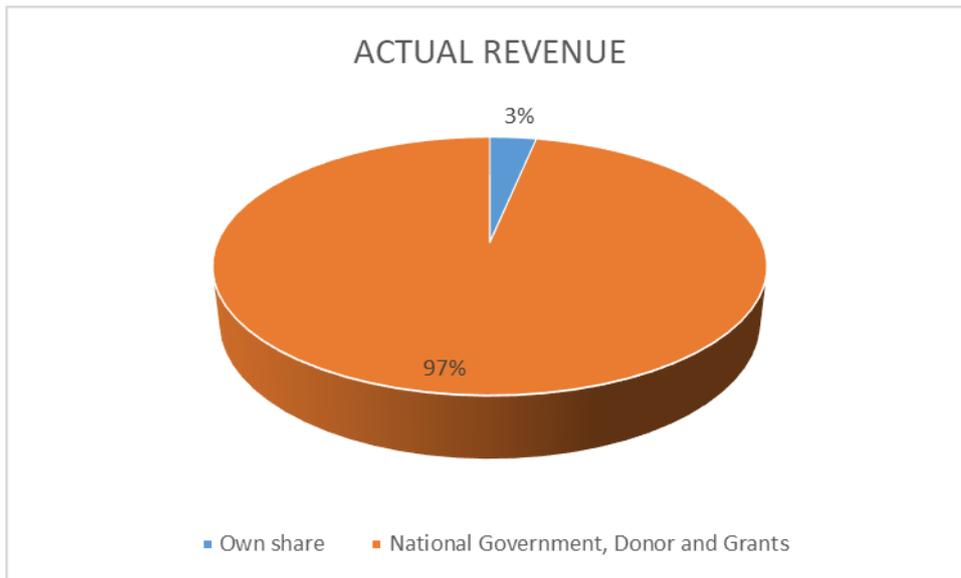
*Source: County Treasury*

**Table 8: Balances brought forward for FY 2018/19 and FY 2019/20**

<b>BF</b>	<b>1,775,199,946</b>
CRF	918,992,386
RMFL	61,988,702
Grant for Development of Village Polytechnics	3,881,350
KDSP 2017/2018 Development	501,664,691
KDSP 2018/2019 Development	111,305,294
Compensation by national government for user fee foregone at levels II and III health facilities	16,934,085
Transforming Health System for Universal Care Project – WB	7,401,053
Kenya Climate Smart Agriculture Project (KCSAP)	10,760,886
Kenta Urban Support Project (KUSP) - Urban Development Grant	101,071,500
Kenta Urban Support Project (KUSP) - Urban Institutional Grant	41,200,000
Sub-Total	1,775,199,947
<b>BF FY 2018/2019 (Not Disbursed as at then)</b>	<b>267,397,413</b>
Transforming Health System for Universal Care Project – WB	48,970,675
Grant for Development of Youth Polytechnics	15,180,200
Kenya Climate Smart Agriculture Project (KCSAP)	75,853,116
Water Tower Protection and Climate Change Mitigation	80,000,000
KDSP Capacity Building 2018/2019	47,393,422
Sub-Total	267,397,413
<b>Grand Total</b>	<b>2,042,597,360</b>

*Source: County Treasury*

**Chart 1: Analysis of Total Revenue, Busia County**



### Expenditure Performance

18. The total actual expenditure for Busia County in FY 2019/20 was Ksh. 6.78 billion representing an absorption rate of 73.1% of the total Budget. This was a decrease from an absorption rate of 75.3 % attained in FY 2018/19.
19. Personnel expenditure for FY 2019/2020 was Ksh. 3.1 billion, representing an absorption rate of 99.9% of the annual Personnel Emolument budget.
20. Operations & Maintenance expenditure for FY 2019/2020 was Ksh. 1.94 billion, representing 82.2% of the annual Operation & Maintenance budget.
21. Actual Development expenditure amounted to Ksh. 1.71 billion, representing an absorption rate of 45.2% of the annual development budget. The analysis of expenditure by economic classification in FY 2019/20 is provided in Table below.

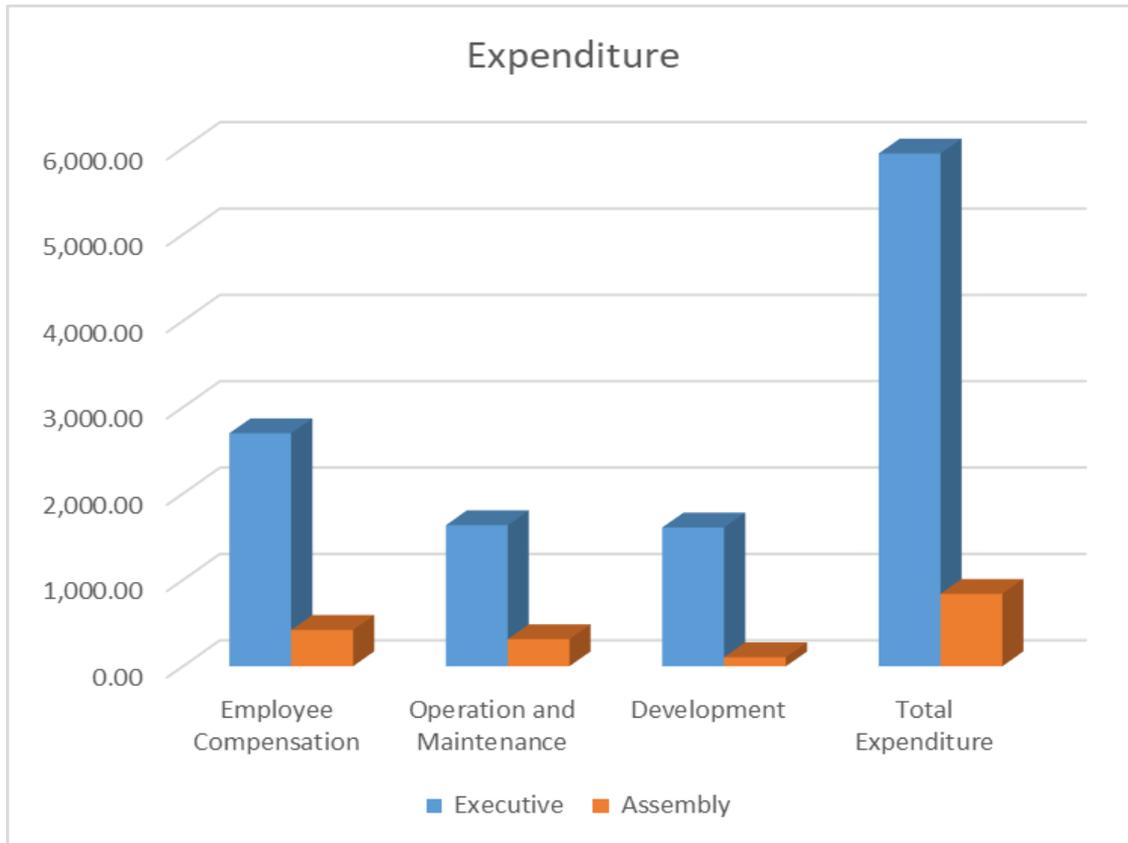
**Table 9: Summary of the Total County Expenditure (Millions)**

Category	Budget Allocation	Expenditure			Percentage absorption
		Executive	Assembly	Total	
Employee Compensation	3,121.5	2,698.5	420.2	3,118.7	99.91
Operation and Maintenance	2,368.6	1,633.7	314.2	1,947.9	82.24

<b>Development</b>	3,786.0	1,607.2	104.7	1,711.9	45.22
<b>Total Expenditure</b>	9,276.0	5,939.4	839.1	6,778.5	73.08

*Source: County Departments and County Assembly*

**Graph 3: Analysis of Total Expenditure (Millions)**



*Source: County Departments and County Assembly*

## Departmental Expenditure Summary

22. The following tables show a summary of departmental budgetary allocations and expenditure for the year under review.

**Table 10: Departmental Budget Allocation for the period ending 30th June 2020**

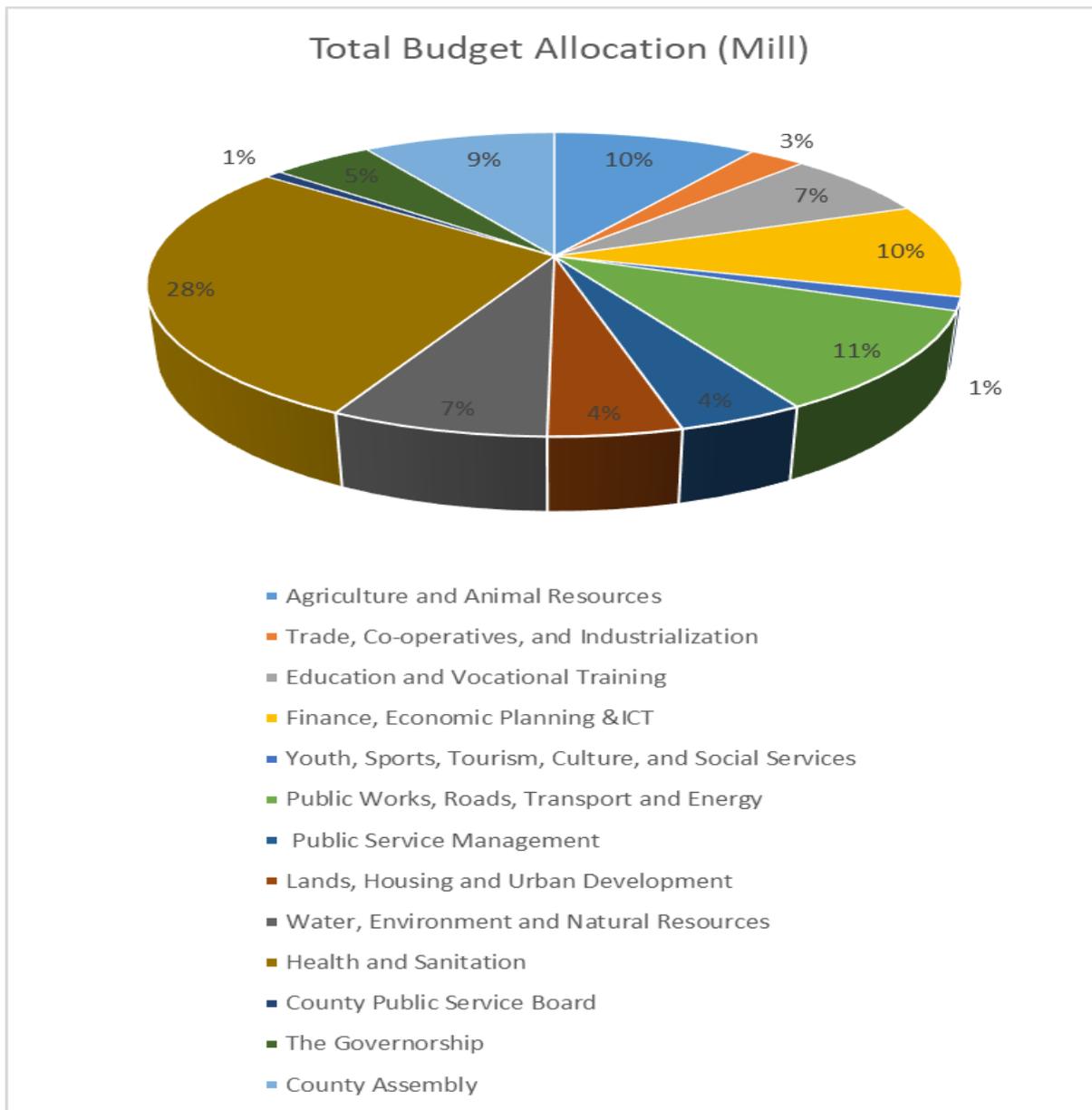
(Million)

<b>DEPARTMENT</b>	<b>Employee Compensation (Mill)</b>	<b>O&amp;M</b>	<b>Development (Mill)</b>	<b>Total Budget Allocation (Mill)</b>	<b>Percentage allocation</b>
<b>Agriculture and Animal Resources</b>	<b>188.80</b>	<b>34.01</b>	<b>672.00</b>	<b>894.81</b>	<b>9.6%</b>
<b>Trade, Co-operatives, and Industrialization</b>	<b>35.74</b>	<b>31.25</b>	<b>180.09</b>	<b>247.08</b>	<b>2.7%</b>
<b>Education and Vocational Training</b>	<b>288.86</b>	<b>137.16</b>	<b>228.34</b>	<b>654.37</b>	<b>7.1%</b>
<b>Finance, Economic Planning &amp; ICT</b>	<b>403.24</b>	<b>490.51</b>	<b>24.43</b>	<b>918.18</b>	<b>9.9%</b>
<b>Youth, Sports, Tourism, Culture, and Social Services</b>	<b>33.87</b>	<b>51.95</b>	<b>44.95</b>	<b>130.76</b>	<b>1.4%</b>
<b>Public Works, Roads, Transport and Energy</b>	<b>59.50</b>	<b>31.96</b>	<b>914.35</b>	<b>1,005.81</b>	<b>10.8%</b>
<b>Public Service Management</b>	<b>34.71</b>	<b>360.61</b>	<b>-</b>	<b>395.33</b>	<b>4.3%</b>
<b>Lands, Housing and Urban Development</b>	<b>39.79</b>	<b>81.83</b>	<b>291.40</b>	<b>413.01</b>	<b>4.5%</b>
<b>Water, Environment and Natural Resources</b>	<b>65.25</b>	<b>53.46</b>	<b>556.82</b>	<b>675.53</b>	<b>7.3%</b>

Health and Sanitation	1,329.98	488.25	758.83	2,577.06	27.8%
County Public Service Board	26.64	47.65	-	74.29	0.8%
The Governorship	194.64	241.37	10.00	446.01	4.8%
County Assembly	420.42	318.55	104.77	843.74	9.1%
<b>Total</b>	<b>3,121.45</b>	<b>2,368.56</b>	<b>3,785.97</b>	<b>9,275.98</b>	<b>100%</b>

Source: County Departments and County Assembly

Chart 2: Analysis of Approved Budget Allocation by Departments



23. The total County allocation was Ksh. 9.276 Billion out of which Ksh. 3.786 Billion was development allocation, Ksh 2.369 Billion was operation and maintenance

allocation and Ksh. 3.121 Billion was Personnel Emolument. The department of Health and Sanitation had the highest allocation at 28% followed by department of Public works at 11% and Finance Economic Planning and Agriculture at 10% respectively.

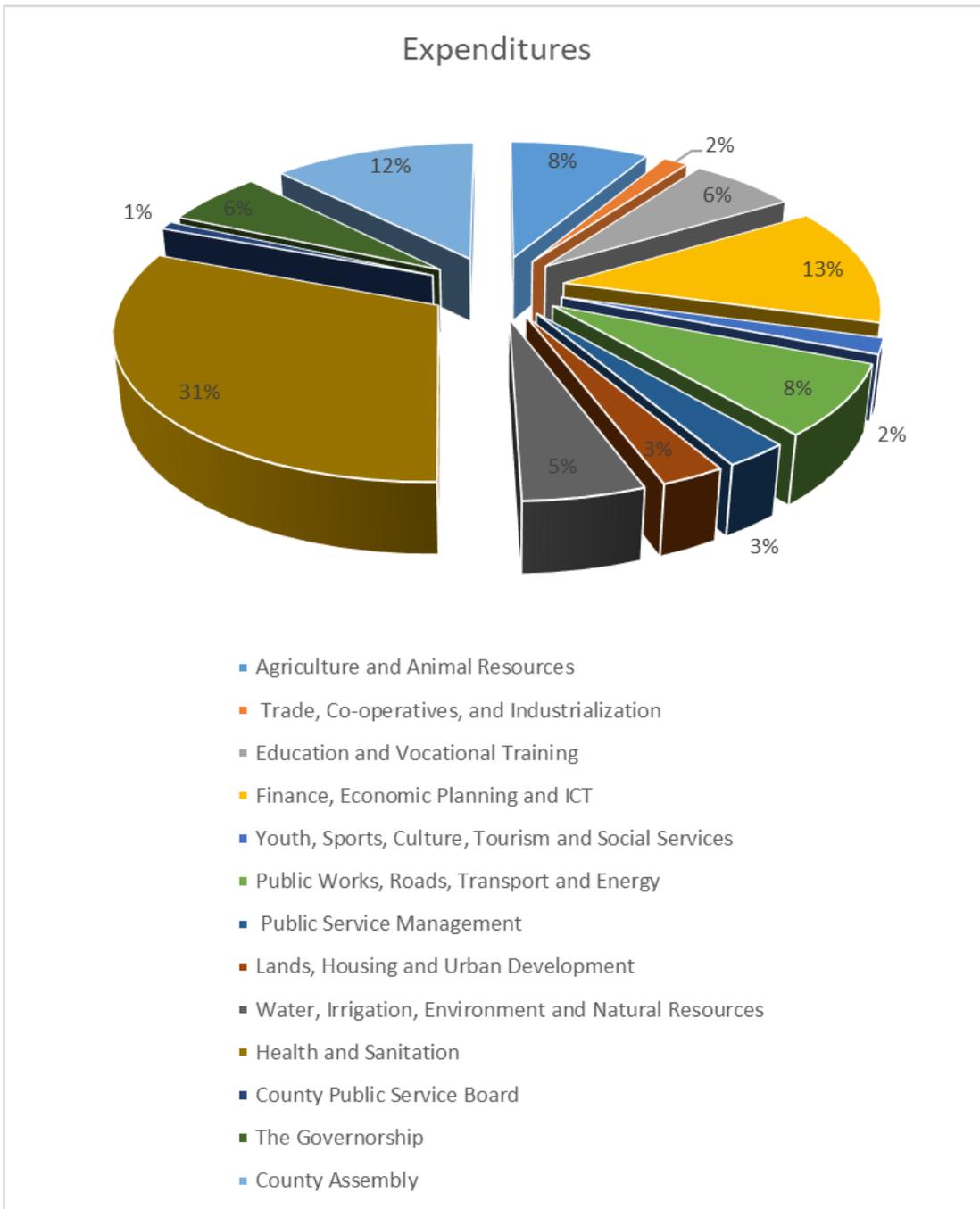
**Table 11: Analysis of Approved Budget and Expenditure by Departments**

Departmental	Employee Compensation	O&M	Total Recurrent	Percentage Share of Total Recurrent	Development.	Percentage Share of Total Development.	Total Actual Expenditure
Agriculture and Animal Resources	188.8	34.0	222.8	4.06	672.0	17.75	571.6
Trade, Co-operatives, and Industrialization	35.7	31.3	67	1.22	180.1	4.76	102
Education and Vocational Training	288.9	137.2	426.0	7.76	228.3	6.03	438.3
Finance, Economic Planning and ICT	403.2	490.5	893.8	16.28	24.4	0.64	877.3
Youth, Sports, Culture, Tourism and Social Services	33.8	52.0	85.8	1.56	45	1.19	114.8
Public Works, Roads, Transport and Energy	59.5	32.0	91.5	1.67	914.4	24.15	528.4
Public Service Management	34.7	360.6	395.3	7.20	0	0	187.2
Lands, Housing and Urban Development	39.8	81.8	121.6	2.21	291.4	7.70	186.6
Water, Irrigation, Environment and Natural Resources	65.3	53.5	118.7	2.16	556.8	14.71	355.1
Health and Sanitation	1,330.0	488.3	1,818.2	33.12	758.8	20.04	2,115.30
County Public Service Board	26.6	47.7	74.3	1.35	0	0	57.5

The Governorship	194.6	241.4	436	7.94	10	0.26	405.3
County Assembly	420.4	318.5	738.9	13.47	104.8	2.77	839.2
<b>Total</b>	<b>3,121.3</b>	<b>2,368.8</b>	<b>5,489.9</b>	<b>100</b>	<b>3,786</b>	<b>100</b>	<b>6,778.6</b>

*Source: County Departments and County Assembly*

**Chart 3: Analysis of Approved Budget Expenditure by Departments**



*Source: County Departments and County Assembly*

**24.** The total expenditure for County was Ksh 6.778 Billion against the approved budget of Ksh 9.276 Billion. This comprised of executive expenditure of Ksh 5.94 Billion and County assembly expenditure of Ksh 789.1 Million. Total recurrent expenditure was Ksh. 5.1 Billion against an approved budget of Ksh. 5.49 Billion while the development expenditure was Ksh. 1.71 Billion against an approved budget of Ksh. 3.79 Billion. The ratio of the actual expenditure to budgeted cost was 73.08%.

25. The departments of Health and sanitation, Finance, Economic, Planning & ICT, the County Assembly, Agriculture, Public works accounted for the highest expenditure at 31%, 13%, 12%, 8 % and 8 % of the total County expenditure respectively. On development budget, the department of Agriculture & Animal resources and Health and sanitation accounted for the largest expenditure at 20.8% and 17.6% respectively followed by water, environment and irrigation at 13% of the total County development expenditure.
26. On recurrent, the department of Health had the highest absorption of the recurrent expenditure at 99.73 % followed by County Assembly at 99.40%. The absorption rate of departments of Water, Environment & Irrigation and agriculture & Animal resources accounted for 99.27% and 96.73% of their respective recurrent budget allocations.

**Table 12: Analysis of Personnel Emolument Expenditure by all Departments**

No.	Departmental Vote Title	FY 2019/2020			
		Budgetary Allocation (Ksh. Millions)	Actual Expenditure (Ksh. Millions)	Variation	Absorption %
1	Agriculture and Animal Resources	188.8	188.7	0.1	99.95
2	Trade, Co-operatives, and Industrialization	35.70	35.7	0	100
3	Education and Vocational Training	288.9	288.9	0	100
4	Finance, Economic Planning and ICT	403.2	403	0.2	99.95
5	Community Development, Culture, Sports and Social Services	33.8	33.8	0	100
6	Public Works, Roads, Transport and Energy	59.5	58.9	0.6	98.99
7	Public Service Management	34.70	34.6	0.1	99.70

8	Lands, Housing and Urban Development	39.8	39.6	0.2	99.50
9	Water, Environment and Natural Resources	65.3	65	0.3	99.54
10	Health and Sanitation	1,330.0	1,329.5	0.5	99.96
11	County Public Service Board	26.6	26.6	0	100
12	The Governorship	194.60	194.6	0	100
13	County Assembly	420.4	420.2	0.2	99.95
	<b>TOTAL</b>	3121.3	3119.1	2.2	99.90

*Source: County Departments and County Assembly*

**Table 13: Analysis of Operation and Maintenance Expenditure by all Departments**

No.	Departmental Vote Title	FY 2019/2020			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	34.0	26.9	7.2	78.97
2	Trade, Co-operatives, and Industrialization	31.3	23.0	8.3	73.60
3	Education and Vocational Training	137.2	85.2	51.9	62.20
4	Finance, Economic Planning and ICT	490.5	471.9	18.6	96.20
5	Community Development, Culture, Sports and Social Services	52.0	49.5	2.4	95.34
6	Public Works, Roads, Transport and Energy	32.0	17.8	14.1	55.73

7	Public Service Management	360.6	152.6	208.0	42.31
8	Lands, Housing and Urban Development	81.8	35.6	46.2	43.57
9	Water, Environment and Natural Resources	53.5	53.0	471.8	99.12
10	Health and Sanitation	488.3	483.9	4.4	99.10
11	County Public Service Board	47.7	30.9	16.7	64.88
12	The Governorship	241.4	203.4	38.0	84.26
13	County Assembly	318.5	314.2	4.3	98.64
	<b>Total Voted Expenditure</b>	<b>2,368.8</b>	<b>1,947.9</b>	<b>420.6</b>	<b>82.24</b>

Source: County Departments and County Assembly

Table 14: Analysis of Development Expenditure by all Departments

No	Departmental Vote Title	FY 2019/2020			
		Budgetary Allocation (Ksh. Mil)	Actual Expenditure (Ksh. Mil)	Variation (Ksh. Mil)	Absorption %
1	Agriculture and Animal Resources	672.0	356.1	315.9	52.99
2	Trade, Co-operatives, and Industrialization	180.1	43.2	136.9	23.99
3	Education and Vocational Training	228.3	64.2	164.1	28.12
4	Finance, Economic Planning and ICT	24.4	2.5	21.9	10.25
5	Community Development, Culture, Sports and Social Services	45	31.6	13.4	70.22
6	Public Works, Roads, Transport and Energy	914.4	451.7	462.7	49.40

7	Public Service Management	0	0	0	0
8	Lands, Housing and Urban Development	291.4	111.4	180	38.23
9	Water, Environment and Natural Resources	556.8	237.3	319.5	42.62
10	Health and Sanitation	758.8	302.0	456.8	39.80
11	County Public Service Board	0	0	0	0
12	The Governorship	10	7.3	2.7	73
13	County Assembly	104.8	104.7	0.1	99.90
	<b>Total Voted Expenditure</b>	3,786	1,711.9	2,074	45.22

*Source: County Departments and County Assembly*

27. The total absorption of development budget was 99.9%. for County assembly, 70.2 % for Culture, Sports and Social Services and 52% for agriculture and animal resources. Low performers in this classification were finance and economic planning, trade & cooperatives, Education & vocational training and Lands, Housing and Urban Development 10.3%, 23.9%, 28.1% and 38.2 % respectively.

### **Emerging Challenges**

28. Limited resource envelop continues to pose a challenge in provision of services given the low budgetary allocations. This negatively affected the implementation of the County development programmes as envisaged in the County Integrated Development Plan (CIDP 2018-2022).
29. Delays in budget approval by the Controller of budget affected the implementation of County programmes and projects
30. The County will continue pursuing prudent policies including identification of other unexploited revenue streams that seek to expand its revenue base and development of strategic resource mobilization policies in order to address the revenue shortfalls to ensure seamless provision of service.
31. Delay in passing the division of revenue Act by both Senate and National Assembly affected programmes and projects implementation during the FY 2019/2020

32. Covid-19 pandemic has severely disrupted the County's economic activity, making it vulnerable as it relies on cross border business. The pandemic control measures have affected business operations causing shortfalls in most businesses thus revenue slippage in the County own source revenue.
33. The pandemic also affected the implementation of planned programmes as resources were rechanneled to cater for infection cases and address the impacts of the Covid 19 virus.
34. There is need therefore for Government to move with speed in its bid to flatten the curve and relax the measures that have suppressed the economic activity, as the County plans to undertake programmes aimed at addressing the socioeconomic impacts of the pandemic.
35. Disasters such as floods and droughts have continued to hit the County and the FY 2019/2020 was not an exception. The County experienced floods in Budalangi and other parts of the county which necessitated the deployment of limited County resources in mitigation.

### **III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK**

#### **Recent Economic Developments**

36. Kenya's economic growth averaged at 5.7% in 2019 according to World Bank, positioning it as one of the fastest growing economies in Sub-Saharan Africa, an expansion occasioned by a stable macro environment, positive investor confidence and a resilient service sector.
37. However, the economy contracted in the third quarter due to restrictive measures weighing on productive capacity as well as domestic and foreign demand as a result of the Covid-19 pandemic outbreak that interrupted the global economy.
38. Merchandise exports fell at a double digit rate, while imports dropped, highlighting weakened domestic demand. Real Gross Domestic Product growth is projected to decelerate from an annual average of 5.7% to 1.5% in 2020. The World Bank forecasts that if it takes longer than expected to bring the Pandemic under control, Gross Domestic Product could contract by 1.0% in 2020 and cause a delay in the projected recovery to 5.2% growth in 2021.
39. The growth in the country was spread across all sectors of the economy but was more pronounced in service sectors due to accelerated growth in financial, insurance, and real estate activities before the disruption.

**40.** The economy is hurt through supply and demand shocks on external and domestic fronts, interrupting its recent comprehensive growth path. Despite remaining a key driver of growth in Kenya and a major contributor to poverty reduction, Agricultural sector has also been affected by the locusts that invaded the country in early 2020 and thus impacting negatively on food security and growth of the sector.

### **Macro-Economic Environment**

**41.** Kenya has undergone a period of sustained economic growth over the past decade, with an average growth rate in gross domestic product of 6%. The size of the Kenyan economy has risen from a nominal GDP OF Ksh 3.17 trillion in 2010 to Ksh 9.9 trillion in 2019 according to International Monetary fund (IMF). Per capita income also increased to Ksh 120,200, progress achieved through meaningful changes in the basic structure of Government, supported by measures to increase positive investor confidence and macroeconomic stability.

**42.** To cushion the economy against continued slump, the Government needs to urgently institute macroeconomic policy reforms that can help build resilience and speed up the pace of poverty reduction. This includes enhancing revenue mobilization to support Government spending, reviving the potency of monetary policy, and recovery in growth of credit access by small and medium enterprises to boost transitioning back to growth

**43.** In the planning year under review, the County made progress in increasing accessibility to safe clean water through solar pumping boreholes that have enhanced the water coverage to 56% of the entire population, and thus contributing to Kenya's efforts to achieve Sustainable Development Goal number six on clean water and sanitation. It also contributed a lot in reduction of water borne diseases.

**44.** Water storage capacity has increased by 500,000 liters to cover rural setup. This has also been followed by 210KM pipe network extensions to reduce distance taken in fetching water from an average of 1.5 kilometers to 1kilometre

**45.** Water management has been entrusted to Busia Water and Sewerage Company spearheading urban water management as a service provider while the department undertakes the development, service delivery and management of rural schemes

**46.** The Department of Publics works, roads, transport and energy through the directorate of energy implemented projects in 3 sub- programs namely rural electrification,

installation of Solar mass lights and maintenance of electrical for the FY 2019/2020. The department implemented 36 rural electrification scheme sites across the County worth a total of 74.1 million in partnership with REA. Under the matching fund facility, REA contributed 35 million to the project while the balance was from ward and departmental allocations. Each of the 39 sites is set to connect an approximate 40 new households to the mains grid power hence scaling the number of the grid connections by 1560. Other than lighting and other minor domestic electricity uses, the electricity serves as a main driver of productive energy in use of activities such as welding, Berber shops, posho mills which go a long way in spurring economic activities and growth hence improving the livelihoods of the rural communities.

- 47.** During the FY, the department constructed and installed 43 new solar mass lights in select market centers across the county funded by both ward based and departmental allocations. This project is in a bid to bolster security in these rural market centers and prolong business hours for these small-scale traders who are majorly women dealing in fruits, vegetables and other subsistence commodities
- 48.** The maintenance of electrical installations allocation served in maintaining 41 solar mass lights in select Market centers across the county so as to keep them in good working conditions and adequately serve their intended purpose.
- 49.** The department of Public works has further tarmacked approximately 9km of road network within Busia Central Business District and Malaba town. This has immensely improved on ease of doing business as goods and people can easily move from one place to another without much wastage of time
- 50.** The department of trade and cooperatives in the year under review undertook construction and renovation of markets across the county. This has created a favorable environment through which county residents can freely trade with ease thus improving their sources of income accordingly
- 51.** Further, in addressing the challenges of poverty and inequality as dampers of economic growth, the County undertook robust programmes aimed at boosting Agribusiness, ending hunger, achieving food security, improving nutrition and promoting sustainable agriculture in the County.
- 52.** The county has put in place an environmental safety management framework that is used to screen all investments against environmental safety and social safeguards. The county has gazetted environmental committees which meet regularly to review the

environmental impacts of investments. Investments that require EIA are identified and with NEMA the assessments are done and licences for the projects issued. Each project implemented has an EMP alongside social safeguards plans that are strictly adhered to. At project sites complaints handling mechanisms and personnel are available to address the day to day environmental and social issues

- 53.** Selection and recruitment policy of the County gives equal opportunity for all and also equal pay for equal work done regardless of gender. Gender balance is at 54% females compared to 46% males. This has been driven by mainly the ECD teachers and nurses who are predominantly female. PLWDs are in all cadres of the county public service. Ethnic balance, minorities and the marginalised are considered during and given priority in recruitment. County departments carry out staff training needs assessments and are required to induct all new employees within three months of their employment.
- 54.** The county government focuses on Socially Inclusive Development (SID) where we engage with our communities from inception, planning, design, implementation, closure and monitoring and evaluation of the projects impacts.
- 55.** The county has a robust public participation/civic education strategy with a Public participation and civic education Act and plan to engage beyond the budget process
- 56.** Through ward activities cultural activities across the county have been supported. Through the ward fund sporting tournaments have been supported countywide. These have promoted talent search and peace building efforts among the communities. PLWDs have also been incorporated. Assistive devices like wheel chairs; hearing aids etc have been procured and distributed among them. Select community groups have received cash grants to support women and youth groups in socio-economic empowerment.
- 57.** Going forward the County will leverage on disruptive technologies to deliver agricultural services including market information, advisory services and partnering with KARLO on Agro-Weather to improve production and boost farmer's income as Agriculture remains to be a key driver of growth in the County and a major contributor to poverty reduction.
- 58.** The department of health and sanitation has constructed and renovated including purchase of medical equipment's and drugs to various health facilities across the County.

## Analysis of Expenditure by Departments

This section presents an analysis of the two arms of County Government based on the actual expenditure for the financial year 2019/2020 in comparison to the approved budget.

### County Executive Service

- 59.** The Executive authority of the County is vested in, and is exercised by the County Executive committee. Article 183 of the constitution provides the functions of the County Executive Committee which includes: implementing national and County legislation as well as managing the functions of the County administration and its departments. Further, Sub- article 3 requires the County Executive to provide comprehensive reports on a regular basis to the County assembly on matters relating to the County.
- 60.** In the FY 2019/2020, County Executive allocation increased by 5% from Ksh 8.03 Billion in the FY 2018/2019 to Ksh 8.43. Billion. The actual expenditure for the period July, 2019 to June 2020 amounted to Ksh. 5.94 Billion representing an absorption rate of 70.5%.

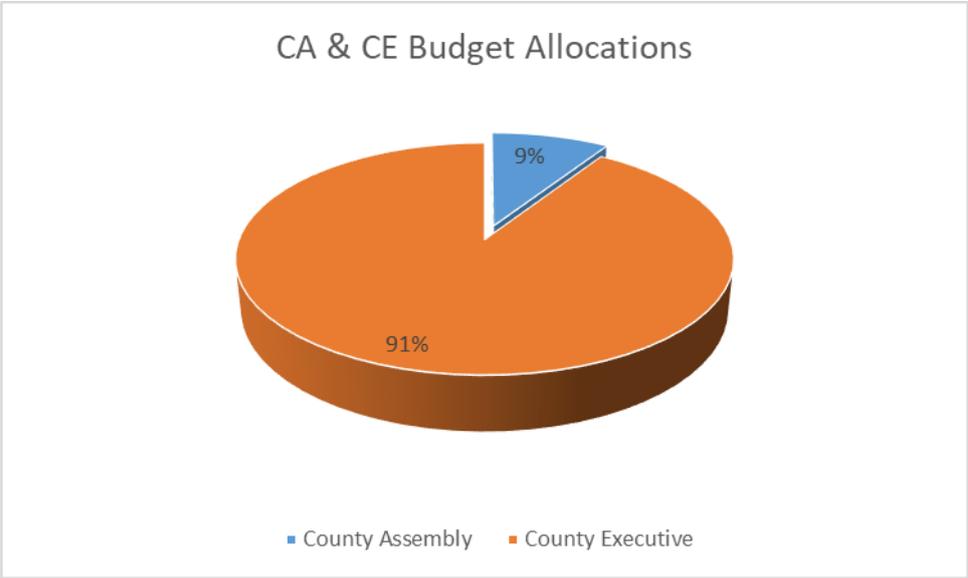
### County Assembly

- 61.** The legislative authority of the County is vested in, and exercised by the County Assembly. The roles of the County assembly have been highlighted in Section 8 of the County Government Act 2012, which includes among others; approval of the County budgets in accordance with Article 207 of the constitution, approval of borrowing by the County Government in accordance with Article 212 of the Constitution, approval of County development plans and to perform their legislative and oversight roles as set out under Article 185 of the Constitution of Kenya 2010.
- 62.** In the FY 2019/2020, County Assembly budget allocation increased by 5.6% from Ksh 798.5 Million in the FY 2018/2019 to Ksh.843.6 Million. The actual expenditure for the period July, 2019 to June 2020 amounted to Ksh. 839.1 Million representing an absorption rate of 99%.

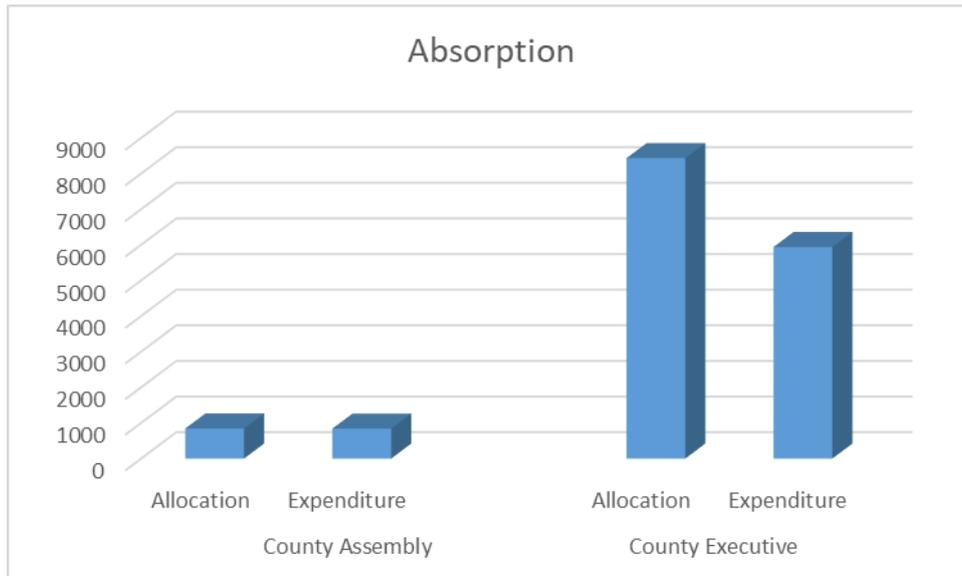
**Table 15: Analysis of the County budget and expenditure under the two arms of the County Government**

Budget Allocation (Million)			Actual Expenditure (Million)		
Total	County Assembly	County Executive	Total	County Assembly	County Executive
9,276.0	843.7	8,432.2	6,778.6	839.2	5,939.4
	9.1%	90.9%		12.4%	87.6%

**Chart 4: Allocations for the two arms of Government**



**Graph 4: Absorption Rate against Allocation for the two arms of Government**



#### **IV. ANALYSIS OF EXPENDITURE PER DEPARTMENT**

##### **1. Agriculture and Animal Resources**

- 63.** The department’s vision is to be a Leading County in Food security and sufficiency for sustained livelihoods. This will be realized in an effort to improve the livelihoods of Busia County residents through the promotion of competitive agriculture, provision of support services while ensuring a sustainable natural resource base.
- 64.** The department of Agriculture and Animal Resources is one of the main drivers of the County’s economic growth and key in attainment of the County’s economic growth outlined in the County Integrated Development Plan (CIDP). The department has four directorates namely: Agriculture, Livestock Production, Veterinary and Fisheries
- 65.** The department plays a vital role in the overall socio-economic development and transformation of Busia County by undertaking programs that lay emphasis on promotion of various agricultural technologies. These programs are anchored in the CIDP and actualized each financial year in the County Annual Development plan.
- 66.** In the area of mechanization, the directorate was able to plough land at 50% of the market rate hence reducing the costs burden to our less resource endowed farmers in the County. This led to increased crop production ultimately leading to improved food security and farm incomes. In the Financial Year 2019/2020 the department purchased 100 PH Meters and reagents which were distributed to sub counties to be used for soil PH testing.

**67.** In the crop management, the following activities were carried out

- 483 Kg of Indigenous seeds were distributed to farmers
- Purchased and distributed 700 Litres of assorted pesticides to farmers across the County
- Distributed the following fruit trees to farmers across the County: Mangoes 12,000, Avocados 12,000, Tangerine 6,000, Tissue Culture Banana 7,040, and coffee seedling 10,000

**68.** In the livestock production directorate,

- Purchase and distribution of 247 dairy heifers to farmers thus increased milk production by 760,000 litres by 2021.
- Increased acreages under fodder through Purchase and distribution of fodder seeds/splits to farmers
- Construction of poultry units and stocking of breeding stock to farmers through Kenya Climate Smart Agriculture project
- Purchase and distribution of pigs to farmers through ward fund
- Purchase and distribution of bee keeping equipment's to farmers to increase honey and hive products
- Purchase and distribution of chicks to farmers

**69.** The veterinary services directorate carried out various activities under veterinary health services. These include: -

- 80,000 cattle, sheep and goats vaccinated against Lumpy Skin Disease, Anthrax and Foot and Mouth Disease
- 3,500 dogs vaccinated against Rabies
- 125 poultry farmer groups with approximately 60,000 chicken benefited from the New castle disease vaccine distribution
- 134 Litres of Acaricides procured and distributed to dairy farmer groups and operational crush pens
- 50 foot pumps for livestock spraying procured and distributed to crush pens and dairy farmer groups
- 5,000 cattle treated against trypanosomiasis using Diminazine Aceturate
- 650 cows served through Artificial Insemination

**70.** In the fisheries directorate has undertaken the following;

- Functional backup generator installed at Wakhungu training and seed multiplication center

- Construction of 21 bed capacity self-contained hostel in addition to already existing 9 bed capacity hostel. To increase revenue sources from accommodation
- 10 75 m<sup>3</sup> Cages fabricated and installed at Mulukoba Open Water Aqua park
- 125,000 All Male 20 grams tilapia seed procured as startup phase input support for stocking the 10 Cages
- 1,600 25 Kgs of Tilapia Feeds pellets and Mash (40 Tons) Procured as start up support for whole production period for the 10 Cages
- Installation of pelletizer machine at Nasewa fish feed factory and production of first 30% fish starter mash being supplied to the aqua parks
- One complete aqua park with 100 ponds established at Bukani in Samia sub County
- 800 25Kg Bags of Fish feed Mash and pellets Procured as input support to 1 cluster of Five famers in every Sub County
- 70, 000; 20 grams all male Tilapia seed procured as input support to 1 Cluster of five farmers in every sub County.

**71.** The department has made Proposals which have been approved for establishment of 2 aquaculture parks in Teso South and Butula sub counties and construction of flood control dyke at Bukani in Samia Sub County in 2020-2021. The poultry proposal has already been approved and will kick off in the FY 2020/2021.

**72.** Despite the improvement in service delivery, the department experienced a myriad of challenges. These include;

- Inadequate funding for Agriculture Programmes.
- High cost of agricultural inputs.
- Mobility challenges to provide efficient and effective service to farmers
- Inadequate skills on Pond management by the farmers
- Poor husbandry practices on Pond fish feeds administration
- Drying of ponds during dry spell
- Fish predator menace
- Inadequate extension staff

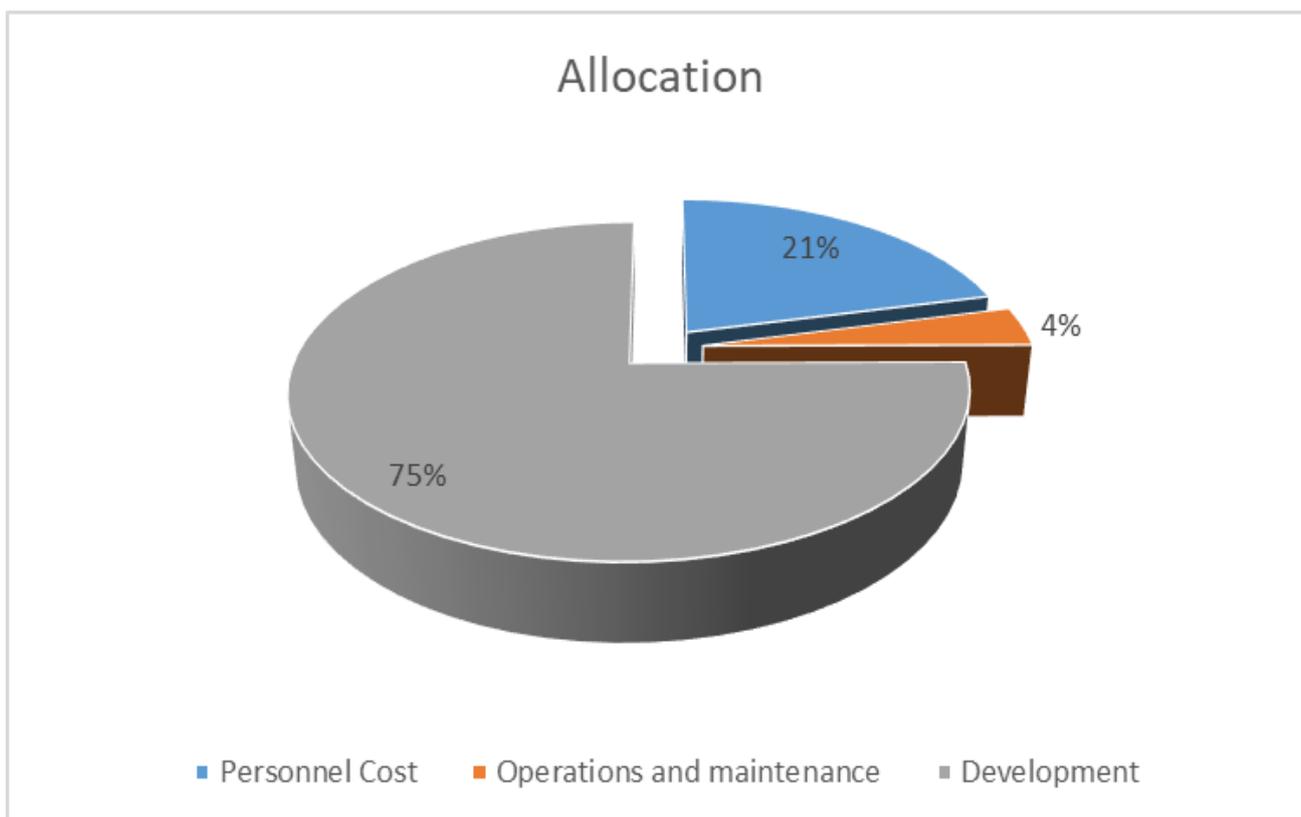
**73.** In the FY 2020/21 and the medium term, the department will continue implementing its programmes underlying the four directorates. These include; Crop production and management, Agricultural training and extension services, fisheries and aquaculture resource development, livestock production development, veterinary health services among other objectives.

74. The department was allocated Ksh. 894.8 M. This constituted 9.7% of the total budget. The budget for the department was divided as follows.

**Table 16: Allocation Analysis by Economic Classification**

	Description	Amount (Mil)	Percentage
1	Personnel Cost	188.8	21.1
2	Operations and maintenance	34.0	3.8
3	Development	672	75.1
	<b>Total</b>	<b>894.8</b>	<b>100</b>

**Chart 5: Agriculture analysis of the Budget**

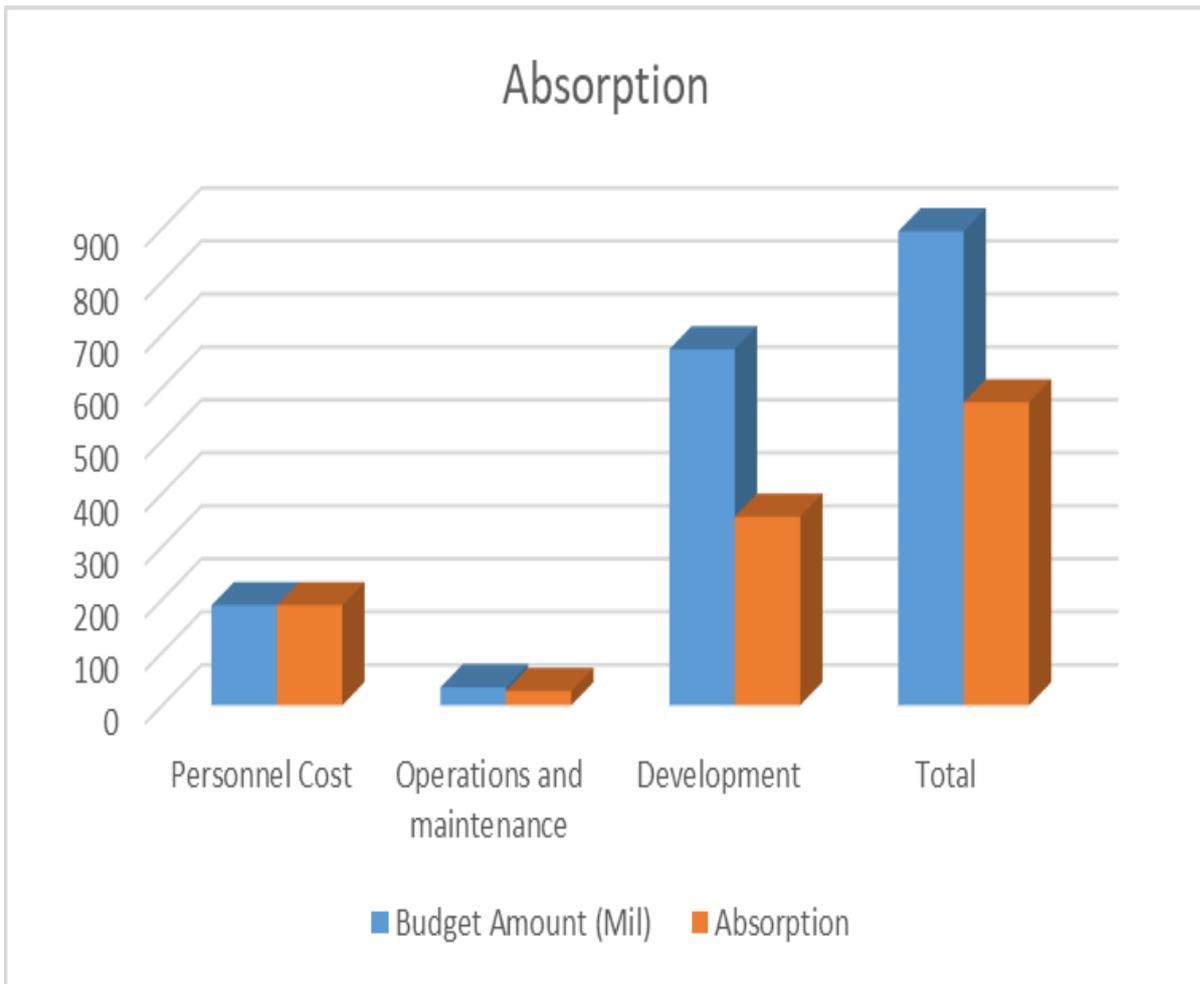


75. The Department set aside 75% of their total allocation towards development while 21% went towards Personnel cost (Compensation to employees). Operations and maintenance got an allocation of 4 %.

**Table 17: The economic classification absorption level of the budget for the department**

SNO	Category	Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	188.8	188.7	99.95
2	Operations and maintenance	34.0	26.9	78.97
3	Development	672.	356.1	52.99
	<b>Total</b>	<b>894.8</b>	<b>571.7</b>	<b>63.9</b>

**Graph 5: Agriculture absorption analysis**



**76.** The total absorption was Ksh. 571.7M representing 63.9% of the total departmental allocation. The Personnel cost was 100% expended. Development vote absorption was Ksh 356.1M or 53% of the development budget.

## **2. Department of Trade, Cooperatives and Industrialization**

**77.** The department of Trade, Investment, Industry and Cooperatives is a key department in the County Government of Busia whose mandate is wide and covers matters of trade development, cooperative development, weight and measures.

**78.** It is a leading department in promotion of trade and markets, co-operative development and investments. It creates an enabling environment that promotes and encourages trade and investments while promoting an orderly growth of the cooperative movement.

- 79.** The overall objective of the directorate is to promote self-reliance amongst the citizens of Busia County; enhancement of business; job and wealth creation through diversification, innovation, value addition, information sharing, market linkages and trade infrastructure support.
- 80.** Through the directorate of trade, the department oversees and promotes cross-border trade through cross-border committees in order to ensure seamless movement of goods and services across the international border and across inter -County borders.
- 81.** The directorate provides traders with requisite trade information to facilitate business networks and oversees implementation of ward development projects.
- 82.** Through the Weights and Measures Unit, the directorate continues to ensure fair trade practices are implemented by all traders for consumer protection
- 83.** Through the Executive Order No.1 of 2020, H. E. the Governor added the investment docket to the Cooperatives directorate. The directorate of Investments and Cooperatives facilitates an inclusive and sustainable socio-economic development through promotion of cooperatives and investments. This includes promotion of new cooperative business ventures in the County
- 84.** The directorate enforces compliance with the cooperative legislation, including making sure that cooperatives do systems and annual audits. In addition, the directorate carries out education and training for cooperative leaders, members and staff
- 85.** The directorate intends to develop the following important policies: The Investment policy; the County Cooperative Development policy and the Agricultural Cooperatives Sub-Sector Development strategy
- 86.** The Busia County Cooperative Enterprise Development Fund continues to give affordable loans to qualifying cooperative societies that seek to promote the welfare and economic up liftmen of people in the County.

## Achievements

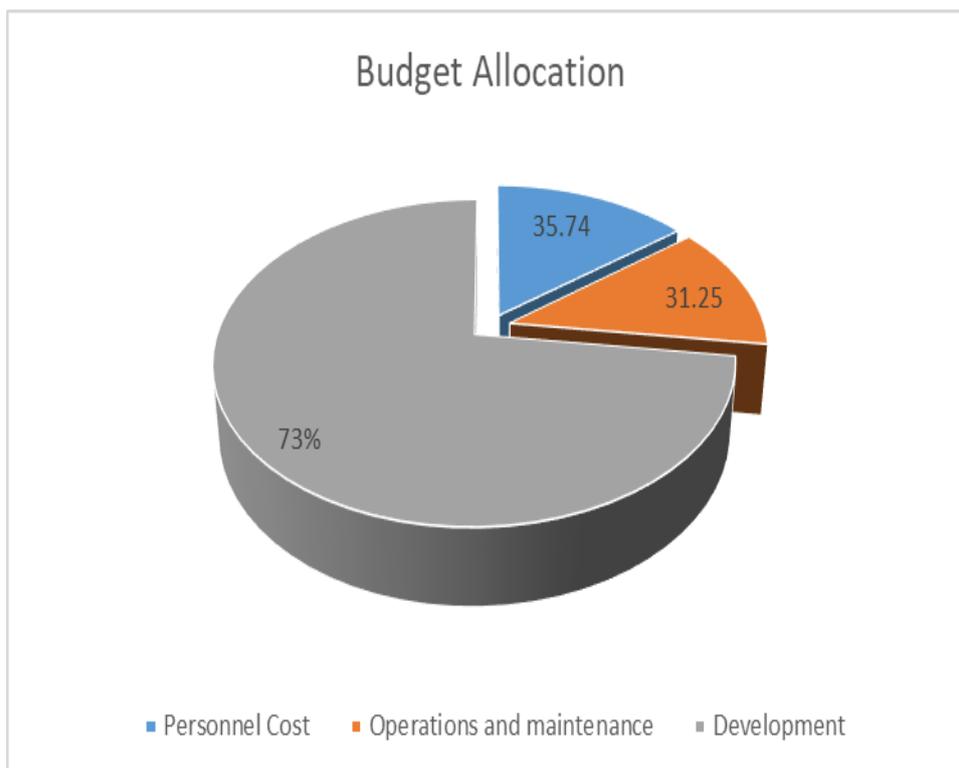
- Fresh produce markets have been established in all the sub counties to enhance hygienic trade in perishable goods among the citizens.
- The directorate has developed the Busia County trade development revolving fund Bill which has been enacted to law to promote development of small and micro enterprises and to set up an institutional framework for coordinating loan disbursements and is set to be rolled out in the New Year.
- The directorate also developed and enacted into law the Busia County trade development bill to provide a mechanism for the imposition of certain taxes, charges, fees and for the grant of trade and related licenses, to provide for promotion, development and regulation of trade in the County.
- The greatest challenge in the period under review has been procurement process delays, under funding and IFMIS system failures. The Novel Coronavirus (COVID-19) is a global pandemic that has also impacted negatively to the country's and the County's economy. A lot of programmes in the department have been greatly affected by the pandemic

87. The department was allocated Ksh. 247.08 M. This constituted 2.7% of the total budget. The budget for the department was divided as follows

**Table 18: Trade, Co-operatives and Industrialization allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	35.74	14.5
2	Operations and maintenance	31.25	12.6
3	Development	180.09	72.9
	<b>Total</b>	<b>247.08</b>	<b>100</b>

**Chart 6: Trade, Co-operatives and Industrialization allocation.**

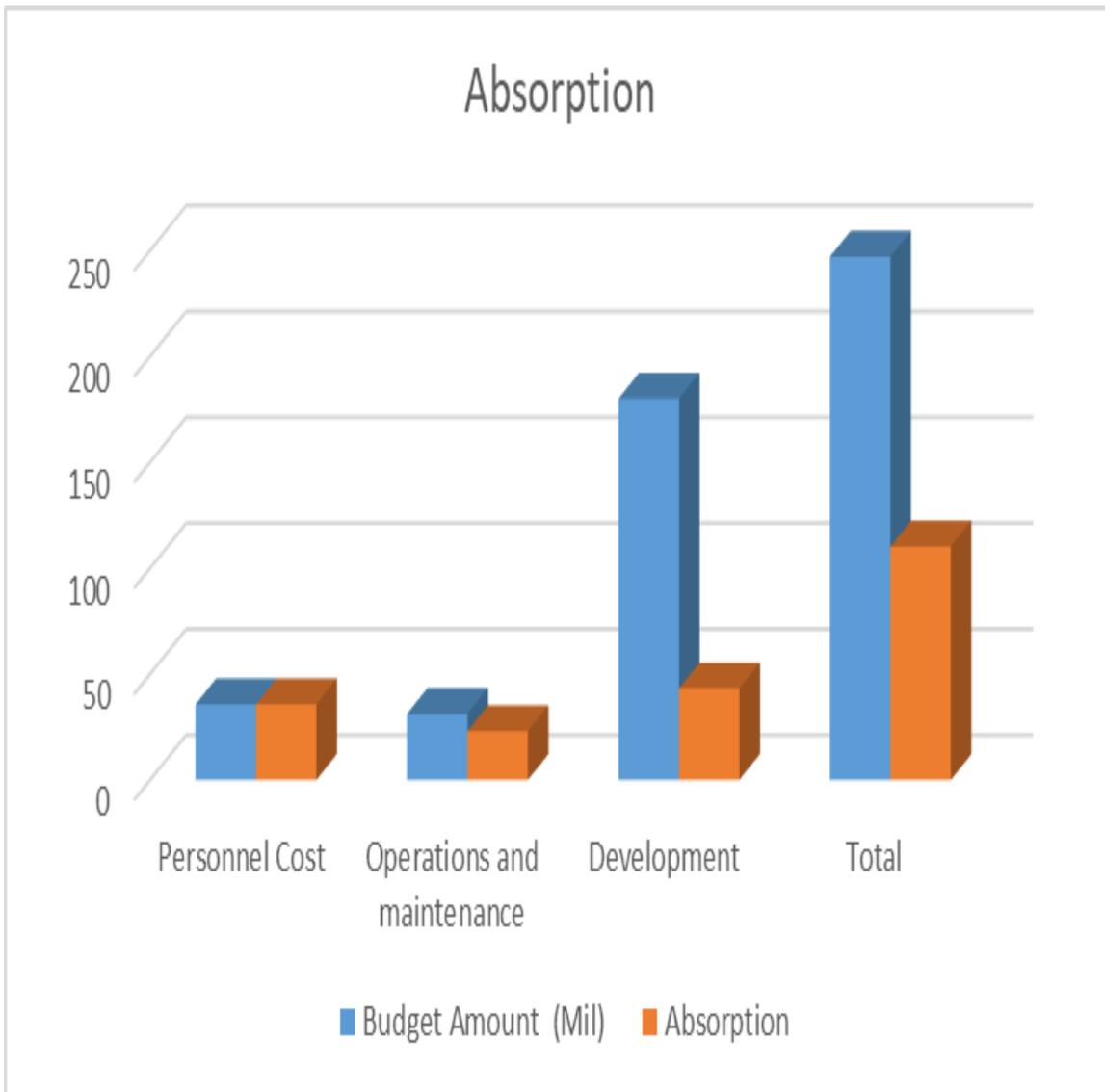


**88.** Development allocation was the highest with an allocation of 73%. Personnel cost (Compensation to employees) had an allocation of 36% as the second ranked beneficiary. Operations and maintenance got the least allocation of 31%.

**Table 19: Trade, Co-operatives, and Industry absorption level in Ksh Millions**

SNO	Description	Budget Amount (Mil)	Absorption	Percentage
1	Personnel Cost	35.7	35.7	100
2	Operations and maintenance	31.25	23	74
3	Development	180.09	43.2	24
	<b>Total</b>	<b>247.08</b>	<b>110.21</b>	<b>44.6</b>

**Graph 6: Trade, Co-operatives, and Industry Absorption analysis**



**89.** The total absorption was Ksh. 110.2 M representing 44.6% of the total departmental budget. Development vote absorption was the lowest at only 24%. The department utilized the Personnel Emoluments at 100% while Operations and Maintenance absorption was 74% of the allocated amount.

## **2. Education and Vocational Training:**

**90.** The department mission is to provide accessible, holistic and quality Education and Training to all, for the Socio Economic and sustainable development of Busia County.

**91.** The constitution of Kenya 2010 Article 43 guarantees each person the right to education while Article 53 provides for free and compulsory basic education to all children, basic nutrition, shelter and health care.

The Sustainable Development Goals (SDGs) were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. SDG 4 is to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- 92.** The department also takes in cognizance that pre primary education is a crucial foundation stage for primary education, character formation and lifelong learning. It is in this line that the department through the Directorate of early Childhood Education has made deliberate effort to ensure that the Pre- primary learners are provided with opportunities to enhance their cognitive, social, emotional and spiritual development by improving infrastructures in ECDE centres, improving teacher to learner ratio.( by employing a minimum of 2 teachers per centre), provision of learning material and conducting quality assurance and standards assessments
- 93.** Vocational Training is a key tool for National development and its linked to human resource development, thereby impacting on economic growth and the wider development of individuals and the society. The directorate of Vocational Training has continued to develop an effectively co-ordinated and harmonized TVET system that is capable of providing quality skilled human resource with the right attitude and values required for growth and prosperity of the County. This has been possible through development of relevant policies, improvement of infrastructure, provision of modern tools and equipment and ensuring that additional qualified instructors are recruited to provide quality training in Vocational Training centres.
- 94.** During the year under review the directorate of Early Childhood education was able to successful undertake the following programme:
- 95.** To increase access and quality of education in ECDE the directorate continued to improve the infrastructure in the ECDE centres by completing the construction of 15 child friendly ECDE classrooms and toilets. The directorate was also able to supply and deliver chairs, text books and learning material to ECDE Centres, and changed the terms of 439 ECDE teachers from contract to Permanent and pensionable terms.

- 96.** The directorate also distributed approved curriculum design to all public ECDE, thus aligning the teaching /learning to the new Competency Based Curriculum (CBC).
- 97.** The Directorate of Vocational Training was able to improve the infrastructure in vocational training centres by completing the construction of administration blocks in Nambale, Dirakho and Bukoma Vocational Training Centres, completed the Construction motor Vehicle workshop at Amaase VTC and Renovation of a Workshop at Katakwa VTC among others. Several Vocational training centres were also equipped to with relevant and modern tools and equipment.
- 98.** The directorate of Vocational Training received a Subsidized Vocational Training Support Grant which was disbursed to 24 public vocational training centres to support in purchase of learning material, tools and equipment and administration of the Centres.
- 99.** To ensure effective delivery of services, the department developed the Busia County Early Childhood Development Education Bill 2020 and the Busia County Vocational Training Centres Bill 2020 which are in their final stages of being enacted into law.
- 100.** To enhance access and equity in the provision of education to disadvantaged learners the department continued to issue bursary to needy students in Secondary school, Middle level colleges and universities.
- 101.** Youth unemployment is a major challenge in the world today. The country and by extension the Counties will encounter challenges coping with the growing number of unemployed youth unless serious measures and alternative strategies are put in place. Boda boda transport is a form of employment that has given opportunity to many people, both young and old in the County at a time when the Country is facing serious unemployment problem. The department through the ward bursaries did sponsor boda boda riders to driving schools to be sensitized on road safety and attain valid rider licenses. This was geared towards improving chances of employment, reducing crime rate and enhancing the safety of the riders and other road users.

### **RISK TO THE OUTLOOK:**

- Delay in disbursement of Funds
- Closure of institution due to the COVID-19 pandemic.
- Inadequate resources to meet the demands of the department.

### **Challenges:**

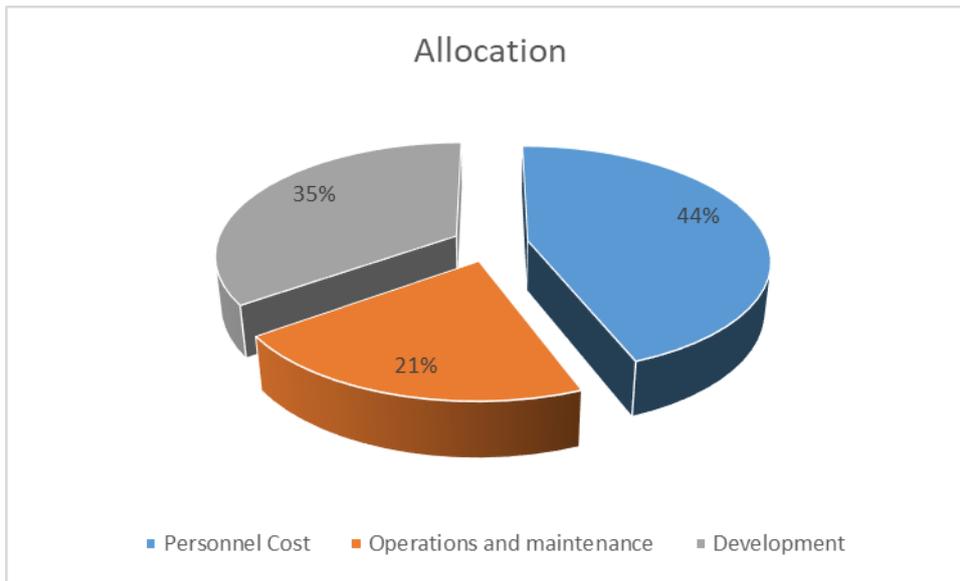
- a) High financial expectations against the resource envelope. Limited resources to meet the demands of the department to address challenges of dilapidated infrastructure in both ECDE and Vocational Training Centres.
- b) Poverty levels in some parts of the County have greatly affected enrolment in Vocational Training Centres. Most Parents can hardly afford to pay for Feeding programmes, registration fees, examination fees
- c) Infrastructure has also posed a challenge to schools, access to some schools is difficult as a result of poor road network
- d) Inadequate utility Vehicle for field teams to monitor implementation of programmes and projects.

**102.** The department was allocated Ksh.654.36 M. This constituted 7.1% of the total budget. The budget for the department was divided as follows.

**Table 20: Education and Vocational Training Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	288.86	44.
2	Operations and maintenance	137.16	21.0
3	Development	228.34	35
	<b>Total</b>	<b>654.36</b>	<b>100</b>

**Chart 7: Education and Vocational Training Allocation analysis**

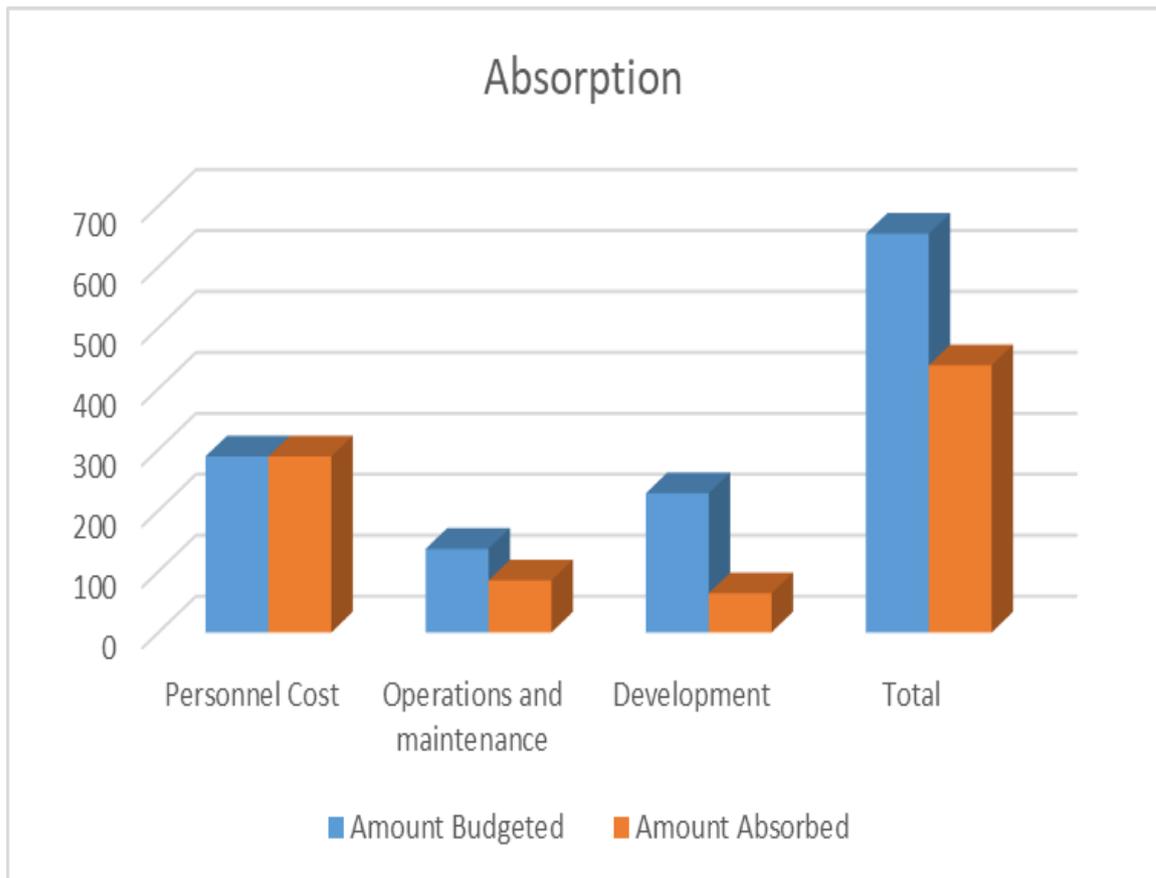


**103.** Personel Emolument budget allocation was the highest with an allocation of 44%. Development was second with 35% while Operations and maintenance was the least with allocation of 21 %.

**Table 21: Education and Vocational Training absorption level in Ksh Million**

No	Description	Amount Budgeted	Amount Absorbed	Percentage Against Allocation
1	Personnel Cost	288.86	288.86	100
2	Operations and maintenance	137.16	85.25	62
3	Development	228.34	64.19	28
	<b>Total</b>	<b>654.36</b>	<b>438.3</b>	<b>67</b>

**Graph 7: Education and Vocational Training absorption analysis**



**104.** The total absorption was Ksh.438.3 M representing 67% of the total departmental budget. Development vote absorption was at 28%. The department utilization of the Personnel Emoluments was at 100% while Operations and Maintenance absorption was at 62%

### **3. Finance, Economic Planning & ICT**

**105.** The department consists of six directorates; Budget & Economic Planning, Accounting services, Audit, Supply chain management, Revenue and ICT which are

committed to attaining high levels of prudence in financial management, financial reliability and sustainability, high quality service delivery and optimum structural, institutional and human capacity through transparency and accountability, integrity, professionalism, creativity and innovation, citizen participation, team spirit and patriotism.

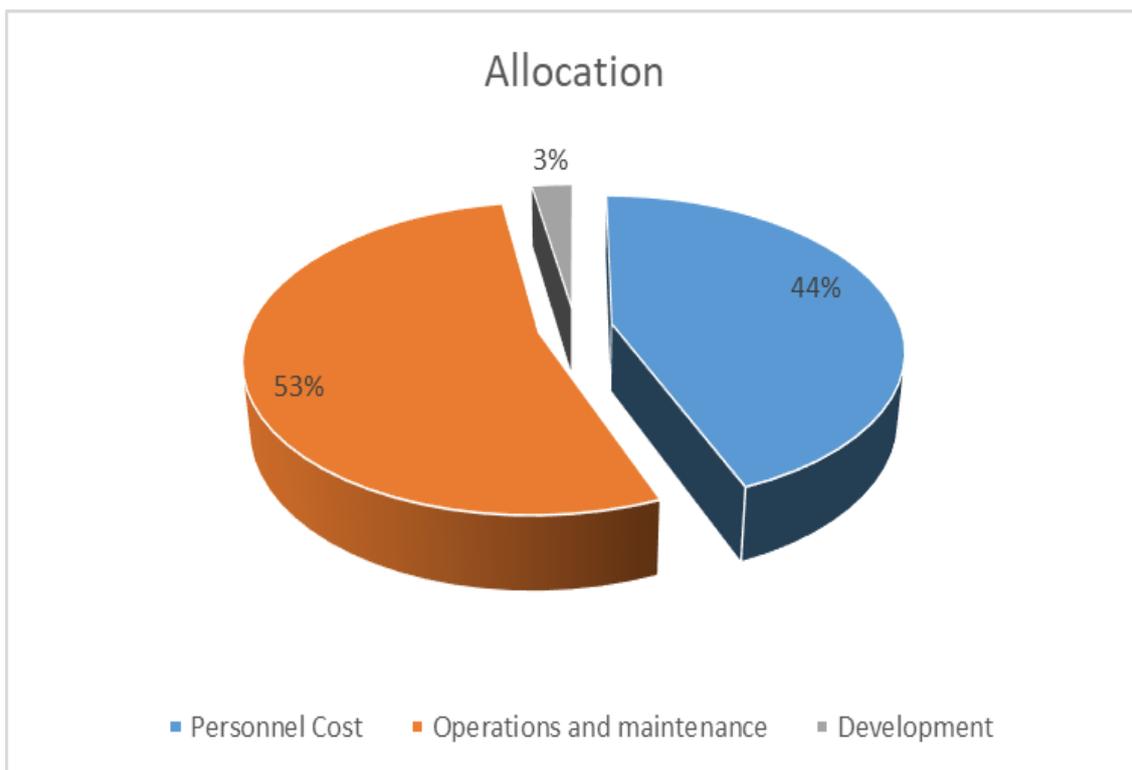
- 106.** The department is responsible for the financial management of the County public treasury. In the year under review, the department continued with its key functions of facilitating revenue collection and revenue management; planning and budgeting, preparation and management; formulation and promotion of County fiscal and economic policy and trade facilitation.
- 107.** This was attributed to effective strategies put in place among them continued automation processes through launching of County M-pesa Pay bill no. 635929 aimed at streamlining revenue collection and overcoming revenue leakages, establishment of trade Act, Cess bills and approval of valuation rolls that aided in boosting revenue from relevant sources.
- 108.** The department gave technical support, advice and guided other departments in financial and economic planning matters. It worked collaboratively with other County departments, board, committees and the County Assembly in preparing, reviewing and analyzing budgetary policies and priority programmes.
- 109.** The directorate of Accounting services and Audit enabled the department control and account for the receipt and expenditure of public funds through the development of financial policies and procedures, administration of applicable legislation and preparation of financial statements and financial reports. In the 2018/2019 financial year, the department did adopt the E- Procurement system put in place by the National Treasury for National and County Governments' procurement processes.
- 110.** Various stakeholders and County staff were trained on the e-Procurement system which was later applied in tendering and evaluating the advertised projects. The department will endeavor to provide high quality financial, economic and advisory services through efficient and effective fiscal planning, resource mobilization, budget administration, coordination, formulation and implementation of policies and programs, developed planning documents, monitoring tools and overall assessment on all planned programmes and projects for equitable and sustainable development for the citizens of Busia County in the subsequent financial years.
- 111.** The directorate of ICT launched an electronic revenue management in a bid to maximize tax collection, facilitate transparency and seal existing revenue leakage.

- 112.** The directorate provided continuous support and maintenance on existing computerized systems including the revamping of the County website, provide structured cabling network on three sub County offices in readiness for provision of MPLS (Multi-Protocol Label Switching) and installation of IP surveillance (CCTV and access control system at County Headquarters).
- 113.** In the medium term the directorate intends to establish Global Information System (GIS) resource mapping for revenue automation, establish Enterprise Resource Planning (ERP) phase two, increase Multi-Protocol Label Switching (MPLS) to sub counties, establish Sinology backup and implementation of County valuation roll.
- 114.** The department was allocated a total amount of Ksh 918.17 M during the financial year 2019/2020. This constituted 9.9% of the total budget of the County.

**Table 22: Finance, Economic Planning & ICT Allocation analysis by economic classification**

<b>SNO</b>	<b>Description</b>	<b>Amount (Mil)</b>	<b>Percentage</b>
1	Personnel Cost	403.24	43.9
2	Operations and maintenance	490.5	53.4
3	Development	24.43	2.7
	<b>Total</b>	<b>918.17</b>	<b>100</b>

**Chart 8: Finance, Economic Planning & ICT Allocation analysis**

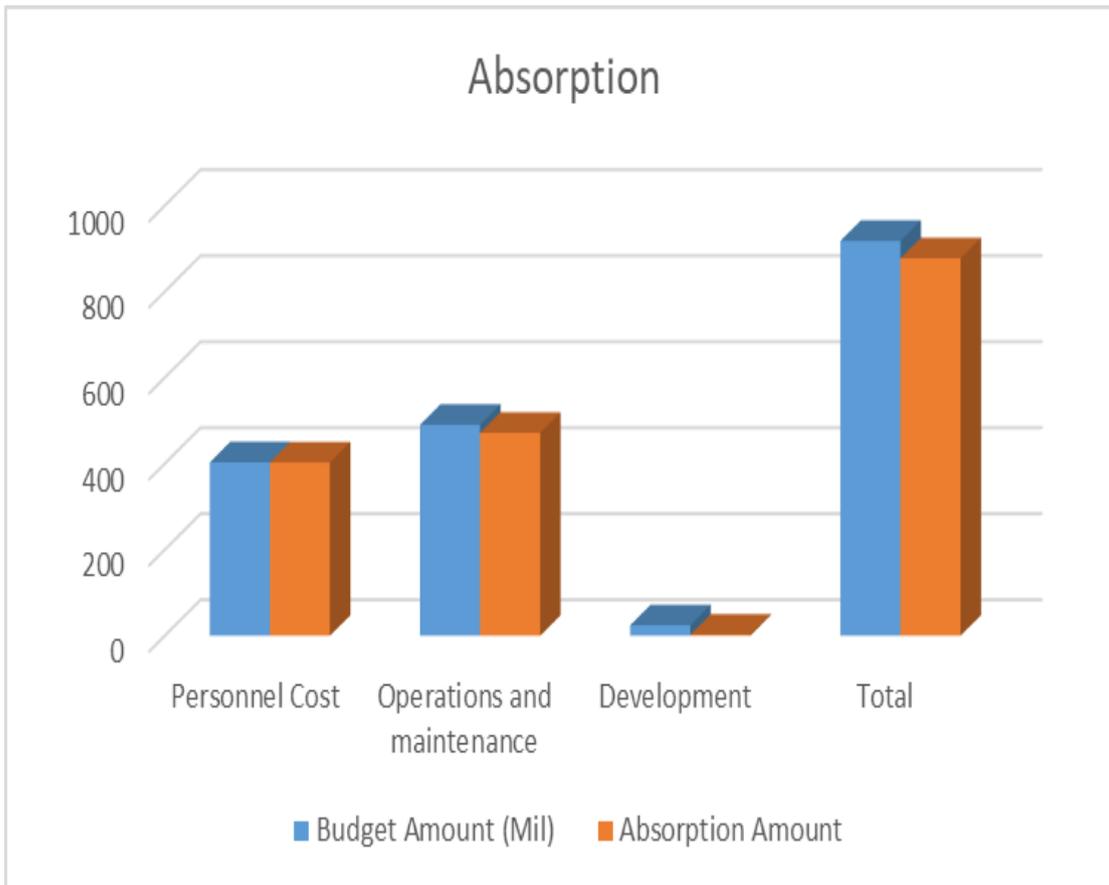


**115.** The Operations and maintenance budget allocation was the highest at 53%, (bulk of which went to motor vehicle insurance services of the County) of the total allocation to the department. Personnel cost (Compensation to employees) allocation was 44 % while Development was 3%.

**Table 23: Finance and ICT economic absorption level Ksh. Million**

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	403.24	402.9	100
2	Operations and maintenance	490.5	471.9	96
3	Development	24.43	2.54	10
	<b>Total</b>	<b>918.17</b>	<b>877.34</b>	<b>96</b>

**Graph 8: Finance, Economic Planning & ICT absorption analysis.**



**116.** Total departmental absorption was 96%. Development absorption cost was 10%. Operation and maintenance vote absorption was 96% while Employee compensation was 100%.

### **5. Youth, Sports, Tourism, Culture and Social Services**

**117.** The department is comprised of seven directorates namely Youth, Children, Culture, Tourism, Liquor Licensing, Sports and Social Services that deals with issues affecting vulnerable members of the community.

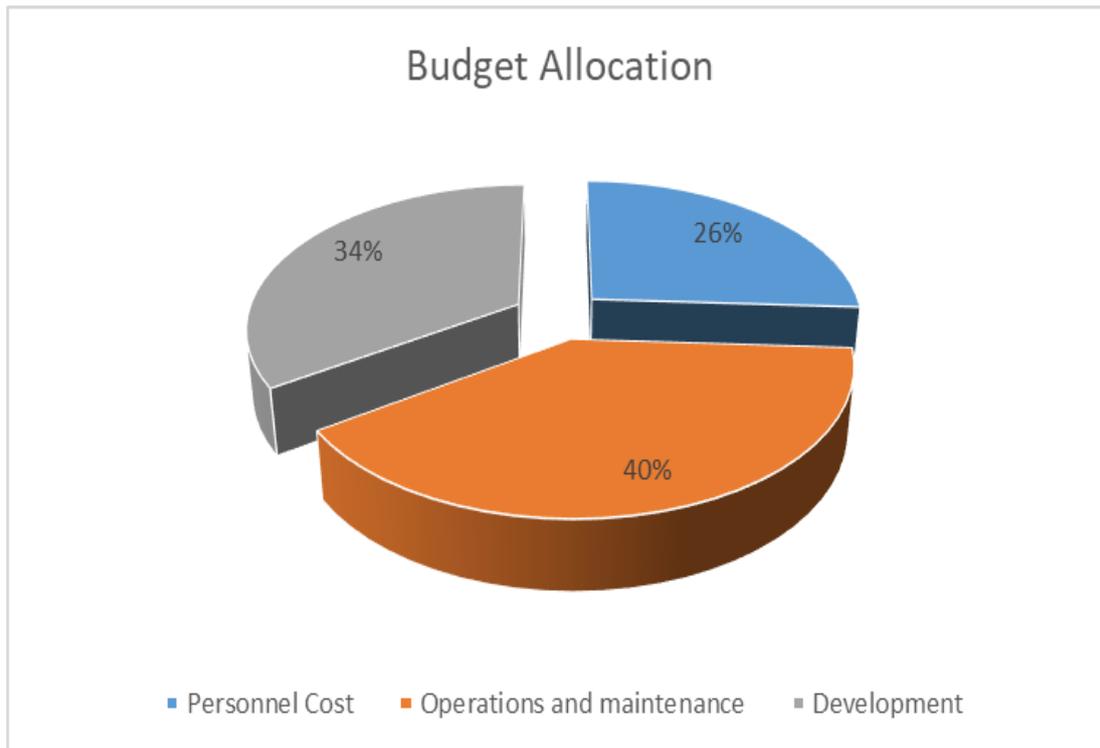
**118.** It is mandated to mobilize Busia Community for sustainable social protection, talent nurturing, heritage promotion and preservation, creating equal opportunity for youth, women, Persons with Disabilities (PWDs), older persons and other vulnerable groups for a holistic growth and development of the County.

- 119.** The department is committed to establishing a socially self-driven empowered community through social protection, talent nurturing, and creating equal opportunities for children, youth, women, PWDs and other vulnerable groups in the community.
- 120.** In the period under review for Financial Year 2019/2020 the department facilitated the County to participate in KICOSCA and EALASCA and were represented with a scrabble team which emerged the best which led to the team to participate in EALASCA games and again emerged as the best.
- 121.** The department also facilitated the hosting of Kenya Youth inter-County games in which the County emerged best overall in all categories of games. It also financed and constructed Kakapel cultural centre and it's still ongoing, conducted youth mentorship programmes. Further in aiding persons living with disability, the department Procured assistant devices in an effort to promote and improve in the mainstreaming of PWDs.
- 122.** The department was allocated Ksh.130.7 Million, this constituted 1.41% of the total budget. The budget for the department was divided as follows;
- 123.** The department was allocated Ksh.130.77 M, this constituted 1.4% of the total budget. The budget for the department was divided as follows;

**Table 24: Youth, Sports, culture and Social Services allocation analysis by economic classification:**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	33.87	26
2	Operations and maintenance	51.95	40
3	Development	44.95	34
	<b>Total</b>	<b>130.77</b>	<b>100</b>

**Chart 9: Community Development, Culture, Sports, and Social Services allocation analysis**

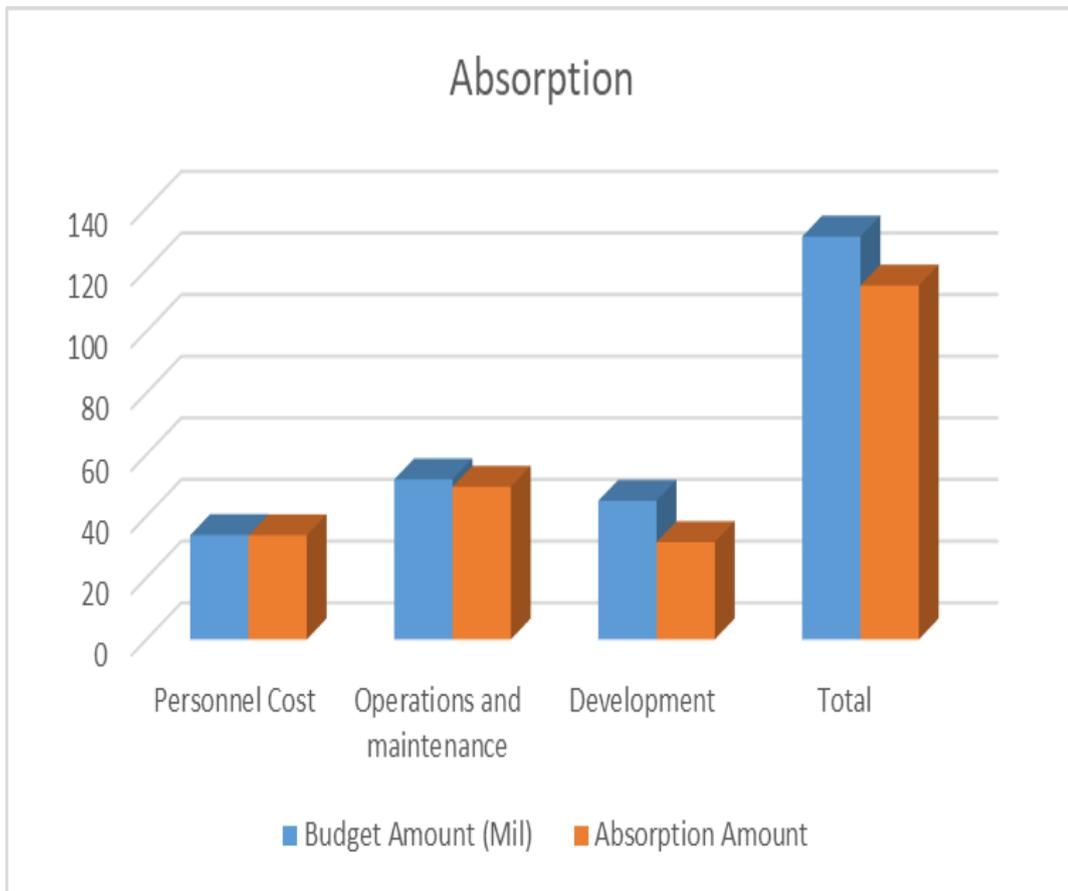


**124.** Operations & maintenance allocation was the highest at 40%, Development at 34% and Personnel cost (Compensation to employees) at 26% allocation of the total departmental budget.

**Table 25: Culture, Sports and Social Services absorption level in Ksh Millions**

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	33.87	33.76	100
2	Operations and maintenance	51.95	49.53	95
3	Development	44.95	31.55	70
	<b>Total</b>	<b>130.77</b>	<b>114.84</b>	<b>88</b>

**Graph 9: Youth Sports, culture and Social Services absorption analysis**



**125.** Personnel cost was utilized at 100% while 95% of Operations and Maintenance were absorbed. Development budget absorption stood at 70%.

### **6. Public Works, Roads, Transport and Energy**

**126.**The department is made up of four directorates namely; Roads, Public works, Transport and Energy.

**127.**It is mandated to provide an enabling and supportive environment for investment in the County and sustain standard road network and public infrastructure for sustainable development. It provides both technical and supervisory assistance to other departments in implementation of projects.

**128.**In the year under review the directorate of roads completed the upgrading of selected County roads (Hotel Rastopark –Scorpion Chemist Garage Street and Rowcena Hotel.

and Kocholia hospital access road in Malaba) to bitumen standard, as well as carrying out routine maintenance of roads under Road Maintenance Levy Fund conditional grant. Further the department opened up various unclassified roads within the wards and upgraded them to gravel standards

**129.**Under the Kenya Devolution Support Programme, the directorate has constructed a 12.5 Km road from Machakus to Gara, connecting three Sub Counties of (Teso South, Teso North and Nambale). This has not only impacted local economy but has also effectively led to increased accessibility to and from the farms, markets, health facilities, learning facilities, and other socio-economic centre

**130.**In the medium term roads development and upgrading of County roads to bitumen standards is the key priority. This will ensure the County urban and town roads are all weather and of high quality. It will go a long way in ensuring that very little time is used in traffic movements leading to reduction in the cost of doing business in the County.

**131.**The directorate of public works puts more focus on construction of major drainage (bridges and box culverts) leading to other road network especially on riparian areas to easy access to other parts of the County. The construction of Sidokho Multiple box culvert and Musirongo box culvert are underway and will be soon completed in addition to other minor crossing structures.

**132.**The directorate of transport will continue to direct efforts towards strategies aimed at provision of cost effective public utility infrastructure facilities and services in the areas of transport. The directorate has mechanical unit which ensures that County machines and equipment are serviced and maintained at the requires standards

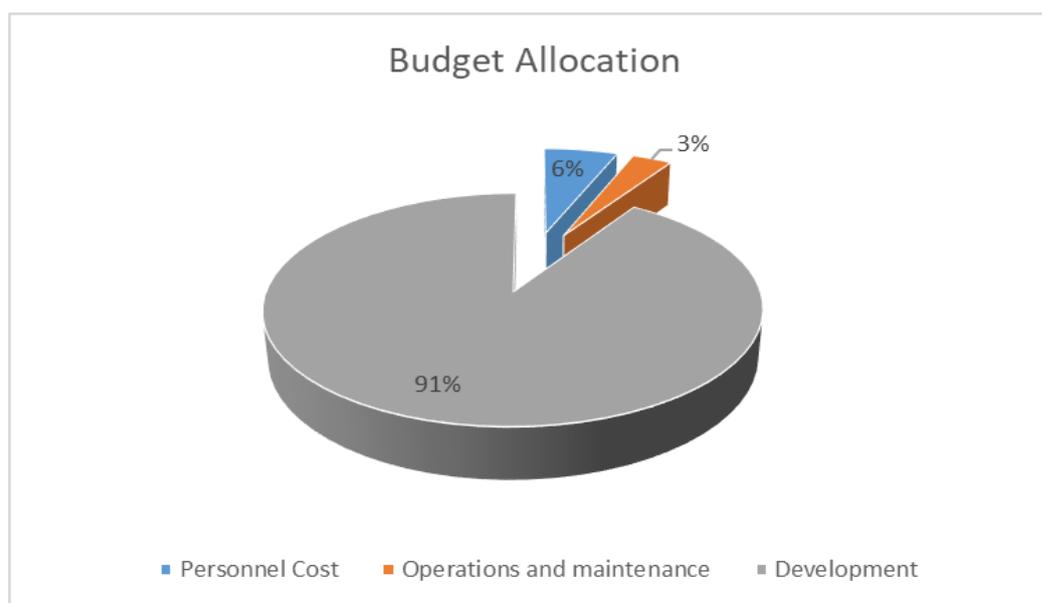
**133.**The directorate of energy focuses on rural electrification enhancement and solar installation project so as to ensure that the rural households are connected to cheap and reliable energy to enable them go about their economic activities with ease. The County has so far installed 20 transformers in various wards to promote rural electrification enhancement.

134. The department was allocated Ksh. 1,005.8M this constituted 10.8% of the total budget. The budget for the department was divided as follows:

**Table 26: Public Works, Roads, Transport and Energy allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	59.5	6
2	Operations and maintenance	31.95	3
3	Development	914.35	91
<b>Total</b>		<b>1,005.80</b>	<b>100</b>

**Chart 10: Public Works, Roads, Transport and Energy allocation analysis**

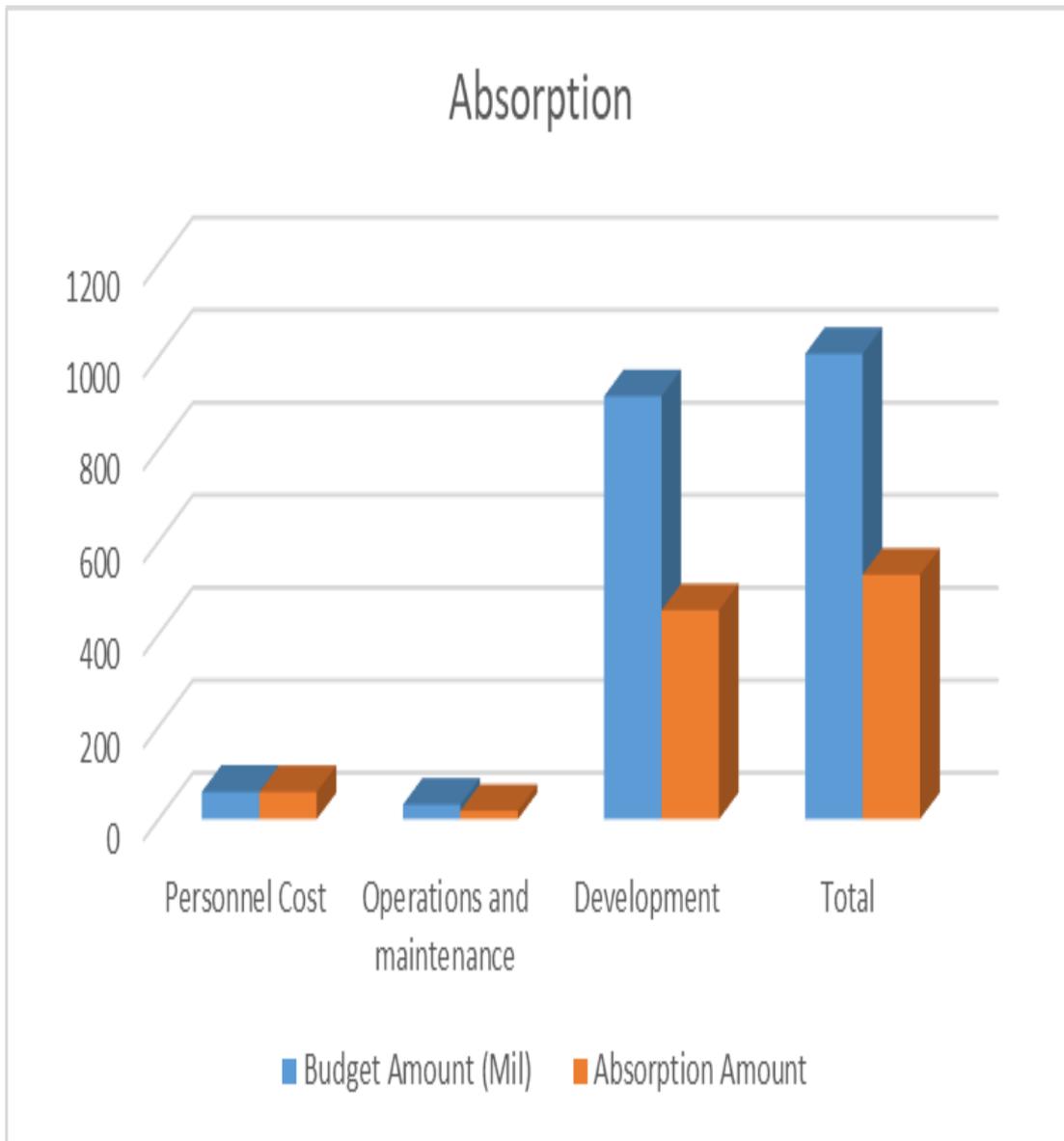


135. The development cost allocation was the highest at 91%. Personnel cost (Compensation to employees) was the second highest with a budget allocation of 6%. The Operations and Maintenance was the least beneficiary with 3%.

**Table 27: Public Works, Roads, Transport and Energy absorption level in Ksh Millions**

<b>SNO</b>	<b>Description</b>	<b>Budget Amount (Mil)</b>	<b>Absorption Amount</b>	<b>Percentage</b>
1	Personnel Cost	59.5	58.88	99
2	Operations and maintenance	31.95	17.81	56
3	Development	914.35	451.66	49
	<b>Total</b>	<b>1,005.80</b>	<b>528.35</b>	<b>53</b>

**Graph 10: Public Works, Roads, Transport and Energy**



**136.** The personnel cost vote recorded 99% absorption. Development vote absorption was at 49% while that for O&M was at 56%. Total departmental absorption was 53%.

### **7. Public Service Management**

**137.** The department of Public Service and Administration is composed of three sections namely, Human Resource Management, Payroll Management and Records Management. In discharging its functions, the department liaises with the County Public Service Board in coordinating Human Resource and Records Management functions.

- 138.** The Vision of the department is to be a benchmark for high performing, dynamic and ethical public service. The Mission is to facilitate a safe environment for an effective and productive work force that guarantees personal growth and sustainable development.
- 139.** The mandate of the Department as per the Executive order NO.1 OF 2020 is to provide strategic leadership and guidance to the public service on;
- i. Human Resource Management and Development.
  - ii. Records Management.
  - iii. Staff Performance Management.
  - iv. Training and Capacity Building.
  - v. Organizational Design and Development.
  - vi. Industrial relations.
  - vii. Gender/Disability Mainstreaming.
  - viii. Staff Benefits and Welfare Schemes.
  - ix. Guidance and Counselling HIV and AIDS.
  - x. Employee relationship
  - xi. Promotion of staff cohesion.
  - xii. Staff payroll Management.
- 140.** The department aims at providing a conducive environment for an effective and efficient workforce while embracing modern technology for delivery of quality service.
- 141.** In the FY: 2019/2020 the department did spearhead trainings of staff in the following areas:
- i. Strategic Leadership and development program (SLDP) at Kenya School of Government,
  - ii. Strategic Leadership and Good and Governance in Dubai, Trained CECM and Chief Officers on Participatory Budget and Expenditure Tracking and Good Governance at ESAMI in Kampala, Filling of Declaration of income, assets and liability, pre –retirement training, sensitization of staff on Alcohol, Drugs and Substance Abuse and County Performance Management System among others.
- 142.** Given the impact of performance contracting on the operation and effectiveness of Public sectors, it is essential that all employees are included in the signing of the performance contract. During the year under review the department was able to coordinate the process of performance contracting evaluation, negotiations and Vetting in all the departments.
- 143.** To provide valuable insight and understanding employees and customer’s needs, the department carried out Employees Satisfaction Survey, Customer Survey and Work

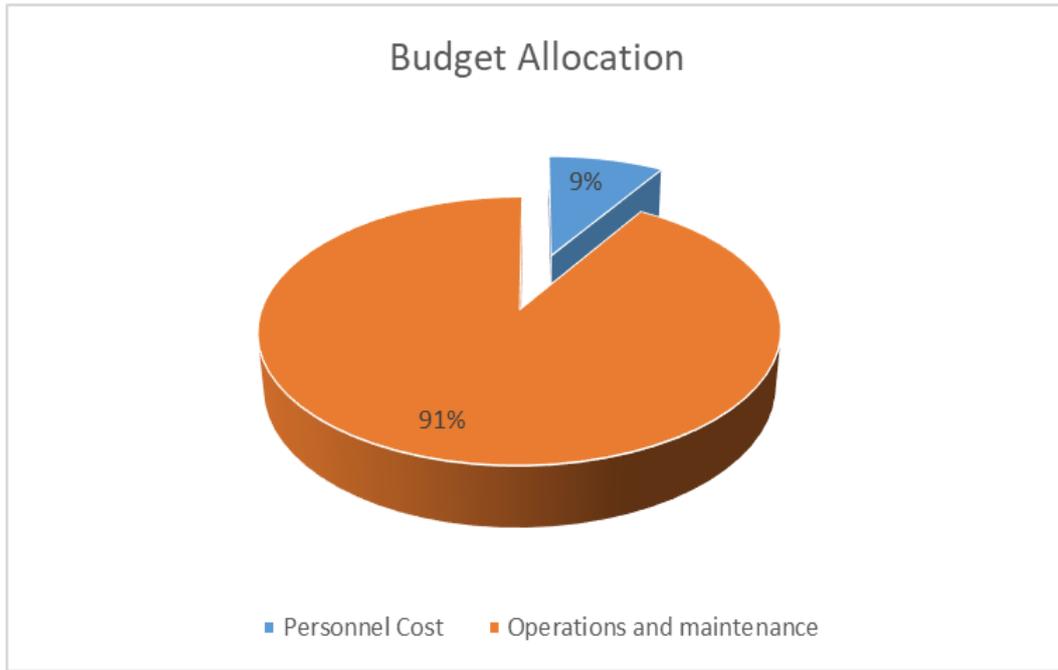
Environment Survey to measure employees feeling of contentment and empowerment and receiving customer’s feedback for the purposes of improving service delivery.

- 144. The department also developed its strategic plan that will guide in establishing realistic objectives and goals that are in line with the Vision and Mission of the department.
- 145. Key achievement of the departments was revamping the contracting performance in the County and carrying out staff headcount for permanent and pensionable staff and employees recruited on contract and casual terms to assist in identification of staffing levels in the County.
- 146. Together with the County Public Service Board, the department customized the Public Service Commission Human Resource Procedures Manual and Staff Performance Appraisal System.
- 147. Risks to the outlook include: Inadequate allocation of resources to fully fund programmes planned by the department.
- 148. The department was allocated Ksh. 395.3 M. This constituted 4.3% of the total budget. The budget for the department was divided as follows;

**Table 28: Public Service Management allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	34.71	9
2	Operations and maintenance	360.61	91
	<b>Total</b>	395.32	100

**Chart 11: Public Service Management allocation analysis**

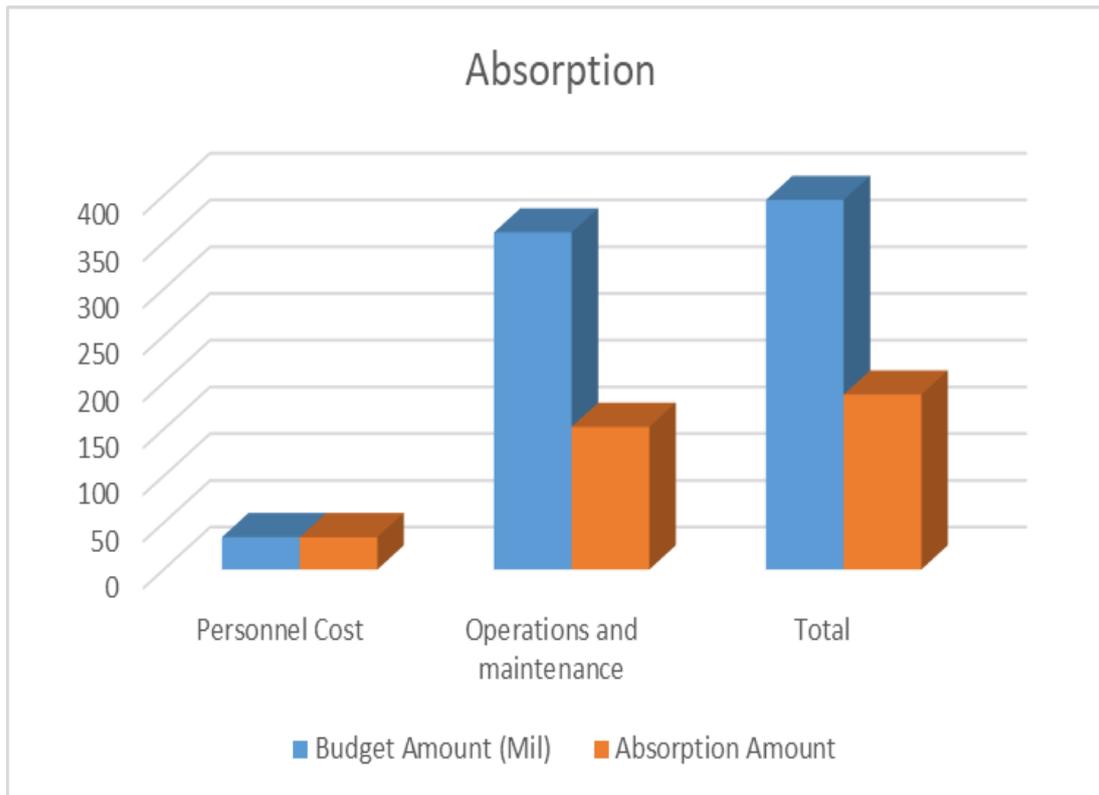


**149.** Operations and Maintenance formed the largest proportion of the allocation at 91%. The Personnel cost (Compensation to employees) was the lowest at 9%.

**Table 29: Public Service Management absorption level in Millions**

SNO	Description	Budget Amount (Mil)	Absorption Amount	Percentage
1	Personnel Cost	34.71	34.59	100
2	Operations and maintenance	360.61	152.57	42
	<b>Total</b>	<b>395.32</b>	<b>187.16</b>	<b>47</b>

**Graph 11: Public Service Management Absorption analysis**



**150.** Personnel cost was expended at 100%. The department spent 42% of the Operations and Maintenance allocation

**8. Lands, Housing and Urban Development**

**151.** The department is made up of five directorates; Lands, Survey, Physical Planning, Housing and Urban Development. The mandate of the department is to provide services on Lands, Housing and Urban Development in the County.

**152.** The department is geared towards Excellence in land management and provision of affordable and quality housing for sustainable development so as to improve livelihoods of Busia residents through efficient administration, equitable access, secure tenure, sustainable management of land resource and access to adequate housing.

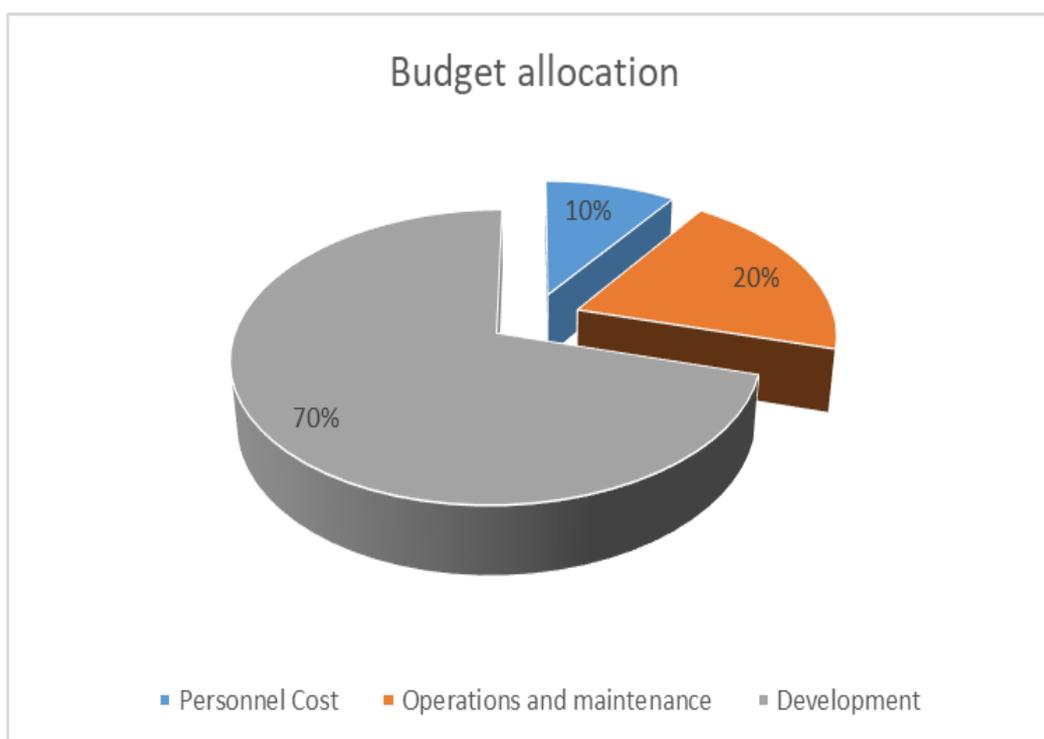
**153.** The directorate of lands works with various Government agencies to ensure security of tenure for both County and private lands through acquisition of titles and fencing to avoid encroachment. The directorate has facilitated acquisition and protection of land for investment in strategic places in the County.

- 154.** Automation of plot records and issuance of plot ownership documents in all market centres, preparation of town development plans, registration of public land and informal settlements upgrading and prevention action plan will be another priority programme for the department
- 155.** The urban development directorate aims at achieving sustainable urban centres by making towns and markets inclusive, safe, resilient and sustainable. Towns and markets in Busia County are hubs for ideas, business, productivity and social development and have enabled communities to live and advance socially and economically.
- 156.** Street and mass lighting in urban centres and informal settlements is another area of priority for the department. Solar street lights installation project is ongoing in Malaba and Busia towns while Mass lighting in major trading centres in all the 35 wards has been implemented.
- 157.** Under County urban management and development, the department undertook improvement of infrastructure in Busia municipality and Malaba town.
- 158.** The directorate of housing aims at completing the construction of Appropriate Building and Materials Technologies ABMT centre in Teso North. The centre will be used as a demonstration site to train citizens on how to use locally available materials to achieve the Big Four Agenda dream of affordable housing using technology.
- 159.** The department is faced with a number of challenges which include; congestion, lack of funds to provide basic services, shortage of adequate housing and declining infrastructure. The County aspires to have towns and markets of opportunities for all, with access to basic services, energy, housing and transportation.
- 160.** The department was allocated Ksh. 413 M. This constituted 4.5% of the total budget. The budget for the department was divided as follows;

**Table 30: Lands, Housing and Urban Development Allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	39.8	10
2	Operations and maintenance	81.8	20
3	Development	291.4	70
	<b>Total</b>	<b>413</b>	<b>100</b>

**Chart 12: Lands, Housing and Urban Development Allocation analysis**

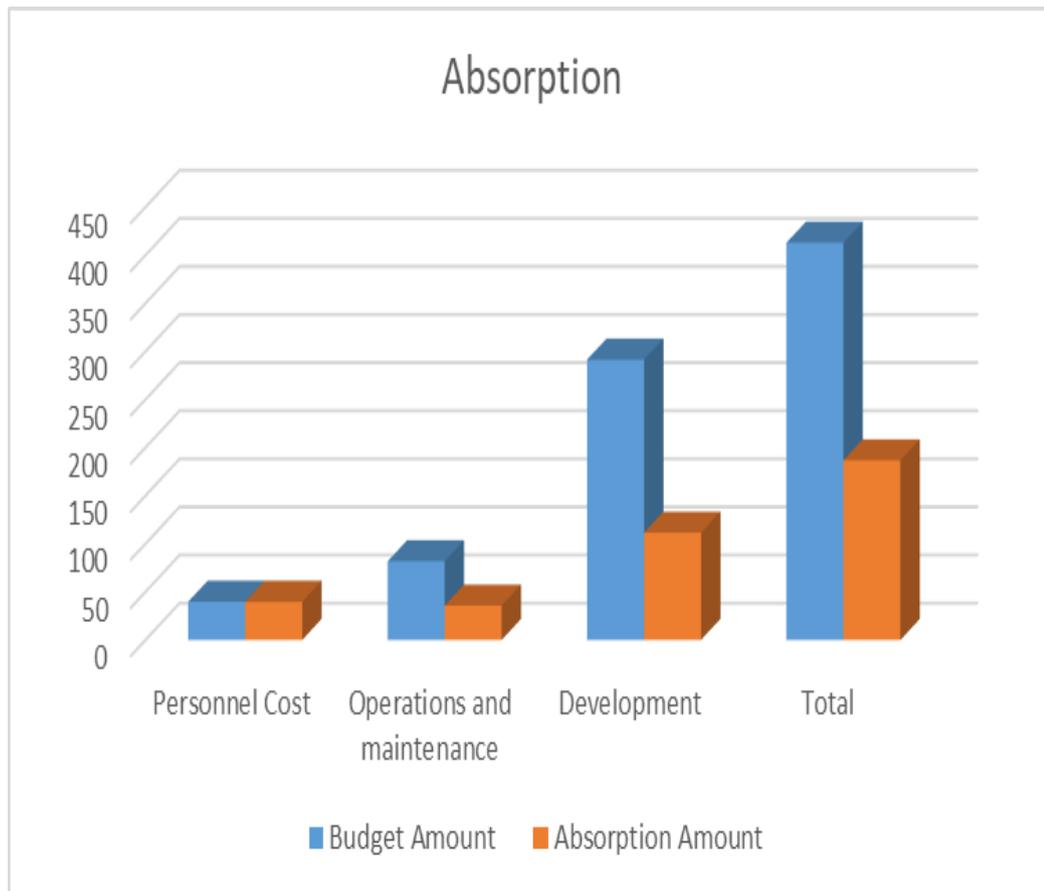


**161.** Development cost was the highest with an allocation of 70%. Personnel cost (Compensation to employees) had an allocation of 10%. Operations and maintenance got an allocation of 20 %.

**Table 31: Lands, Housing and Urban Development absorption level**

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	39.8	39.62	100
2	Operations and maintenance	81.8	35.65	44
3	Development	291.4	111.4	38
	<b>Total</b>	<b>413</b>	<b>186.67</b>	<b>45</b>

**Graph 12: Lands, Housing and Urban Development Absorption analysis**



**162.** The total absorption was 45%. The Personnel vote was fully expended. Development vote absorption was at 38% and O& M vote absorption stood at 44%.

## 9. Water, Irrigation, Environment and Natural Resources

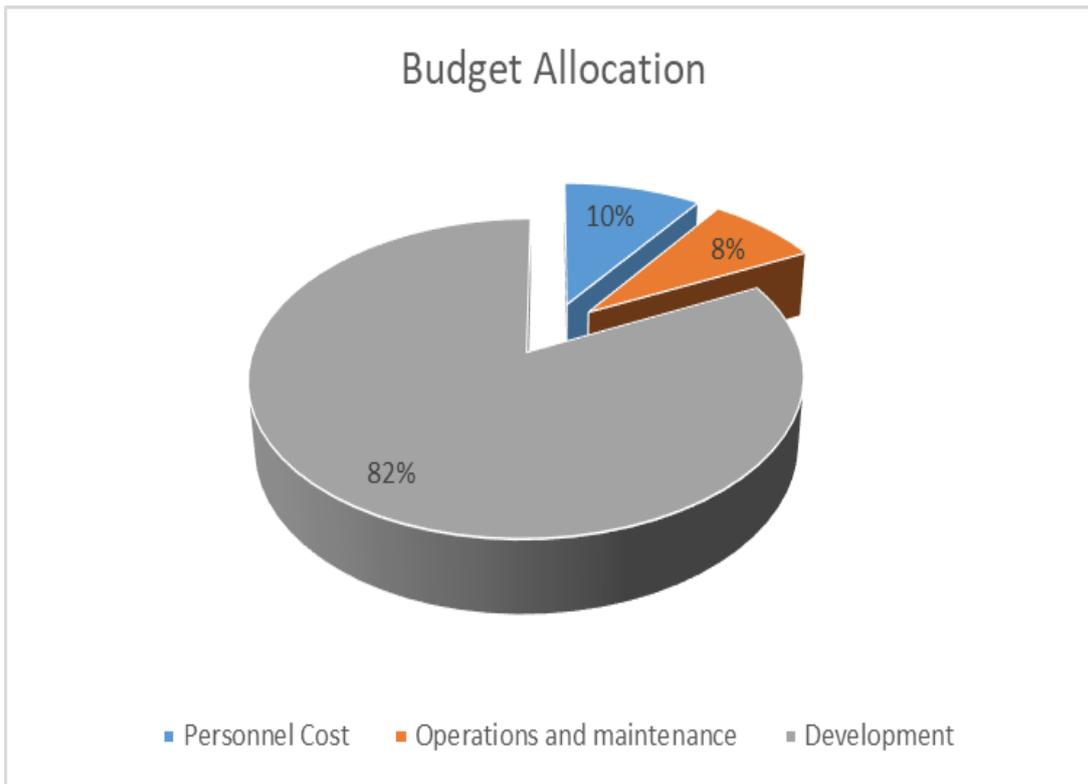
- 163.** The department's vision is to create reliable Access to Clean and Safe Water, and Secure Environment for Sustainable Development.
- 164.** The Department of Water, Environment and Natural Resources is mandated to ensure that the people of Busia County are provided with desired service levels in water provision under secure and sustainable environment. As this is being implemented, the Department will look beyond pure infrastructure investment requirements and introduce interventions for ensuring that the infrastructure addresses challenges of professional service delivery, sustainable operation and maintenance, adequate access to services and protected water catchment zones that include the many river sources, both permanent and seasonal, and wetlands that run across the County and need protection and rehabilitation.
- 165.** Despite cash flows challenges exacerbated by covid-19 pandemic, the Sectors of Water, Irrigation and Environment Concentrated on optimum service delivery to the citizens of Busia County.
- 166.** Programmes that were set out in the FY 2019-2020 aimed at improving access to clean water, reducing time taken while fetching water through extensive Pipe Extensions, Increasing Storage Facilities and Developing alternative water sources such as springs, Dams and Shallow Wells. The acquisition of A drilling Rig by the County will enhance maintenance through flushing of the over 2000 drilled boreholes that have not been serviced or maintained for the last 30 years. These will ensure reliability and sustainability of water infrastructure in the County.
- 167.** The department developed a solar tie grid system of A 125 kW at the Mundika water project with an aim of reducing the cost of electricity bill by an average of Ksh. 600,000 per month. Upgrading of Khwirale water point to solar powered pumping system has seen it inject 120,000 liters of water per day into Nambale water grid. Bwaliro water supply and Madivira water network were also expanded.
- 168.** Water sector has developed a number of water facilities but currently over half are performing at an efficiency of below 40%.As the department endeavors to improve on reliability, pipe extensions on existing high yielding supplies, Development of storage facilities and Drilling wells in strategic institutions will be undertaken.

- 169.** Under rural water supply services, the department drilled and equipped 16 boreholes in various wards. 35 Kms pipeline network was also developed across the County to reduce the distance covered in search of water.
- 170.** Farm forest and development of Bamboo was undertaken with an aim of introducing industrial cottages such as Bamboo by-products, Fruit trees and honey industries. 50,000 seedlings were planted in public institutions across the country.
- 171.** During the period under review, the department's implementation for development programmes stood at 42.6%. The department was allocated Ksh. 676.25 M. This constituted 7.3% of the total County budget. This is distributed as follows:

**Table 32: Water, Environment and Natural Resources allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	65.97	10
2	Operations and maintenance	53.46	8
3	Development	556.82	82
	<b>Total</b>	<b>676.25</b>	<b>100</b>

**Chart 13: Water, Irrigation, Environment and Natural Resources allocation analysis**

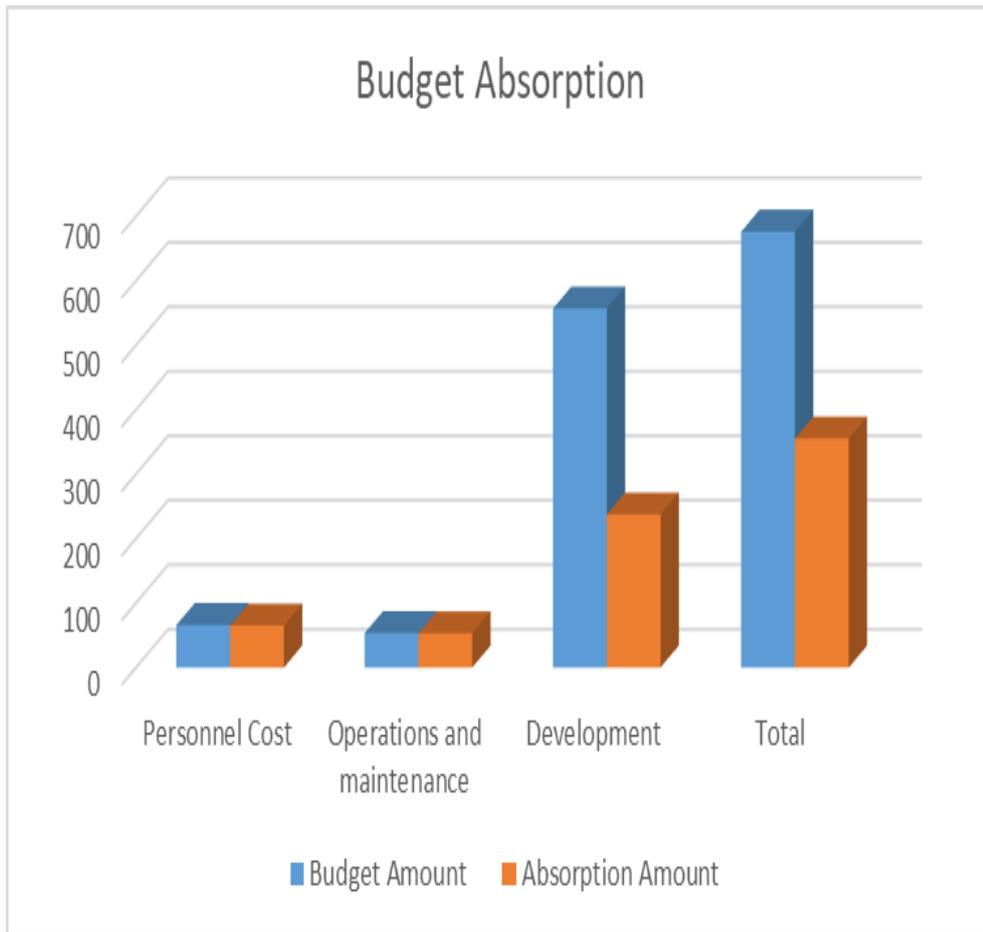


172. Development allocation was the highest at 82%. The Personnel allocation (Compensation to employees) took an allocation of 10% while Operations and Maintenance was least at 8%.

**Table 33: Water, Environment and Natural Resources absorption level in Ksh. Millions**

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	65.97	64.9	98
2	Operations and maintenance	53.46	52.98	99
3	Development	556.82	237.27	43
	<b>Total</b>	<b>676.25</b>	<b>355.15</b>	<b>53</b>

**Graph 13: Water, Environment and Natural Resources absorption analysis**



**173.** The development vote was utilized at 43% absorption rate. Personnel allocation was fully expended at 98% while Operations and Maintenance stood at 99% absorption rate. Total departmental absorption was 53%.

### **10. Health and Sanitation**

**174.** The Vision of the department is to transform the County to a healthy, productive, and internationally competitive County as envisaged in the County Integrated Development Plan 2018-2023 and the County Health Sector and Investment Plan 2018-2023.

- 175.** To achieve this, the department will continuously build a progressive, sustainable, technologically-driven, evidence-based and client-centered health system with the highest attainable standards of health at all levels of care in Busia County Health.
- 176.** The department implements its mandate through three areas of focus namely; Administration and Support services, Curative and Rehabilitative Health Services and Preventive and Promotive Health Services. It is responsible for providing quality healthcare services to the people of Busia County and its environs. As per the Executive Order No 1 of 2020, the Health department was split into 2; namely curative services and preventive services. There followed an appointment of 2 substantive Chief Officers to coordinate both directorates. In the same period of review, the office of Universal Health Coverage was also created to coordinate UHC activities in line with the President's Big 4 Agenda
- 177.** Throughout the 1<sup>st</sup> half of the year under review ending December 2019, implementation of activities went on uninterrupted. However, floods were experienced in the month of February affecting roll out of health services in some parts of Bunyala, and the Covid-19 pandemic impacted negatively on a number of indicators. In spite of the 2 aforementioned occurrences, there were a number of achievements realized.
- 178.** Under infrastructure development, the state of the art Accident and Emergency Unit at the referral hospital was completed, a flagship project towards realization of Busia Hospital as a fully-fledged level 5 teaching and referral hospital. The ICU equipment earlier on procured was installed awaiting launching of this vital services in the unit. Other completed projects included the 30 - bed medical ward and conversion of ward to laboratory, both at Teso North sub County Hospital.
- 179.** At Port Victoria hospital in Bunyala Sub County, the laboratory and the single-storied Maternity and Newborn Unit expected to improve maternal and child health in the Sub County. Construction of the 110M Mother and Child Hospital at Alupe Sub County Hospital. The Laboratory at Nambale. Other projects were at an advanced stage towards completion and are projected to be commissioned in the financial year 2020/2021.
- 180.** Four facilities were commissioned to offer services. This included Buyosi in Burumba Ward, Mukonjo and Wakhungu Dispensaries in Nangina Ward and Igula dispensary in Marachi West Ward. This was aimed at bringing services closer to the clients in line with WHO standards and also improve health seeking behavior among the population.
- 181.** A total of 297 staff were promoted, 97 redesignated and 73 staff previously engaged on temporary terms absorbed on Permanent and pensionable terms. This was

aimed at mitigating staff shortage which has impacted on department's performance while at the same time boosting staff motivation.

- 182.** During the period under review, a number of equipment was procured as part of the programme of equipping the near completed health facility projects, mainly under the Kenya Devolution support programme. This included the laundry machines for Port Victoria, Busia Referral Hospital and Kocholya, ward equipment for the new ward at Kocholya and Nambale and the office furniture and equipment for the accident and emergency unit at Busia Referral hospital
- 183.** The THS – UC grant from World Bank (Transforming Health Systems for achievement of Universal Health coverage) also had significant investment towards strengthening of RMNCAH interventions. During the period under review, the department utilized the funds to procure 2 additional utility vehicles for Samia and Teso North sub counties. Minor Renovations were successfully undertaken at Busia Referral Hospital, Amukura and Angurai using these funds. Other interventions executed included integrated outreaches (Including Beyond zero van), review meetings, AWP planning and targeted trainings.
- 184.** The department also managed to acquire 2 new additional utility vehicles procured under the THS – UC grant. These 2 vehicles were allocated to Samia and Teso North Sub counties which for a long time have been experiencing challenges in undertaking supervision and other activities due to transport challenges.
- 185.** The period under review also witnessed significant synergy between the department and the Health development partners in the implementation of the health agenda within the County. The partner interventions went a long way in supplementing the County Government effort and resources. Among the partners included USAID/AMPATH in the field of HIV/AIDS, Nutrition International in Nutrition, AMREF K-SHIP in Sanitation Marketing Fred Hollows in Eye care Services, USAID/PMI/ Tupime Kaunti in Leadership M&E, and accountability. USAID/PMI/Impact Malaria, Afya Ugavi, GF/AMREF/PS Kenya, Malaria and HIV, Red Cross and Living Goods in Level 1 interventions, PRB/PACE in advocacy and Health financing. UKAID/Save The Children in Maternal and Child Health. Systems Enhancement for Transformative Health (SETH) in Nutrition, Maternal Health and community engagements.
- 186.** With the current Covid – 19 pandemic the department was allocated Kshs 103M in the supplementary budget towards the fight against this. The allocation was used in the procurement of key supplies, undertaking renovations & procurement of equipment for the isolation & treatment centre at Alupe Sub County (which stopped its routine

services to specifically be used as a Covid -19 isolation centre in line with guidelines provided by the Ministry of health.

- 187.** Great strides were attained under the leadership building block. The department developed and launched the five - County Nutrition Action Plan, the Health strategic and Investment Plan, and the Monitoring and evaluation plan. The department also finalized on the Community Health services bill and the amendment to the Busia Health Services Funding Act of 2015, both of which are at the assembly for consideration for adoption.
- 188.** Considerable achievement was attained in the programmatic areas of Malaria, HIV, Nutrition and TB, which saw the County's Malaria Incidence rate drop from 9.63% to 7.31%
- 189.** With the Achievement cited above, the department projects significant gains in the overall health outlook. Completion of the wards at Kocholya will improve treatment outcomes and improve health seeking behaviors to an additional estimated 34,000 clients annually who are expected to use the facilities through admissions or otherwise. The accident and emergency building at the referral hospital will further reduce unnecessary referrals thus save more lives as the emergency cases will be promptly addressed due to reduced attendance waiting time.
- 190.** The maternity and new born unit at Port Victoria is projected to serve an additional 30,000 clients annually and therefore the outcome will be reduced Maternal Mortality and child mortality as the facility will offer comprehensive, quality and affordable health care to the aforementioned cohort. The Nutrition interventions as outlined in the Action plan are geared towards reducing stunted growth, currently at 22% and relatively high within the region. Other nutrition indicators are also expected to improve.
- 191.** In the FY 2020/2021 and over the medium term, the department will continuously channel its effort towards investment in the Universal Health Coverage in line with the President's Big 4 Agenda. It will thus lay emphasis in commissioning of additional service areas in the level 3 & 4 facilities. Among them are opening of additional theatres at Khunyangu, Nambale and Sio Port sub County Hospitals as one way of providing an array of services & bringing them closer to the population.
- 192.** The department will also prioritize investment in the preventive and promotive programmes, with significant investment in Non-Communicable diseases, Malaria, HIV/AIDS awareness, Nutrition improvement, and creating awareness on need for improved community sanitation under environmental health. Community Strategy will also be enhanced by motivating the Community Health volunteers who are the driving

force in Primary HealthCare, a key area for the achievement of Universal Health Coverage

**193.** The department will also closely liaise with the office of the Member of the County Assembly in order to prioritize allocations under the Ward allocation dispensed through the department. This will see strategic investment the level 2 & 3 facilities in terms of constructions, renovations and procurement of equipment aimed at improving service delivery thus improved health outcomes among the populations

**194.** In line with the guidelines of the Ministry of Health and the WHO, the department will also place significant energy in efforts geared towards mitigating the effects of the Covid 19 pandemic. In the current budget (2020/2021) the department has an allocation of 106.4 Million which will be used in procuring Covid supplies, and undertake renovations to improve the isolation centers.

**195.** With support from the THS-UC World bank Grant (Transforming Health Systems for attainment of Universal Health Coverage), the RMNCAH indicators, for which the grant mainly supports, shall also be further strengthened by investing more on immunization outreaches, adolescent health interventions and family planning to reverse the health trends towards quality healthcare to the population

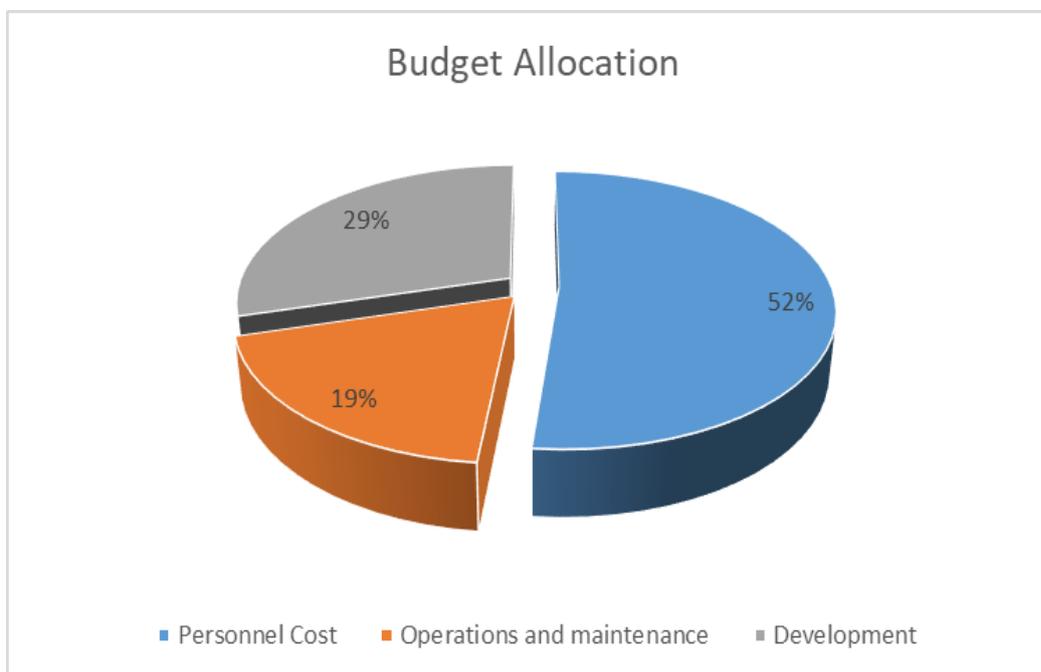
**196.** The risks to anticipate going forward are mainly; inadequate funding, poor cash flow, floods (as experienced in Bunyala sub County, inflation, reduced revenue collection because of poverty and logistical issues. The other challenge is the frequent industrial actions inherent in the health sector.

**197.** The department was allocated Ksh 2,577.1 M. This constituted 27.8% of the total budget. The budget for the department was divided as follows

**Table 34: Health and Sanitation allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	1,330.00	52
2	Operations and maintenance	488.25	19
3	Development	758.83	29
	<b>Total</b>	<b>2,577.08</b>	<b>100</b>

**Chart 14: Health and Sanitation allocation analysis**



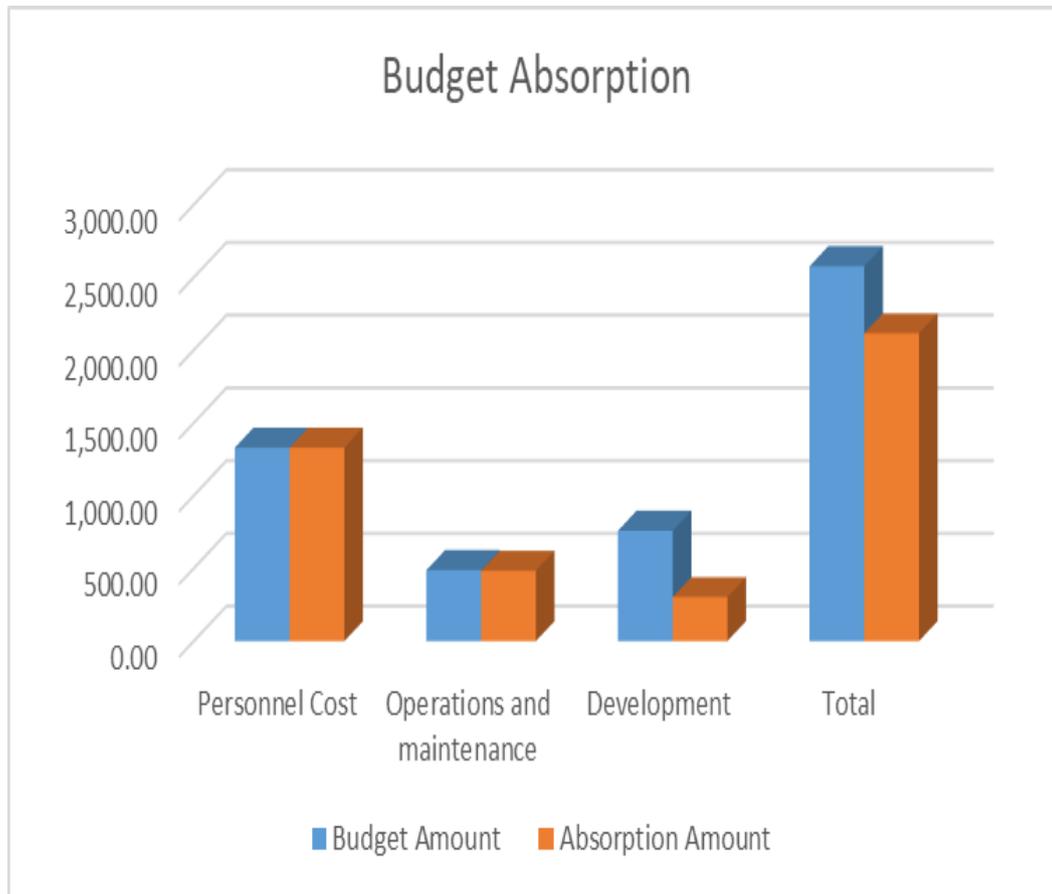
**198.** Personnel allocation (Compensation to employees) took the highest allocation of 52%. This is because of the high number of staff who are deployed in all County health facilities and community level. However, the department is still faced with shortage of key staff. The development vote stood at 29% while Operations and maintenance got an allocation of 19% of the department’s budget.

**Table 35: Health and Sanitation absorption level in Ksh. Million**

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	1,330.00	1,329.50	100
2	Operations and maintenance	488.25	483.88	99
3	Development	758.83	301.96	40

	<b>Total</b>	2,577.08	2,115.34	82
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**Graph 14: Health and Sanitation absorption analysis**



**199.** The personnel allocation was fully expended at 100%. The Operations and Maintenance vote managed a 99% absorption capacity while development managed 40%.

### **11. The County Public Service Board**

**200.** The Vision of the Busia County Public Service Board is to be a beacon of professionalism, integrity, equity and dedication to quality public service in Busia County. The Mission is to provide efficient and effective professional services for the realization of County and National development goals through competitive recruitment, planning, developing and managing human capital.

**201.** Article 235 of the Constitution requires every County to be responsible for the establishment of a public service in accordance with uniform norms and standards prescribed by an Act of Parliament. Accordingly, section 57 of the County Governments Act 2012, establishes a Public Service Board for every County. The Board comprises a Chairperson, not less than three and not more than five members and a Secretary, all of whom are nominated and appointed by the Governor with the approval of the County Assembly.

**202.** County Public Service Boards (CPSB) in ensuring professionalism shall endeavour to promote transparency accountability and adherence to national Values and principles through enforcement of leadership and Integrity Act 2012, public office Ethics , conduct of public officers, performance management systems and training curriculum.

**203.** To Promote service delivery in the County public service, the CPSB during the Financial year under review ,was able to develop the following documents;

- Human resource management Manual to guide the Board and the County Government in their operations and management of human resource.
- Recruitment and selection Policy (which is in draft form),
- Strategic Plan and County Public service Board service Charter which are ready awaiting stakeholders participation.

To recognize employee’s performance, commitment and to ensure the employees are motivated towards better performance, the board competitively promoted staff in the following departments:

- Health and Sanitation
- Agriculture and Animal Resources
- Public Service Management,
- culture, Sports, Tourism and social Services
- Trade, Co-operatives and Industrialization
- Finance, Economic Planning and ICT

With the department of Health and Sanitation having the largest number of 394 officers promoted to respective job groups.

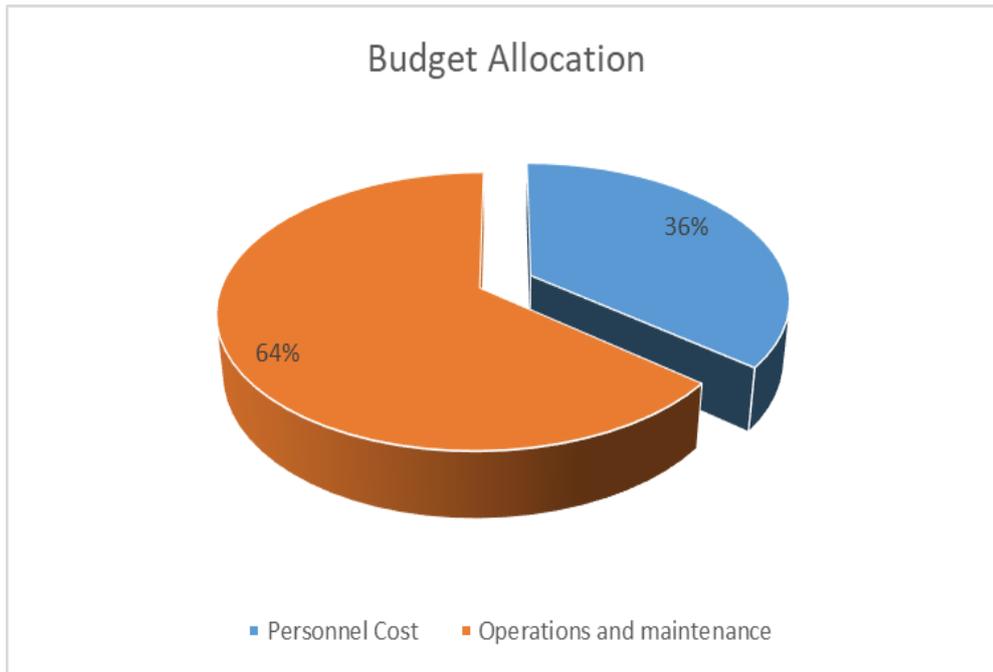
**204.** The department was allocated Khs.74.29M. This constituted 0.8% of the total County budget as follows;

**Table 36: The County Public Service Board allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
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1	Personnel Cost	26.64	36
2	Operations and maintenance	47.65	64
	<b>Total</b>	<b>74.29</b>	<b>100</b>

**Chart 15: The County Public Service Board allocation analysis**

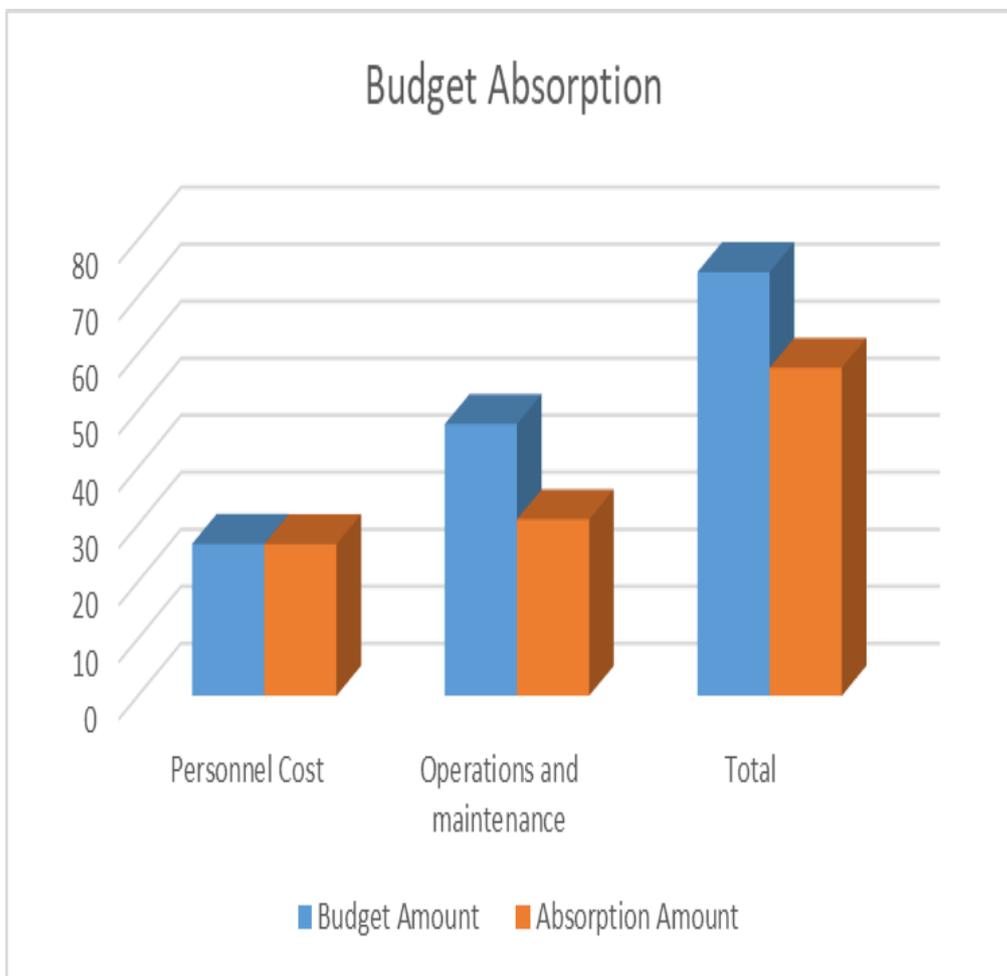


205. The operation and maintenance vote allocation was higher by 64% compared to the Personnel emoluments which had an allocation of 36%.

**Table 37: The County Public Service Board absorption level in Millions**

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	26.64	26.59	100
2	Operations and maintenance	47.65	30.92	65
	<b>Total</b>	<b>74.29</b>	<b>57.51</b>	<b>77</b>

**Graph 15: The County Public Service Board absorption analysis**



**206.** The spending on personnel vote was absorbed at 100%. This was followed by operations and Maintenance at 65%.

## 12. Office of the governor

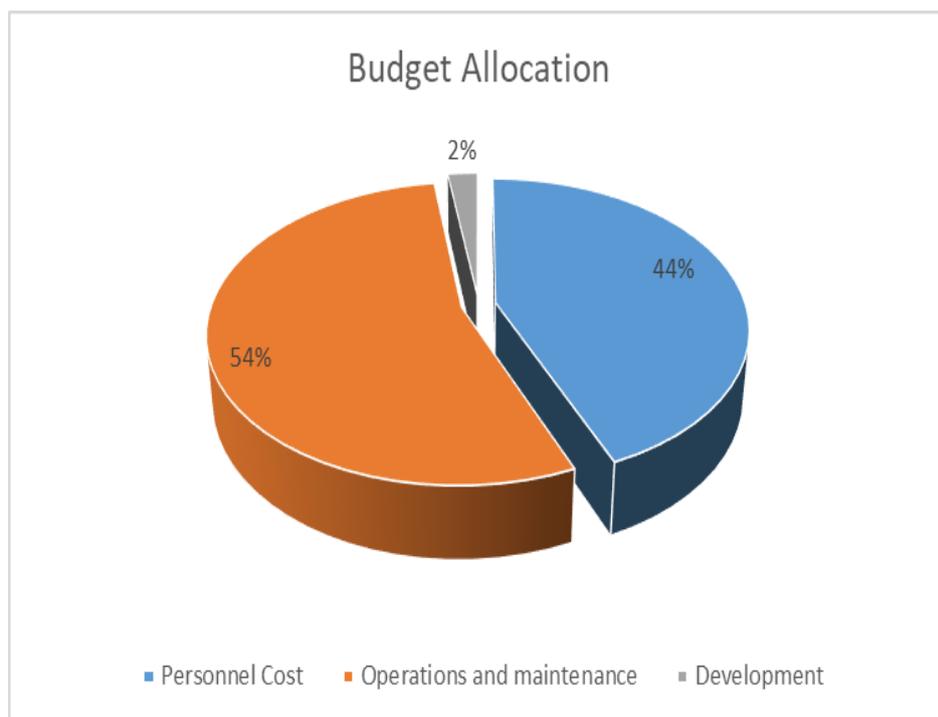
- 207.** The Governorship is comprised of the office of the Governor, Deputy Governor and County Secretary. The Governorship is mandated to spearhead policy formulation, promotion of the rule of law to enhance order, resource mobilization, coordination and supervision of effective and efficient public service delivery, response to critical community needs during disaster occurrences, publicity, branding, and public participation.
- 208.** To effectively implement its mandate, the office of the governor is segregated into four directorates namely; Public Administration, Communication, Disaster Management and Enforcement.
- 209.** The office of the governor has trained County staff on human resource management skill, performance contracting and appraisal after developing performance contracting policy and engaged the County executive committee members, chief officers, directors and other staff in signing performance and appraisal contracts for FY 2019/2020.
- 210.** The directorates of Public Administration and Enforcement involved the citizens through public participation to identify viable development projects, participate in budget formulation and enable citizens exercises their sovereignty in policy formulation, project planning and budgeting.
- 211.** The directorates of Public Administration and Enforcement effectively and efficiently coordinated and supervised public service in all administrative levels, from the County, Sub Counties, Wards and Villages.
- 212.** The disaster management directorate objective is to spread disaster personnel and equipment strategically in preparedness to respond to disaster occurrences immediately, one more modern firefighting engine is to be purchased in the current year and be stationed in Malaba town to help curb spread of fire as experienced in the past occasioned by travelling long distances from the County Headquarters. Possible outbreak of fire is attached to too many trucks that are transporting LPG and other fuel related products to the neighboring country Uganda.
- 213.** The directorate has conducted 250 fire compliance inspections for secondary schools and 300 for business premises which resulted in the issuance of 100 fire compliance certificates. The directorate has further trained health officers and electrical officers on fire management and response.

- 214.** The Directorate conducted County Disaster Management Committee meetings, flood assessment surveys, fire response drills for disaster management in Teso North, Teso South, Matayos and Bunyala in collaboration with Kenya Red Cross
- 215.** The Directorate provided relief services to communities in Budalangi living along Lake Victoria shores, to mitigate the effects of the lake's backflow, and others that experienced floods caused by heavy rains in Nambale, Teso North and Teso South sub counties. These communities were given food supplies, support to shift and settle in high areas, iron sheets, beddings and medical services.
- 216.** The directorate established three Disaster Command Centres across the County in Amagoro -Teso North which is complete and requires equipment to be operationalized, the County headquarters in Public Works Compound which is to be constructed to completion and the Funyula disaster centre which needs to be established with the aim of improving efficiency in terms of emergency responses.
- 217.** In the medium term the directorate intends to carry out the following programmes in addition; install more lightning arrestors, and purchase of emergency rescue truck and utility vehicle.
- 218.** The communication directorate has a vital role in information dissemination and publicity, creating awareness on priority programmes and projects implemented and those to be implemented as per the views of the public and stakeholders in the medium term.
- 219.** The Directorate of Communication produced a video documentary highlighting the achievements of the County Government of Busia, developed editorial policy for the directorate, production and broadcast of video documentaries, radio talk show, publishing of newspaper supplements and printing of magazines and pamphlets.
- 220.** The Enforcement directorate's main objective is to enhance compliance on County laws. The directorate trained its personnel on the rule of law so as to ensure that the public has full compliance on the County laws especially County Finance Act so as to help boost on the local revenue collection in the County.
- 221.** The Governorship experienced challenges of insufficient funds to complete construction and equipping of disaster management centres, and to reach to all people who needed mitigation/relief services after experiencing disaster misfortunes; shortage of staff especially in the Enforcement and Disaster Management.

222. The fiscal performance in 2019/2020 was generally satisfactory. The Office of the Governor was allocated Ksh. 446.0 M This constituted 4.8% of the total budget as follows;

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	194.64	44
2	Operations and maintenance	241.37	54
3	Development	10.00	2
	<b>Total</b>	<b>446.01</b>	<b>100</b>

**Chart 16: Office of the Governor Allocation analysis**



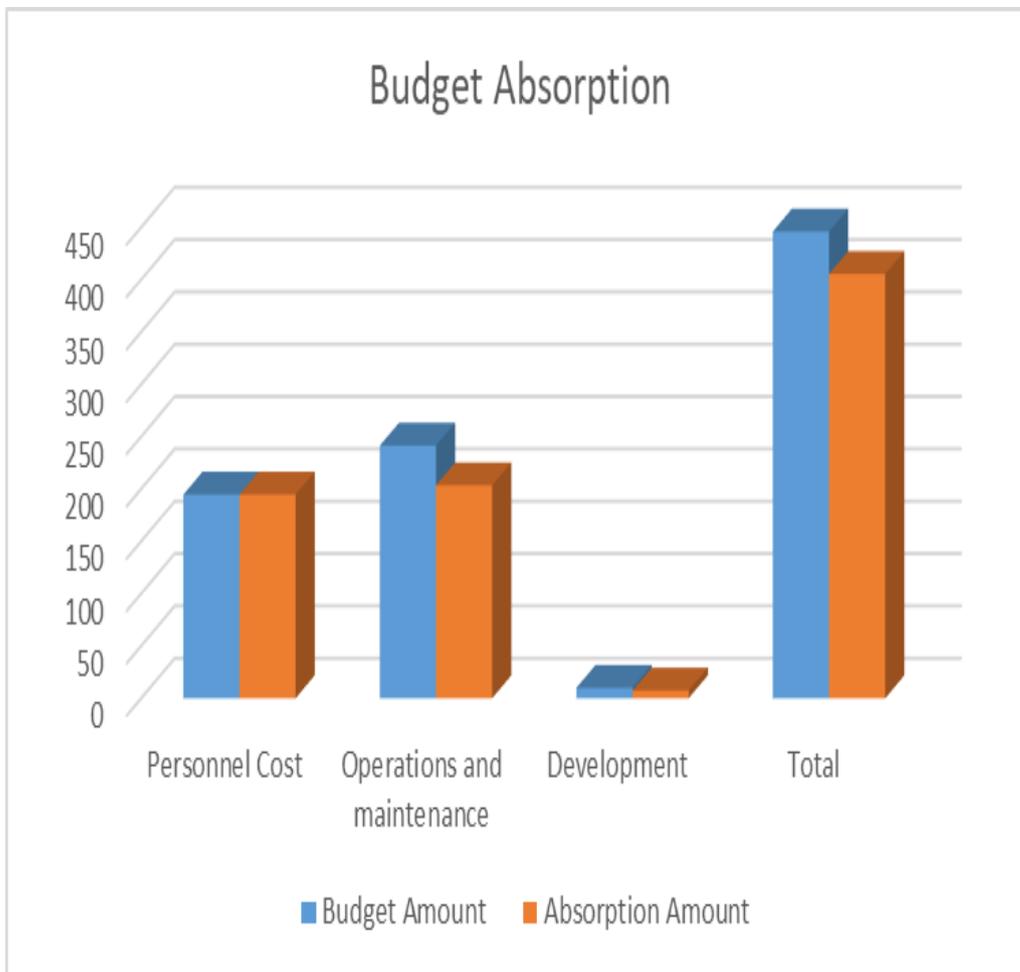
223. The office had a development allocation of 2%, operation and maintenance vote allocation was allocated 54% compared to the Personnel emoluments which had an allocation of 44%.

**Table 38: Office of the Governor Absorption level in Millions**

SNO	Description	Budget	Absorption	Percentage
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		Amount	Amount	
1	Personnel Cost	194.64	194.56	100
2	Operations and maintenance	241.37	203.36	84
3	Development	10.00	7.34	73
	<b>Total</b>	<b>446.01</b>	<b>405.26</b>	<b>91</b>

**Graph 16: Office of the Governor Absorption analysis**



**224.** The spending in Personnel Emoluments was 100%, Operations and Maintenance 84% and development was 73%.

## 12. County Assembly

- 225.** The vision of the County Assembly is to be a modern County Assembly that fulfils its constitutional mandate and effectively serves the people of Busia County. The mission is to build an effective County Assembly that is responsive to the needs of the people and that is driven by the ideals of realizing better quality of life for the people of Busia County.
- 226.** The County Assembly's core function is to develop legislation and perform oversight and representation. It is more committed to building an effective County assembly that is responsive to the needs of the people that is driven by the ideals of realizing better quality life for the people of Busia County.
- 227.** In collaboration with the Executive the County Assembly has continued to draft and pass into law various policies and legislations that has accelerated development and improved the livelihood of the people.
- 228.** During the FY: 2019/2020 the County assembly was able to fix cabros at the County Assembly Compound and completed the construction and equipping of phase IV County assembly offices. The construction of the speaker's official residence is also underway. Further the County assembly was able to undertake maintenance of the existing assembly buildings. This will enhance service delivery and streamline workflow in the County assembly.
- 229.** The County Assembly was allocated Kshs. 843.7Million. This accounted for 9.1% of the total County approved second supplementary budget. The budget allocation was distributed as follows;

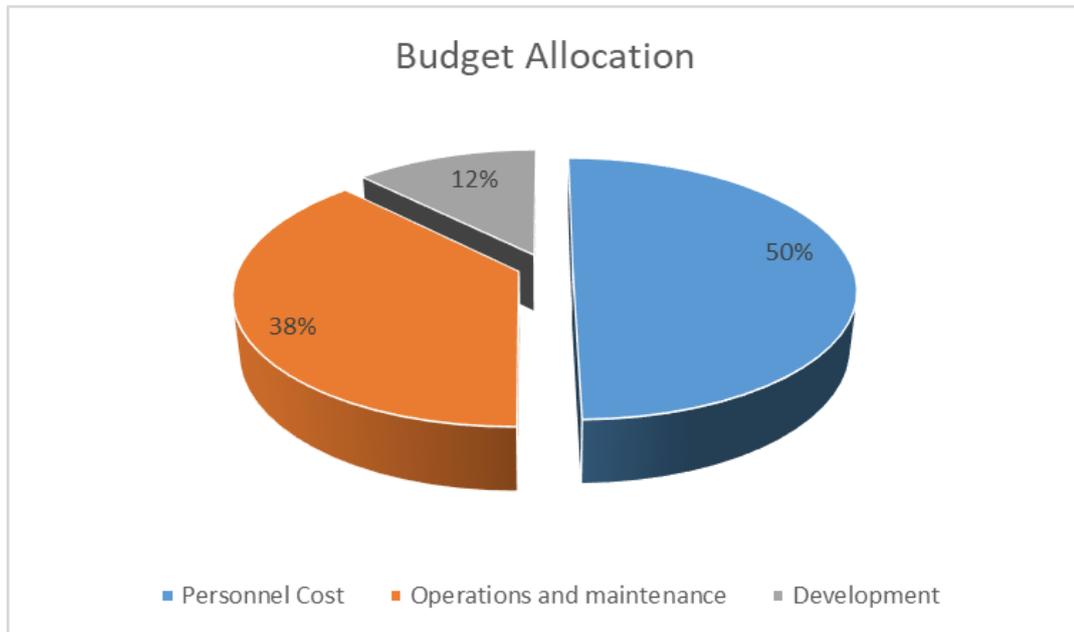
The budget allocation was distributed as follows;

**Table 39: County Assembly allocation analysis by economic classification**

SNO	Description	Amount (Mil)	Percentage
1	Personnel Cost	420.42	50
2	Operations and maintenance	318.55	38
3	Development	104.77	12

	<b>Total</b>	<b>843.74</b>	<b>100</b>
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**Chart 17: County Assembly allocation analysis**

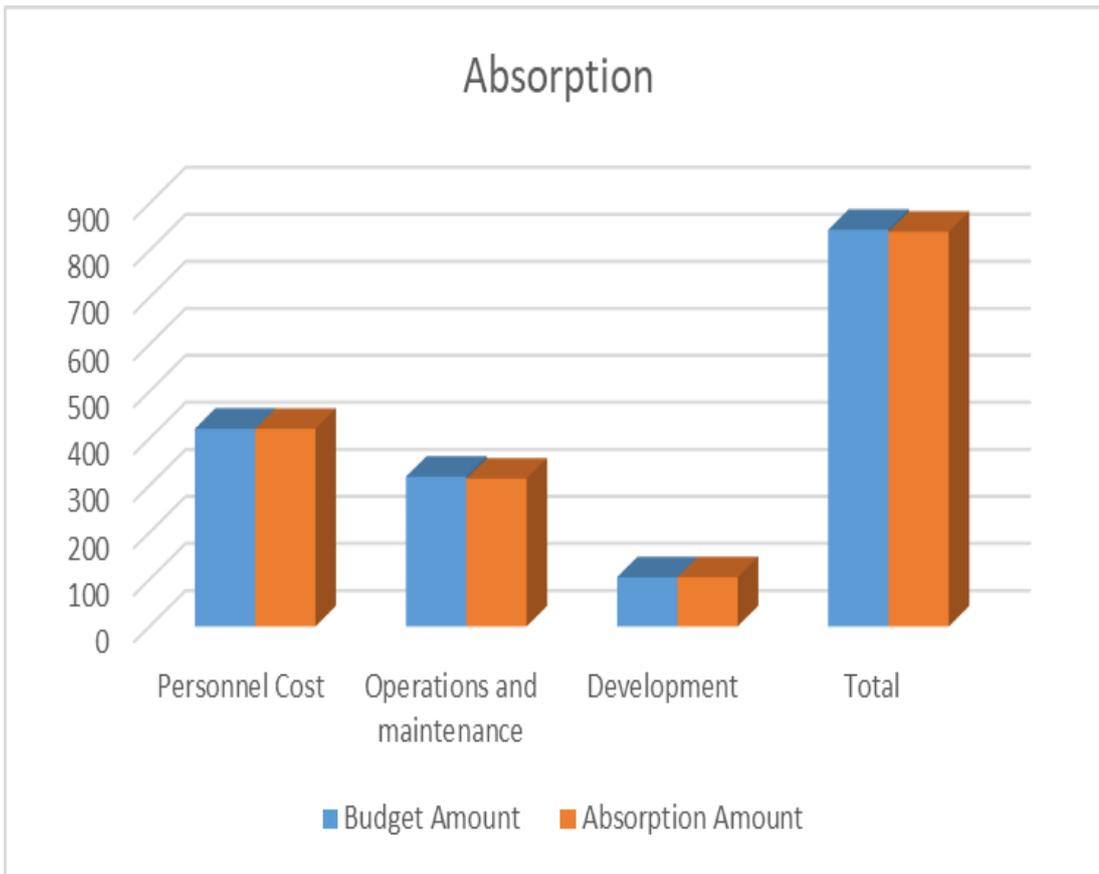


230. Personnel Emolument got the highest allocation at 50%. The Operations and Maintenance vote got 38%. Development cost allocation took the least allocation at 12%.

**Table 40: County Assembly absorption level in Millions**

SNO	Description	Budget Amount	Absorption Amount	Percentage
1	Personnel Cost	420.42	420.22	100
2	Operations and maintenance	318.55	314.22	99
3	Development	104.77	104.74	100
	<b>Total</b>	<b>843.74</b>	<b>839.18</b>	<b>99</b>

**Graph 17: County Assembly absorption analysis**



**231.** Operations and Maintenance absorption was at 99%. However, the County Assembly utilized only 100% of their development funds. Personnel cost was at absorption rate of 100%.

## Annex 1: Proposed Departmental Ceilings in Millions

FY 2020/2021					FY 2021/2022				FY 2022/2023			
Department	EC	O&M	DEV	Total	EC	O&M	DEV	Total	EC	O&M	DEV	Total
Agriculture and Animal Resources	188.80	25.57	880.12	1094.49	207.68	28.12	968.13	1,203.94	228.45	30.94	1064.95	1,324.33
Trade, Cooperatives and Investments	36.15	13.71	164.28	214.15	39.77	15.08	180.71	235.56	43.74	16.59	198.78	259.12
Education and Vocational Training	299.24	126.37	231.77	657.38	329.16	139.01	254.95	723.12	362.08	152.91	280.44	795.43
Finance and Economic Planning	400.76	449.36	64.35	914.47	440.84	494.30	70.79	1,005.92	484.92	543.73	77.86	1,106.51
Community, Culture Sports and Social Services	35.07	15.47	67.25	117.80	38.58	17.02	73.98	129.58	42.44	18.72	81.37	142.53
Roads, Public Works, Energy and Transport	69.50	26.19	1192.70	1288.40	76.45	28.81	1,311.97	1,417.24	84.10	31.69	1443.17	1,558.96
Public Service Mgt	32.49	273.05	0.00	305.54	35.74	300.36	0.00	336.10	39.31	330.39	0.00	369.71
Lands, Housing and Urban Development	33.89	77.95	122.13	233.98	37.28	85.75	134.35	257.38	41.01	94.33	147.78	283.12
Water Environment and Natural Resources	65.25	35.82	671.58	772.66	71.78	39.41	738.74	849.92	78.96	43.35	812.61	934.92
Health and Sanitation	1,404.06	417.41	649.58	2471.05	1,544.46	459.15	714.54	2,718.16	1,698.91	505.07	786.00	2,989.98
County Public Service Board	36.64	28.52	0.00	65.15	40.30	31.37	0.00	71.67	44.33	34.51	0.00	78.84
The Governorship	200.79	174.61	77.10	452.50	220.87	192.08	84.81	497.75	242.96	211.28	93.29	547.53
The County Assembly	431.32	307.65	66.00	804.97	474.45	338.42	72.60	885.47	521.90	372.26	79.86	974.02

<b>TOTALS</b>	<b>3,233.97</b>	<b>1,971.71</b>	<b>4,186.87</b>	<b>9,392.55</b>	<b>3,557.4</b>	<b>2,168.9</b>	<b>4,605.6</b>	<b>10,331.80</b>	<b>3,913.1</b>	<b>2,385.8</b>	<b>5,066.12</b>	<b>11,364.99</b>
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